

# Lancaster Farming

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## Lehigh members vote to dissolve, form new co-op

BY VIVIAN PAUL  
Staff Correspondent

LANCASTER — Common stockholders of Lehigh Valley Cooperative Farmers voted overwhelmingly last week to dissolve the 47-year old organization and sell its assets to a new company, Atlantic Processing, Inc.

The vote — 455 in favor and 32 against — had been expected by the management and board of the dairy.

At their annual meeting at the Host Farm resort, dairy farmers also heard details on the formation of a new agricultural cooperative which they will be asked to join. It will be known as Lehigh Valley Farmers.

Both moves had been recommended as a solution to Lehigh's long standing financial problems which include long term bank debt and a preferred stock issue valued at nearly \$12 million, but long considered worthless.

The vote to dissolve was the highlight of a meeting that included a report on the previous year's activities at the dairy.

The organization had profits of \$669,800 on sales of \$144.5 million, compared to profits of \$335,636 on sales of \$118.1 million for the same period a year earlier. The earnings were the highest in the last five years.

The dairy processed 853 million pounds of milk last year, an increase of 72 million over the previous year.

Despite the growth, current shipper-members who are holders of common stock, voted for the sale which will transfer all the assets and liabilities to Atlantic Processing, Inc. This includes \$20 million in long and short term debt owned to the Baltimore Bank for Cooperatives.

The new cooperative, Lehigh Valley Farms, will be strictly a bargaining unit. It will own no plants, property or equipment.

It will contract to sell all of its members' milk to Atlantic Processing.

Money for the purchase of Lehigh Valley Cooperative

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Welcome to Lancaster County is given by Marion Brenneman, left, R1 Mount Joy, hostess for PFA Women's Committee Farm-City Festival, to, from the left, Trish Hollowell, wife of secretary of agriculture; Ginny Thornburgh, wife of governor;

and Mrs. Nellie Crawford, Juniata County, committee chairman. For stories on festival and Country Kitchen tour luncheon, turn to pages A28 and A30.

## Dairyalea told to show why PMMB shouldn't revoke license

BY CURT HARLER  
HARRISBURG — The Pennsylvania Milk Marketing Board has told Dairyalea Cooperative to show reason why the Board

should not suspend or revoke its license to sell milk in Pennsylvania.

The PMMB citation alleges violation of the state milk marketing law in connection with Dairyalea's agreement with A&P to sell processing and packaging of milk from Dairyalea's Scranton plant.

According to PMMB Executive Secretary Earl Fink, an informal hearing will be held on the matter May 15.

Unless Dairyalea pleads guilty to the charges, which is unlikely, a date will be set for a formal hearing. The formal hearing is likely to take place within 15 to 30 days of the May 15 hearing.

PMMB routinely issues

such notices to show cause to parties alleged to be in violation of the state Milk Marketing Law.

Dairyalea is charged with violation of Section 807 of the Milk Marketing Law.

That section makes it illegal to sell a product or

service below the cost of production.

Specifically, Dairyalea is charged with selling services from its Scranton plant to A&P under cost.

Should Dairyalea plead guilty on May 15 or be found

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## Goats no longer qualify as dairy animals Lancaster protests Princess rule

BY PAT KAUFFMAN

LITITZ — A new wrinkle has been added to the Dairy Princess Pageant rules this year, and the Lancaster County committee has been the first to protest.

For the first year, official rules disqualify any Dairy Princess applicant who owns goats, not cows. The rules read, "the contestant must be the owner of more than one dairy animal prior to May 1, 1980. (Dairy goats do not qualify.)" Why would

such a delineation be made?

Robert Morris, director of special programs for PA Holstein Association and a member of the state committee explains. "In past years, girls who owned dairy goats were entering pageants on a local level, and cow farmers were calling in to complain. They did not want to take the chance of having someone who did not own cows win the pageant."

The pageant Morris stated, is part of the milk

promotion campaign, and funds for it are provided by Atlantic Dairy Association from funds received by them and other organizations through the milk checkoff fund. Morris stated that the reason the committee chose to clarify the rules this year was two fold. First, both Maryland and New York have similar restrictions, and second, dairy goat raisers do not participate in the milk checkoff system which largely provides the funds for the pageant.

While daughters of milk juggers who are not required to participate in the milk checkoff system are eligible to participate, Morris states that many juggers contribute voluntarily. In addition, he stated, they do advertise for dairy products, even if it is only promoting their own line of dairy goods at their store.

However, any girl who owns two dairy animals qualifies, and that would include confirmed Morris, any girl who owned two non-lactating heifers as 4-H projects. She too would

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## Apple referendum passes by 20 votes

HARRISBURG — The question of whether to continue or discontinue the Pennsylvania Apple Marketing Board was decided by 20 votes in a recent referendum.

Apple growers voted between April 11 and April 24 to keep AMB. When the ballots were tallied on April 25, the needed two-thirds in favor of the referendum held

a slim margin of 20 'yes' votes.

Paul Pitzer, Biglerville, Adams County; Stanley Brown, Loganville, York County; and Joseph Strite, Harrisburg, Dauphin County, served on the teller committee for the referendum. They counted 178 votes in favor of the AMB and 59 against, according to

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## Truck limits may kill market for 400 northeast dairymen

WALLINGTON, N.J. — On Monday David Goldman paid separate fines of \$1600 and \$600 on two of the milk trucks hauling to his Farmland Dairy plant in Wallington, N.J.

That's peanuts compared to the \$60,000 the Farmland owner shelled out in fines last year and the \$20,000 he had paid since January 1, 1980.

The constant payout of fines may close the door on a milk outlet for 400 northeastern Pennsylvania dairymen.

The problem is that Pennsylvania has a weight limit of 73,280 pounds on trucks. But federal uniform regulations have raised gross weight limits to 80,000 pounds.

Farmland buys milk in New Jersey, New York, and Pennsylvania.

As Goldman's trucks come across federal highways, like I-80 and I-84 in northeastern Pennsylvania, state troopers weigh them and fine them for overweight. New York and New Jersey allow an 80,000 pound

maximum gross weight.

The result may be that Farmland will drop 400 shippers in Pennsylvania, Goldman said Thursday.

"One morning I'll wake up madder than hell about the whole situation and it'll be all over," Goldman said.

There are between 700 and 800 Pennsylvanians shipping to Farmland Dairy. About half of their milk goes to processing plants in Pennsylvania. The rest goes to the Wallington plant which

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