

Penn Dairies Executive Raises Question

Are Milk Prices Too High?

(Continued from Page 17)

cerely, however, that consumption in the Northeast is being adversely affected by the present high levels

"We must recognize that many national organizations, and not necessarily ones in the dairy business, are spending heavy sums of money to develop synthetic or substitute dairy products

"To my knowledge, the synthesis of protein has not yet been satisfactorily accomplished. However, I am led to believe that at least several firms feel that they are now on the threshold for complete success. What this will do to the present dairy structure eventually is anybody's guess

"Butterfat is now in the doldrums. If protein synthesis is successful, the solids-not-fat protein of milk may well face unparalleled competition — even at present price levels

Price Competition

"Non competitive pricing quickly removes demand for a product. Take the case of bakers and nonfat powder

Most of the bakers in the country now are using blends which include soybean, etc in combination with nonfat dry milk. The large baking market for nonfat powder may be gone forever

But, according to Nixon the pressures from high (milk) prices are starting to show signs of "recession." These signs he said, include a court test of present Class I milk prices and producers under Federal Order 4, and a



A. J. Nixon

push by three large New York cooperatives for a hearing to lower Class II prices under New York Order 2

Nixon said there is "now a large disparity between the federal and state prices in many parts of the Commonwealth. This disparity has gone on too long and is too big. Correction is sorely needed

PMHB Meets

At another point, he noted "Next week the Pennsylvania Milk Marketing Board will hold a state-wide hearing to consider reducing the number of marketing areas in which it currently

fixes minimum producer and minimum resale prices

"Currently there are 13 areas. The hearing proposal calls for six or seven areas

"One would expect that as a result of this hearing, Pennsylvania authorities will begin to align better state established Class I prices with those under federal, since more than 70 percent of the milk in the Commonwealth is now protected by federal order"

Nixon also termed "a grave mistake" the use of the Minnesota-Wisconsin manufacturing price series as a basic price in the Northeast for Class I milk

"Looking over the horizon," the Penn Dairies official said, "I see several new directions. Fluid milk, in spite of some medical findings to the contrary, is still a very wholesome food, and in my opinion will so continue to be accepted for a long time provided it isn't priced out of the market

"We do have a slimness fad in the country at this time and butterfat is not a desirable food for many people. We have a very

serious butterfat problem accordingly.

"This fad will continue for some years, and with it, our fluid milk consumption will continue favorably on a per capita basis." (Continued on Page 19)



See or call your nearest PIONEER salesman



Swing into Spring



with a powerful new REMINGTON PL5 chainsaw

\$214.95

NOW, for March and April ONLY

\$35 off

lowest price ever on the professional PL-5 \$179


GEHMAN BROS.

SALES & SERVICE

Phone 445-6272

1 Mi N of Terre Hill on Rt 897 East Earl R. D. 1

THE PROGRAMMED HOG



Red Rose SWINE FEEDS

Red Rose Programmed Hog Feeding produces healthy, lean hogs going to market consistently at 200 pounds . . . in less than 160 days . . . at the lowest feed cost.

The combination of Red Rose swine feeds and this scientifically developed Programmed Hog can earn more money for you!

WANT TO KNOW HOW IT'S DONE? To get the details — stop to see us or phone us — and we will explain the Programmed Hog, the Red Rose feeds to use, and the way we can help you to some better profits from raising your hogs

BE SURE TO ASK US FOR THE RED ROSE PROGRAMMED HOG STARTER KIT. It contains a booklet on nutrition and swine management, feeding charts, record sheets, and pen tags that will prove very useful

Walter Binkley & Son Lititz	E. Musser Heisey & Son R. D. #2, Mt Joy, Pa	Ammon E. Shelly Lititz
Brown & Rea, Inc. Atglen	Heistand Bros. Elizabethtown	E. P. Spotts, Inc. Honey Brook
Elverson Supply Co. Elverson	Red Rose Farm Service, Inc. N. Church St., Quarryville	H. M. Stauffer & Sons, Inc. Witmer
Henry E. Garber R D 1, Elizabethtown, Pa.	Musser Farms, Inc. Columbia	David B. Hurst Bowmansville
L. T. Geib Estate Manheim	Musser's Mill The Buck	G. R. Mitchell, Inc. Refton, Pa.
I. B. Graybill & Son Shasburg	Chas. E. Sauder & Sons Terre Hill	Mountville Feed Service Mountville