Farm strike has minimal effect on dealers

By JOYCE BUPP Staff correspondent

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YORK - Is the farmers' strike affecting area farm equipment dealers? Yes and no, but problems aren't necessarily being blamed on the strike.

"We have been affected," indicated George Smeltzer, who manages Neuhauses. Inc. of Loganville. "Farmers just aren't buying as much," he explained, adding that he felt the late Fall weather conditions, in conjunction with current low grain and livestock prices. may be a large part of the problem.

"I think a lot of it is due to he whole agriculture situation," êconomic Smeltzer said. "We could see it coming in early Summer already.

One of the targets of the current farm strike has been to stop purchases of machinery. Rapidly climbing costs of equipment have aggravated farmers, who hope to pressure Washington lawmakers through political clout wielded by large farm equipment manufacturing corporation.s

Most dealers contacted by Lancaster Farming agreed that the rising demands of organized labor is a prime factor behind machinery price increases. Another key reason is increased raw materials costs; and one dealership owner felt that the fast rising rates on all kinds of energy deserve a share of the blame.

Austin Strausbaugh, of Gus' Farm Equipment in Seven Valleys, agreed that sales of new machinery have been off, and worsening somewhat since the onset of the farm strike. He doesn't expect to see any machinery price declines, although companies are coming up with a variety of buying incentives, such as interestfree delayed payment periods and cash and tradein rebates.

"I've never seen the cost of a complete machine come. down; but I do remember when parts have been lowered in price,' Strausbaugh recalled. "The company lowered parts prices after the price freeze was lifted the other year. They told us parts prices had been jumped because they were afraid they were going to be frozen at a level where they couldn't meet production costs."

Although he prefers not to work under governmentally controlled prices, Strausbaugh indicated that one of the "best" times he could remember was during the presidentially-imposed controls period, when farmers and dealers could figure on the cost of a certain item from one week to the next.

A spokesman for Airville Farm Service in Airville did not feel that the strike had affected their business in any way. However, inventory has been increasing with both new and used equipment sales falling off. Blaming the situation on the

going up, he felt that dealers need to be selling more machinery, while farmers must have higher prices to enable them to buy it.

Lancaster County equipment businesses contacted have not seen the strike affecting them in any way thus far.

"Farmers in our area haven't suffered quite as bad from the drought," figured Tom Yohe, sales manager at C.B. Hoober and Son of Intercourse. Like others, he cited labor and materials as the main villains in the cost increases.

"Business is only as bad or as good as you think it is," added Yohe. "It has definitely become much more competitive."

Customers are talking about the strike while visiting the dealership of M. M. Weaver and Sons of Leola, but that's as far as the subject has gotten yet, according to Ervin Weaver, manager.

"There's been no change in business. Our customers are quite diversified and most people just aren't going along with it," he noted. "There are a lot of incentives on buying new machinery now, and good late model tractors are always in demand."

Emerging now onto the farm machinery picture are growing numbers of imported tractors. As domestically-producted tractors continue to increase in price, dealers expect to see more of the overseas

general trend of all costs dicated that Deere and Company has a large installation in Germany where utility tractors are being made. The White tractor company also has two models being produced in Italy by the Fiat cor-poration, while all White and Massey-Ferguson combines are being manufactured in Candada, said another representative. Prices are competitive and workmanship is reported to be excellent.

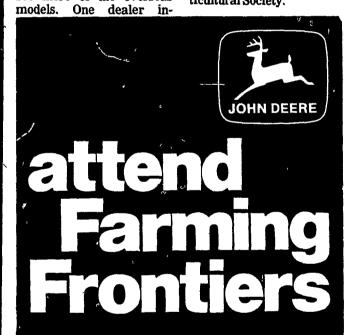
"Farmers should have struck against George Meany when he interfered with grain shipments a few years ago," is one dealer's analysis of the current farm strike. Then maybe they'd be getting a decent price for their products."

Fruit winners named

HARRISBURG - The Franklin County Hor-ticultural Society won the Gabriel Heister Award for the best collective exhibit in fruit classes at the 62nd Farm Show. The Franklin County Society has been a consistent winner at previous Farm Shows.

The State Horticultural Association Award for the best bushel of apples was won by Hausman Fruit Farm, of RD #2, Coopersburg, Lehigh County.

The best county exhibit of apples also was shown by the Franklin County Horticultural Society.







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