## Inter-State to begin 10-cent, 5-year deduction

## **BY DICK ANGLESTEIN**

BLUE BALL — The current financial woes of dairy cooperatives were brought home to members of District 6, Inter-State Milk Producers' Cooperative, on Tuesday night at their annual meeting in the Blue Ball Fire Hall.

Robert B. McSparran, R1, Peach Bottom, president of Inter-State outlined the co-op's new "Capital Retaining Program," through which each member will pay 10 cents per hundredweight for at least the next five years.

After explaining the purchase of the Holly plant, McSparran said the 10-cent assessment was needed to "broaden Inter-State's financial base.'

McSparran also cited the plight of another co-op, NEDCO, which, he said, has just instituted a 20cent per hundredweight retention plan for 1980 production.

"They (NEDCO) need three deductions again next spring when million dollars right now," Mc-Sparran said.

The Inter-State 10-cent assessment plan, which will continue at least five years and possibly seven, is being termed a revolving plan. It begins November 1.

In the revolving plan, members would still pay into the plan in the sixth year, but would receive the money they paid in during the first year and so on. Ot course, members' production will undoubtedly be higher six years from now and payments in would exceed payments out.

We also went to the revolving plan to keep it equal for the younger farmer starting out," McSparran explained.

McSparran also said he has made it emphatic to management that he is not in favor of any excess

the surplus hits.

'We don't want to suffer losses next year like we did last year," McSparran said. McSparran also explained how

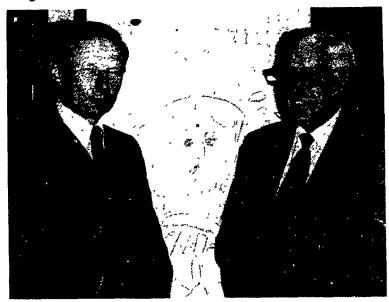
co-ops are getting together more in moving the milk around. 'We're shipping some 24 million

lbs. a month to Lehigh at Lansdale," he said.

'But we're being cautious.'' McSparran now sits on the API board and expects that IMPCO may have a second member if the affiliation continues.

McSparran also gave a lengthy explanation of the buy-out of the Holly plant from Maryland Milk Producers Cooperative, which merged with Dairymen, Inc.

He outlined some of the history of the plant and the internal talks and haggling that went on leading up to the purchase.



Speakers at annual meeting of District 6, Inter-State Milk Producers' Cooperative, were Roy H. Book, left; director; and Robert B. McSparran, co-op president.

Inter-State paid \$4.8 million for the plant, but each partner had \$1.6 million in it in preferred stock. DI will be holding this stock for one year and Inter-State will pay interest on the \$1.6 million worth.

But at the end of the year, IM-PCO will be obligated to pay the \$1.6 million.

McSparran explained further that Holly is closed down now for repairs and corrections. Previously, it had been running about 45 million lbs. a month. It is hoped that operations can get closer to its design capacity of 2 million lbs. a day.

Also, speaking at the annual session of the Gap, New Holland-Leola and Paradise Locals, which comprise one of the biggest districts, was director Roy H. Book.

Book told the members that antibiotics and birth inhibitors were the top problems of the past year.

"Work with your vets particularly on dry cow treatment," he recommended. "And use sterile products.'

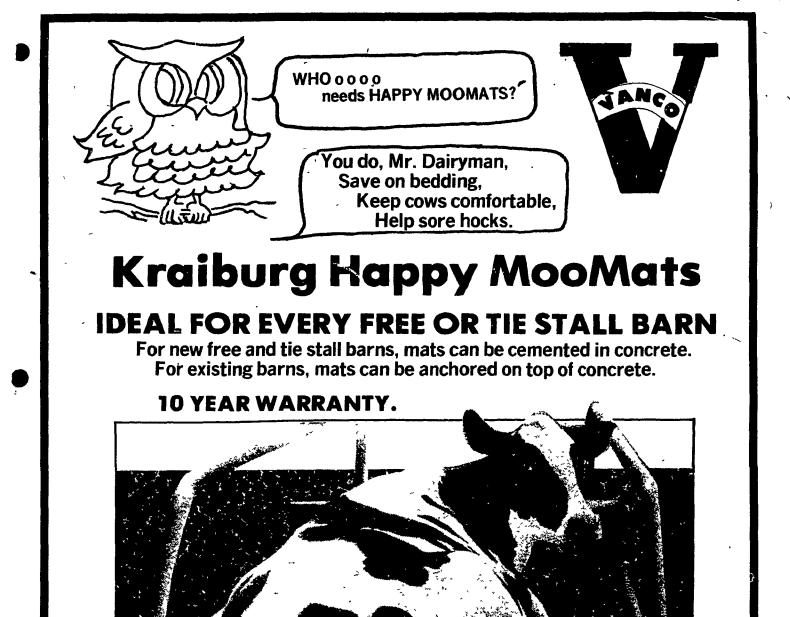
Last year, 95 tank trucks and 36 members were found to have antibiotics in milk.

Some 767,000 lbs. were dumped at the farm at a cost of \$52,000 to the co-op, which pays half of the value.

The three locals also held elections . A brief report was given by Young Cooperator Jere C. Skiles.

Extertainment included a film and slide program by Randy Good, of New Holland, on his more than five-year stay in Rhodesia.

**Twin Valley FFA** fair today





ELVERSON - During this weekend of homecoming, the Twin Valley FFA will hold an agricultural fair for the surrounding community.

Entries for the fair, will be judged on today, Saturday, Oct. 3, and entries can be removed atter 4 p.m.

Care will be taken not to damage any exhibits, but the FFA will not be responsible for any damage or losses. All exhibits must have been grown, produced or made in the district. Ribbons will be awarded tor first, second, and third place with no monetary prizes. In cases where there is no competition, the judges will give awards such as they teel the exhibit should receive.

Classes for exhibits include eggs, held crops and hay, vegetables, fruits and nuts, home and dairy products, Christmas trees, floral exhibits, and honey.