

The Dairy Business

By Newton Bair

WARNING SIGNALS What's ahead for the dairy business?

All kinds of omens, signs and signals are oozing out of the woodwork. Some are good, some not so good — it all depends on the mood you're in when you see them. Anyway, the signs we are seeing raise some pretty serious questions that every thinking dairyman should try to answer.

I don't have the answers, but will try to point out some areas of concern.

First, let's look at expansion. Milk production is actually expanding faster than milk consumption. The surplus that must result and is, in fact, building up right

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now must either and a home somewhere else or be purchased and stored by Uncle Sam. Will the Commodity Credit Corporation be willing and able to maintain the purchases of powder, cheese and butter that our American consumers can't, or won't, buy and consume? Of course, the laws are still on the books requiring the CCC to maintain the support prices but what are the limits? Do we want to produce milk products too far in excess of our U.S. consumer's market? Can we expect to sell our surplus on the World Market?

A little sidelight on this is the thought of whether our Third World neighbors can afford to buy or have the appetite to consume our surplus dairy products. Many of our Vietnamese, Cambodian and Cuban refugees need the excellent nutritious food that can be supplied by dairy products. But, they are not accustomed to eating them or even drinking fluid milk. They have to be "trained" to drink milk and eat cheese! The same can be said of

many citizens of the poorer, developing countries.

Our total milk production on an average daily basis so far this year is nearly three percent higher than last year. The production increase is due to relatively large increases in output per cow. The decline in cow numbers has also been slowing down. Combine these efforts with the decline in consumption, and it adds up to milk surplus which CCC must buy and cope with.

While the support price for milk is now \$12.07, let's not lose sight of the fact that consumer groups such as the CNI are beginning to seriously lobby against government support of the dairy industry. Without

Enos N Zımmerman

Arnold Acres

Ivan M Weiler

Donald G Hoffer

Mervin W Horst

John Brubaker

Moses O Martin

Vincent A Wagner

Amy 3-2 Cyrus Y Bomberger

Lloyd Burkholder Jr

Phares Z Musser

Raymon & Marlin Getz

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Kenneth Mase

Edie

Oueen

Martha Nereja

Jupicer

control and support prices the industry would be in serious trouble.

What can we do to counteract the danger signals?

Established dairymen could go slow on expanding numbers — in fact, many herds would produce more profitably if numbers were reduced and the remaining cows fed and managed better. If you are not on test, by all means get on DHIA.

Young dairymen starting out might take over an already established herd and try to cull and manage it more efficiently than the original owner. This won't add appreciably to the total over-supply of milk, but will give the younger farmers a challenging start in the

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Lebanon County DHIA

16,822

20 752

19,588

20,769

18,235

19,444

21,414

18,096

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business. We are going to need ambitious young businessmen and women in dairying. Avoid overinvesting in machinery, equipment and land. Good cows and good management will pay off the debts faster than items that depreciate in

And, it's high time that all dairymen get behind a good advertising and promotion

campaign. Like it or not, we are competing against Big Money for our share of the consumer's food and beverage budget.

Inflation and ever higher costs make us want to increase production to stay in the game. But the market is signaling for caution in building surplus. We must try to avoid the possibility of severe criticism for not looking ahead.

Chicken dinners to lure the hungry at Delmarva Chicken Festival

GEORGETOWN, Del. -Any successful festival needs plenty of good food and that's exactly what you will find when you visit the annual Delmarva Chicken Saturday evening. All Festival in Milford, Delaware next weekend, June 6 and 7.

There will be fried chicken platters consisting of a fried chicken quarter, applesauce, baked beans and roll for the bargain price of \$2.25. For just \$2.75, you can enjoy a half of barbecued chicken, potato chips, pickle and roll. Supplementing the platters, there will be cornon-the-cob, french fried potatoes, cold drinks, homemade baked gocds and ice cream.

In addition, you will find chicken franks with all the trimmings, popcorn, snow cones, funnel cakes and homemade fudge. All will be reasonably priced to appeal to the family budget.

Food concessions will be

open between 3 p.m. and 8 p.m. on Friday, June 6. They will reopen at 10 a.m. Saturday, June 7, and will remain in full swing through concessions will be operated by civic organizations from the Milford area.

Site of the 33rd Chicken Festival is Milford High School, 10th and North Walnut Streets, Milford. Plan to include this weekend of family fun and activity in your early summer schedule.





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