Agricultural cooperatives have long played an important role in helping their members manage risk. Yet the typical cooperative (co-op) does a much better job of helping its members manage some sorts of risk than it does others. In particular, co-ops are good at helping members manage marketing risk, or idiosyncratic variation in prices observed within the course of a single season. However, agricultural cooperatives seem not to be particularly good at helping their members to manage production risk, which involves variation in yield over the course of several years. This paper argues that by taking advantage of the multi-year nature of most members' relationship with the cooperative, the cooperative can also provide a useful (though limited) form of insurance against crop shortfalls.