

Lancaster Farming

VOL. 26 No. 51

Lancaster Farming, Saturday, October 17, 1981

\$7.50 Per Year

AI pioneer wins internat'l acclaim

BY DONNA TOMMELLEO
UNIVERSITY PARK — For his pioneering work in the field of artificial insemination, Dr. John O. Almquist, professor of dairy physiology at Penn State, was recently named the 1981 winner of the Wolf Foundation Prize in Agriculture, which includes a gift of \$100,000.

"It was a complete shock," said a humble Almquist. "There are so many in agriculture equally deserving of more deserving."

"The international award is sort of the Nobel Prize in agriculture," said Samuel Smith, dean of the College of Agriculture.

"More than \$31 million is being saved annually in the United States

through use of Dr. Almquist's technique of adding antibiotics to bull semen, a practice now adopted worldwide," Smith reported.

By adding penicillin and later other antibiotics to semen, Almquist found he could retard bacterial growth found in semen. The end result, said Almquist, was a dramatic increase in fertility.

Through Almquist's research, said Smith, it is possible to produce 250,000 offspring from one genetically superior bull.

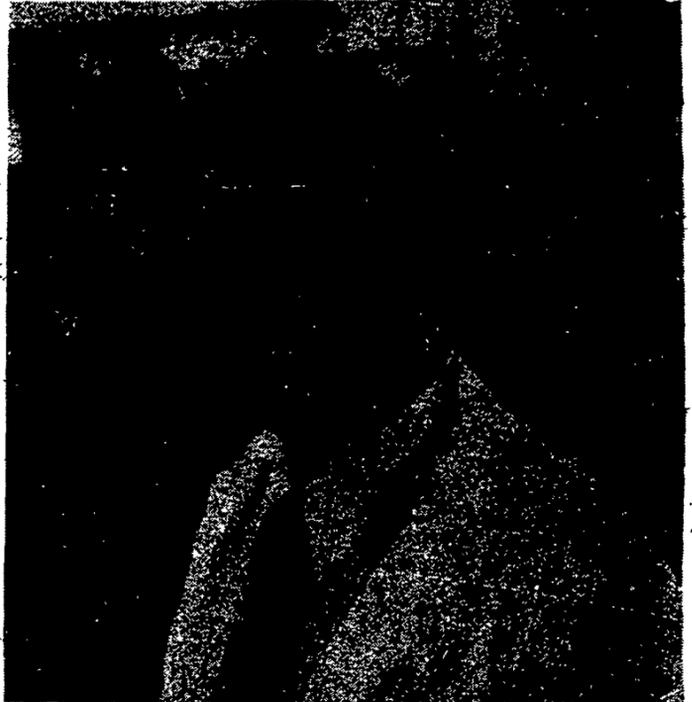
In Pennsylvania today, more than 75 percent of all dairy cows are bred artificially. Smith estimated that the income from offspring of A.I. cows could total as much as \$600 million.

"The value created with Almquist's work is twice the total budget of the college of agriculture in the last 10 years," Smith said.

Almquist has also been credited with developing a system for coloring semen used in breed identification. Another main area of research has been his work in developing and improving a method of freezing and thawing bull semen.

Equally as long as his list of achievements are those that

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John O. Almquist is one of three recipients of the international 1981 Wolf Foundation Prize in Agriculture. The prestigious honor recognizes the Penn State researcher's valuable work in the field of artificial insemination.

Circuit court rules on Dairymen, Inc. case

BY SHEILA MILLER
CINCINNATI, Ohio — In a recent decision of the United States Court of Appeals for the Sixth Circuit, a team of judges reversed a lower court ruling made previously which cleared Dairymen, Inc. of nearly all antitrust charges brought against the cooperative by the United States Department of Justice.

The case was decided and filed on September 21, 1981, here, and has been returned to the Federal District Court in Louisville, Kentucky, for further evaluation as directed by the Circuit Court.

According to Harrisburg attorney Marvin Beshore, the case was brought by the Government against Dairymen, Inc. along with Mid-American and AMPI, in 1973. The concern of the Government was that these cooperatives were using their size and position to an advantage to "encourage" cooperation.

Although both Mid-American and AMPI settled the charges by

consent decree, an agreement reached with the Justice Department in which the co-ops admitted to no guilt, Dairymen, Inc. took the Government to task.

In D.I.'s case, the issue centered around their use of 91 committed supply and full supply contracts with milk handlers and customers. In order to secure these agreements, D.I. threatened to, or did, withhold milk supplies from the buyer, according to Beshore. The contracts also contained "price equalization charges" which the Court of Appeals found "penalized processors who purchased less than 95 percent of their milk from D.I."

