

# The missing \$1.60

"Farm-retail price spreads" may sound like gobbledygook to you, but they do exist and your grocery bill reflects them.

For example, if you bought a T-bone steak at \$2.00 a pound, a large part of what you paid falls between the farmer and your shopping bag. The farmer received only about 40 cents a pound for that steer from whence your T-bone came.

Why the gap? That's where farm-retail price spreads come into the picture. There are a lot of costs involved in transforming the animal on the hoof into steaks and other cuts in your supermarket.

Your T-bone starts out as part of a live animal—usually about a 1,000-pound steer. When the farmer sells the steer, let's say he gets 40 cents a pound or \$400.

Then the animal goes to the packer and is dressed out to a 620-pound carcass. Not including any value added by the packer's services, the carcass is now worth 64.5 cents a pound.

The carcass must be cut and packaged for retailing, however. By the time some bone and fat are removed and some moisture and meat are lost during the process, only about 440 pounds of salable meat are left. This meat now has a value of about 91 cents a pound.

Processing, transportation, and marketing costs also have to be figured. Add to that 91 cents per pound about 8 cents for slaughtering; 4 cents for transportation from slaughter house to retail store; another 21 cents for labor to cut the carcass into retail cuts and package it for sale; about 5 cents for packaging material; and about 2 cents for advertising.

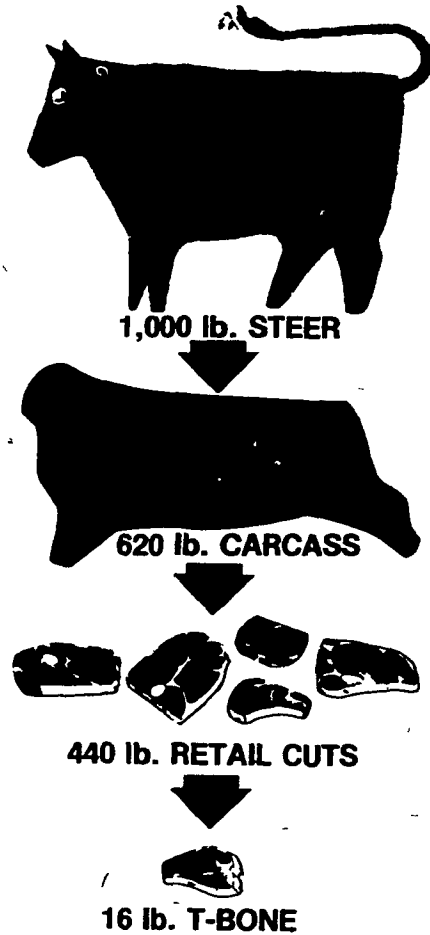
Add on a little profit for each of the firms along the line and you come up with a figure of about \$1.40 a pound for the 440 pounds of usable meat.

But how did that T-bone get up to \$2.00 a pound?

Well, that steer we started with produced a mere 16 pounds of T-bone steak in the first place. The other 424 pounds of meat were mostly cuts that sell at lower prices than T-bone. Chuck steaks and roasts, ground beef, shanks, short ribs, and stew meat are good examples.

If you average out all the hamburger at, let's say 84 cents a pound, the T-bone at \$2.00 a pound, and all other cuts at various prices, you come out with \$1.40 per pound.

That's why the price the farmer receives per pound of live animal is so far from the price the consumer pays for meat in the supermarket. But then again, the conveniently packaged, ready-to-cook cuts of meat you buy in the supermarket are a far cry from that 1,000-pound live animal.



## Greater output needed

"What's needed is not a larger public sector in this country, but more private capital investment. More productive capacity in our nation's businesses, factories and farms to match our growing society. More capital investment in new machinery and new equipment. More private investment, rather than more government doles. We've been investing in larger government, rather than in new manufacturing plants and equipment in recent years. We've produced and consumed too much for today, and not enough for tomorrow. Big government often not only saps the economic strength of our country, it does something even worse. It saps our strength as individuals. It reduces incentive and blunts our desire to care for ourselves. . . . The cost of big government can be higher than we sometimes think."

—Earl L. Butz  
Secretary of Agriculture

### Natural Wonders

A witchweed plant, can produce 500,000 seeds in a single growing season. The average American dairy cow produced 4,784 quarts of milk in 1974, compared with 1,500 quarts per cow 150 years ago. The world's spiders—averaging at least 50,000 per acre in green areas—annually destroy a hundred times their number in insects.

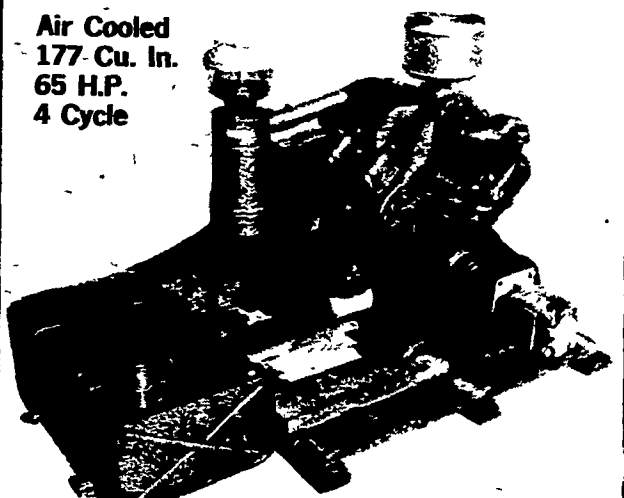
## Ag-safety Tip

The simple "A,B,C's" of the farm, are Alertness, Balance and Care. Preventing falls, the leading cause of disabling injuries on

