

Butz: 'milk reasonably priced'

WASHINGTON, D.C. — "Food prices are reasonable. Milk is reasonably priced. And to maintain reasonable price levels, farmers must be able to continue to produce." That was the message of Secretary of Agriculture Earl L. Butz as he addressed the Board of Directors of the National Milk Producers Federation in Washington, DC earlier this month.

Among the directors attending were Lester C. Jones, president; Daniel L. Martin, vice president; and Dr. James E. Honan, general manager of Interstate Milk Producers' Cooperative, Southampton, PA. The 3,000-member dairy cooperative is one of the oldest members of NMPF. Reviewing the problems of inflation throughout the economy, the Secretary

stated, "Inflation hurts the farmer more than anyone else." He noted the dairy farmer, as any other small businessman or farmer, is in business to make money. His continued ability to provide an adequate supply of wholesome milk and dairy products for the consumer across the country depends on his realizing a fair return for his effort. Declining milk production

in recent months, coupled with rising production costs makes some increase in the price of milk and dairy products inevitable during the fall and winter months ahead.

Farmers — as the largest consumers of a wide variety of commodities such as steel, chemicals and feed — are fully aware of the pressures

of increasing costs and thus understand consumer concern. Inflation has caused increases in energy costs, feed prices have risen, fertilizers cost more, processing, packaging and distribution costs are up and labor costs have increased.

All of these factors have greatly increased the cost of producing milk on the farms across the country and of moving that milk from the farmer to the consumer.

One of the most visible responses to these costs increases has been a decline in milk production, a reduction in the number of dairy cows on farms and a drop in milk production per cow as farmers attempt to control their own costs. This has resulted in a shifting of the supply-demand balance within the dairy industry, making some price increase necessary in order to sustain production.

In recent weeks, the prices for dairy products have firmed, and fluid milk prices can be expected to follow shortly. While farm prices may decline seasonally when

production expands after the first of the year, the retail price level for milk and dairy products could well remain at the same levels in response to higher costs of processing, packaging and distribution.

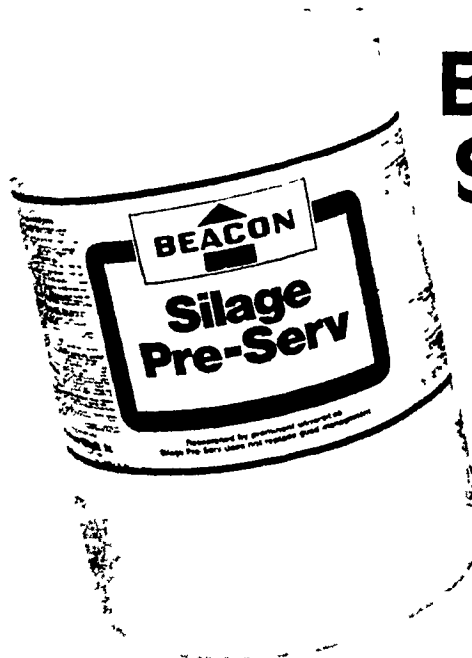
During the Federation sessions, it was pointed out that a moderate price increase in the weeks ahead could help to maintain milk production, relieving pressure for larger price increases later in the year as supplies would normally grow even shorter.



O LORD, thou hast brought up my soul from the grave; thou hast kept me alive, that I should not go down to the pit.

Sing unto the LORD' O ye saints of his, and give thanks at the remembrance of his holiness.

Psalms 30: 3-4



Beacon Silage Pre-Serv* used on your corn silage will pay for itself three times over. And that's not all!

Beacon Silage Pre-Serv is convenient.

You can harvest and treat corn silage at 60-65% moisture. Apply it wet or dry, with an applicator, or just sprinkled over each load.

You save labor because there's less lumping and bridging in the silo.

It's economical.

A ton of silage requires only 1/2 pound of dry Pre-Serv, or 1 pound of liquid Pre-Serv.

It's profitable!

Pre-Serv prevents heat build-up, controls oxidation, and greatly reduces spoilage and shrinkage.

You'll get up to 30% more feeding value—essential protein, carbohydrates and vitamins per ton.



Provides more nutrients per ton of corn silage.

*Trademark of Kemin Industries Inc

McCRACKEN'S FEED MILL, INC.
Manheim, PA

THARPE & GREEN MILL
Churchville, MD

H. M. STAUFFER & SONS, INC.
Witmer, PA

DAVID C. FINK
Slatington, PA

VAN-MAR FEEDS
Leesport, PA

CLARK DAIRY SUPPLY
Rising Sun, Md

W. L. MUMMERT CO.
Hanover, PA

EARL SAUDER, INC.
New Holland, PA

H. JACOB HOOBER
Intercourse, PA

GEORGE UNDERWOOD
Northeast, Md

R. E. RUDISILL
Phone 717-854-2281

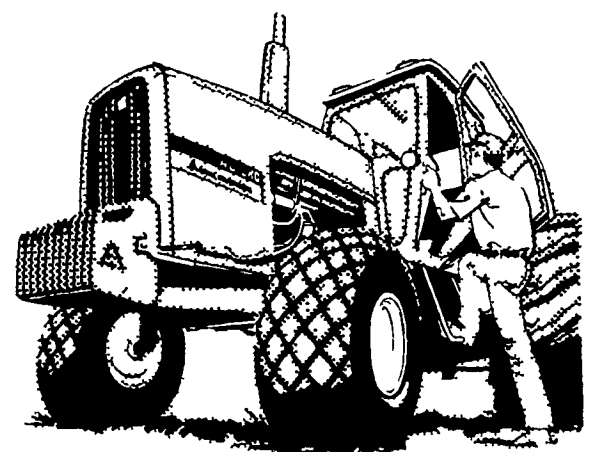
BEACON REPS.
RICHARD B. KENDIG
Phone 302 478-3058

CHESTER WEIST
Phone 717-741-2600



Beacon Feeds York, PA — Phone 717-843-9033

Put your money on the horses!



The 180 horses of our most powerful 2-wheel-drive farm tractor ... our new 7080.+

Featuring our exclusive Power Director® Transmission with twenty forward speeds. A twenty-four month warranty on basic power train components. Quiet, comfortable cab. And more. Ask your Allis-Chalmers dealer for a test drive.

+Manufacturer's maximum observed PTO horsepower at rated engine speed.



C. J. Wonsidler Bros.
RD#1 Quakertown PA 18951
Phone 215-536-1935
215-536-7523

Roy H. Buch, Inc.
Ephrata, R.D.2
717-859-2441

L. H. Brubaker
Lancaster, PA
717-397 5179

Grumelli Farm Service
Quarryville, PA
717-786-7318

A. J. Noss & Son
RD#2, Oley, PA
215 987 6257

BHM Farm Equipment, Inc.
Annville, R D 1, PA
717-867-2211