"The government charges that D.I.'s use of these contracts, along with its acquisitions of private processing plants; use of exclusive contracts with milk haulers, and "pool-loading" practices were part of an attempt to monopolize Grade A milk marketing in the southeastern United States and

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Tobacco crop shows more acres, less yield

BY DICK ANGLESTEIN
LANCASTER — An increase in acreage planted but an expected drop in the yield per acre should pretty well balance out this year's tobacco crop with last year's harvest.

The lighter crop, which should be significantly below last year's yield of approximately a ton per acre, is just one of the characteristics noted in this year's crop, samples of which were judged in the past few weeks at several Lancaster County fairs.

Another distinguishing factor noted at the fairs was the sizable increase in shed burn or rot in many of the samples judged. At some of the fairs half of the samples fell apart upon handling.

And as the crop now hangs in the ventilated sheds throughout the county and the temperatures turn colder and colder, growers' attention will begin to turn to price — if and when the buyers decide to get active.

From all preliminary indications, the price may hold

pretty close to what was paid last year — an average of about 85 cents a pound for the non-specialty leaf that goes primarily into the chewing market.

Two factors point to the expectation that price will not vary too much from last year.

First, buyers were quite active in Wisconsin last year and bought a lot of "second-grade" leaf at the same price that was paid for the better quality tobacco here in Lancaster County.

This means the tobacco companies have quite a bit of tobacco in storage.

Also, by paying the "going price" instead of discounting the second-grade crop, the tobacco companies sent a wrong signal to the Wisconsin growers. In effect, the buyers told them we need your tobacco; when in fact they didn't. So, instead of cutting acreage this year, the Wisconsin growers planted just as many as ever.

And, of course here in Lancaster County, the acreage jumped by 10

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Interest rates devour income

BY SHEILA MILLER
and
DEBBIE KOONTZ

LANCASTER — "The farm sector of the U.S. economy is in a crisis, a crisis unlike any we have seen for decades," according to Richard Potteroff, author of *The Crisis in U.S. Agriculture*.

In his report which described the U.S. economy as "teetering on the brink of a depression reminiscent of the 1930s," Potteroff said, "the outlook for farm income and profitability has gone beyond dismal and would have to be termed catastrophic."

This depressing forecast has been the topic of discussion among farmers, agri-business owners and government leaders during recent weeks.

In a September 1981 report from the USDA's Economic Research Service, net farm income showed a decline from \$32.7 billion in 1979 to \$19.9 billion in 1980 — a decrease of 39 percent. They cited a sharp drop

in prices in the first part of the year and drought reduced crop production in the last half of the year as factors.

According to ERS's Allen Smith, "Returns to operators decreased from \$26.6 billion in 1979 to \$13.2 billion in 1980. Cash income from farming also decreased, from \$38.4 billion to \$32.6 billion in 1980. Factor payments (returns to the factors employed in farm production — land, labor, and capital) dropped from \$53.2 billion in 1979 to \$44.3 billion in 1980.

On the flip side of the coin, expenses incurred by farmers continued up by the tune of 10 percent, from \$119.2 billion in 1979 to \$130.7 billion in 1980. Main culprits in this economic imbalance were the increased cost of fuel, fertilizer, and interest charges.

As if these statistics are not enough to make even the most stout-hearted cash in their farms, just last week the Farmers Home

Administration announced new and higher interest rates on several of its loan programs.

USDA's Dwight O. Calhoun, acting associate administrator of FmHA, said higher rates are required for community facility, water and waste disposal, emergency farm and limited resource farm loans. The changes were included in the budget reconciliation bill passed by Congress just before the August recess.

Farm operating loans rose from the old rate of seven percent to the new rate of 11.5 percent. This new rate applies for the first three

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Dairy

Cumberland Dairymen, B26; Bedford DHIA, D25; Blair DHIA, D28; Cumberland DHIA, D21; Huntingdon DHIA, D23; Lebanon DHIA, D18; Mifflin DHIA, D20.

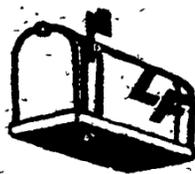
Home and Youth

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To learn how a Lehigh County dairyman has lived up to a 24-year-old pledge to help his children farm, turn to A26.

There were lots of winners from southeastern Pennsylvania at the state 4-H horse show last weekend. For more details, see...B16.

Adams County held their annual Farm-City week this past week. If you missed it, turn to page...D10.