### WISCONSIN ENGINES

## MODEL V465D WITH HYDRAULIC PUMP

**Air Cooled  
177 Cu. In.  
65 H.P.  
4 Cycle**



**COMPLETE WITH**

- Starter
- Alternator 35 Amp
- Wiring
- Fuel Pump
- Electrical System 12 volt
- All Gauges
- Oil & Fuel Filters
- Hi-Temp Safety Switch
- Muffler
- Air Cleaner
- Full Pressure Lubrication
- 15 Gallon Fuel Tank
- Carburetor
- Spark Plugs

"Commercial Shearing" Sgl unit hydraulic pump mdl P30A with adapter & adptr clutch. Rotation: CW - Pump produces 39 GPM at 2400 RPM & 2000 PSI.

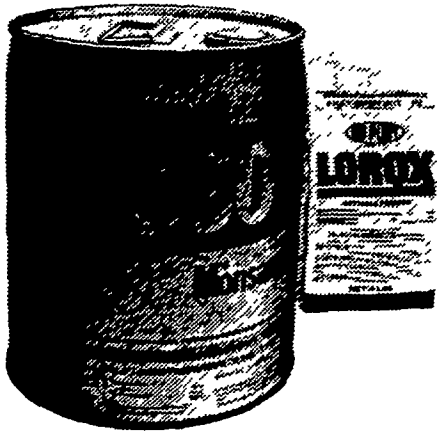
**SPECIAL \$1550.00**

Authorized Service Center  
**FISHER ENGINE SERVICE**  
**AMOS L. FISHER**

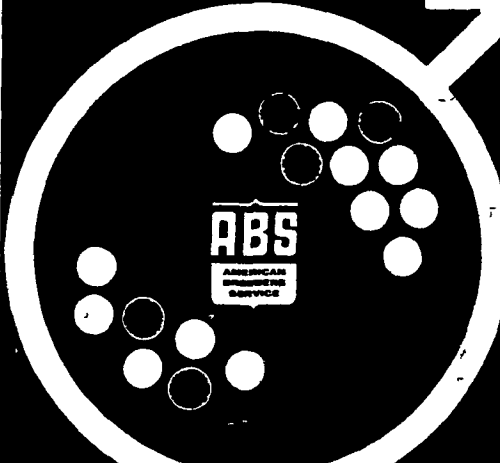
R.D.1, Box 108Bird-in-Hand, PA

# Control many grasses and broadleaves in soybeans.

A Lasso plus Lorox tank mix will control foxtails, crabgrass, fall panicum, pigweed, ragweed, smartweed and many more. Proven on thousands of acres by thousands of farmers.



Lasso® Herbicide  
Lasso is a registered trademark of Monsanto Company  
Lorox is a trademark of E.I. duPont de Nemours and Company  
Always read and follow label directions



## Genetic Trait Summary

The Industry's First Herdmate Comparison For Type

**THE GENETIC TRAIT SUMMARY**

Since its introduction in late 1975, the ABS Genetic Trait Summary (GTS) has become the most innovative development in type appraisal for dairy cattle.

GTS provides an accurate, unbiased evaluation for the type-transmitting pattern of a sire concerning those traits of interest to dairymen. It utilizes the herdmate comparison method just like the USDA Sire Summaries.

Contained in the Genetic Trait Summary booklet is information on several hundred Holstein bulls on 12 primary and 5 supplemental type traits. ABS believes that sires need to be selected to improve specific weaknesses of individual cows and that you, the dairyman, should determine which traits you want to improve the most.

**THESE TRAITS INCLUDE.**

Fore Udder Strength	Stature	Disposition
Height of Rear Udder	Sharpness	Milking Speed
Width of Rear Udder	Strength and Capacity	Teat Shape
Center Support	Width of Rump	Loin Strength
Udder Quality	Pelvic Angle	Feet and Pasterns
Teat Placement	Rear Leg Set	

**\*VOLUME II NOW AVAILABLE**

Volume II, No. 1 of the Genetic Trait Summary, containing the new February, 1976 USDA proofs, is now available. Widespread demand by world dairymen and dairy industry leaders was so great that the 10,000 original copies of Volume I sold out in four months. Don't delay! Order your ABS Genetic Trait Summary today.

Copies are available at \$3.00 each from your ABS Genetic Engineer or from American Breeders Service, DeForest, Wisconsin 53532. Fill out the coupon and mail today for your personal copy of the Genetic Trait Summary.

**FOR YOUR COPY OF G.T.S. CALL:**

Bangor, PA	Eric Heinsohn	215-588-4704
Denver, PA	Darvin Yoder	215-267-3423
Holtwood, PA	Paul Herr	717-284-4592
Landisville, PA	James Charles	717-898-8694
Milton, PA	Marlin Bingaman	1-800-322-8550
Muncy, PA	Ronald Vandine	1-800-322-8550
Port Murray, NJ	Robert Kayhart	201-689-2605
Reading, PA	Robert Greider	215-374-7798
Richland, PA	Paul Marlin	717-866-4228
Stewartstown, PA	Marvin Joines	717-993-2281
Thomasville, PA	Ira Boyer	717-225-3758
West Grove, PA	Maurice Stump	215-869-9187