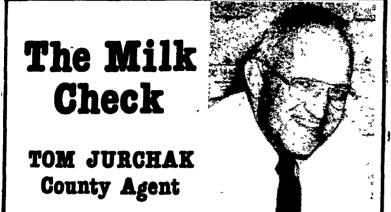
D30-Lancaster Farming, Saturday, April 17, 1982



More For Less

For the fourth consecutive month, increases in milk production brought lower blend prices for farmer's shipping to Order 2 handlers. Increases of 760,000 pounds of milk a day in February over January dropped the Class I utilization to 41.8 percent even though Class I sales held steady at 12.7 million pounds a day.

A Class I price of \$14.81 that was four cents higher than January was wiped out by a 10 cent lower Class II price of \$12.48, the lowest since last June.

When all the figures were in, you got a February uniform price of \$13.30 for 3.5 milk at the 201-210 mile zone. That was five cents less than last month but 16 cents less than last February

This was the third consecutive month that prices were lower than the same month a year ago reversing a trend to higher prices that lasted 49 months from October 1977 to November 1981 — the longest streak in Order 2.

In that time, the price went from \$10.35 to \$13.74 for an increase of 33 percent. Perhaps not a spectacular increase compared to the inflation rate of the last four years but better than beef, pork, poultry or grain prices and a lot better than the decreases in milk price that loom ahead.

Increasing Decreases

December with only a three cent drop below a year ago. It widened to 11 cents in January and now to 16 cents in February. Earlier estimates of price drops this year were 25 cents under last year by June but these will probably be increased after an unexpected drop in the Minnesota-Wisconsin Price Series of nine cents in February.

It had been holding steady at \$12.52 to 12.56 but went down to \$12.46 in one month. The indication is that with continuing increases in production it becomes increasingly more difficult to maintain the market prices with government purchases of dairy products. Butter purchases by the Commodity Credit Corporation the last week of February were the largest in five years but even that rate is not good enough to prevent decreasing prices.

It's no coincidence that along with 49 months of increasing prices, April will mark the 36th month of milk production increases over the same month of the previous year.

In January 1978, you shipped 808 million pounds of milk compared to 919 million this year That's a difference of 3.6 million pounds a day or 14 percent more milk. It appears that the 33 percent increase in price was enough to attract a 14 percent increase in

USDA warns produce industry about misbranding

WASHINGTON D.C. - Annu reports that some produce firms are buying and selling or repacking imported produce in misbranded containers, Assistant Secretary of Agriculture C.W. McMillan recently announced a step-up in the U.S. Department of Agriculture program to spot-check for misbranding.

"The industry can be seriously affected by instances of misrepresentation," McMillan said. "Recent checks at shipping point and terminal markets have turned up evidence that imported produce is being marketed in containers marked 'Produce of U.S.A.,' 'Idaho' or other U.S.A.,' 'Idaho' or other misleading markings that indicate or other the produce was grown in the United States.

"Under the Perishable Agricultural Commodities Act, incorrect state, country or region of origin markings on containers misrepresent the produce an unfair trade practice," McMillan said.

The PAC Act, which is administered by USDA's Agricultural Marketing Service, does not require an indication of origin or any descriptive information such as grade, weight, count or size to appear on the

However, three months declining prices in Order 2 is no match for four years of increasing prices and production with nc signs ahead that farmers expect to change their ways this year. I hope it won't take four years of falling prices to bring supply and demand into line but neither does it look like it will happen in one year.

container. But, if the information does appear, it must correctly represent the product, McMillan saıd.

Recent spot-checks also revealed that some foreign shippers may be using U.S. business addresses or firm names that lead buyers to believe that the imported product originated in this country, he said.

"Using a firm name or business address to mislead a buyer is considered an unfair trade practice," McMillan said. "We've also found instances where fictitious names and addresses are used for firms that do not exist.

"U.S. firms that ship, sell or offer for sale goods received in interstate or foreign commerce are responsible for the integrity of the markings and contents of the container," he said.

"Foreign shippers or importers who misrepresent a product also put their customers in jeopardy. Retailers, dealers and other buyers can be seriously affected by

misrepresentation," McMillan said.

"To avoid misbranding ¿ violations and possible actions against their PACA licenses, firms that trade or repack imported produce should carefully review containers to determine if they are properly labeled," he said. "Any misrepresentation should be marked out immediately and reported to the seller."

Answers to specific questions on how to avoid misbranding can be obtained by contacting Floyd White, Fruit and Vegetable Division, Regulatory Branch, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250; telephone 202 447-5073.

Information can also be obtained from the following PACA Regional Offices: Thomas R. Walp, Los Angeles, Calif., 213 682-7766; Jack C. Morris, Chicago, Ill.,312 922-0328; Joseph E. Ward, Fort Worth, Texas, 817 335-1630; Harry G. Apostoleris, New York, N.Y. 212 732-3193.



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