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Everyone knew that something was wrong

Investigation continues

into phony ag loan scheme

BY DICK ANGLESTEIN

NEW TRIPOLI — "Everyone knew that something was wrong. They couldn't figure out how anyone could operate that way."

That's the assessment of two Pennsylvania Dutch farmers, of near New Tripoli, concerning the farming operation that has been implicated in the multi-million-dollar phony loan scheme at the American Bank and Trust Co., of Reading.

The farmers making the assessment come from old-time Pennsylvania Dutch stock, who have inhabited and farmed upper Lehigh County for generations.

They are farmers who know all too well how grudgingly the area's thin, shaley soil gives up a crop and how that affects return on investment.

They are farmers who gather on Saturday night to talk farming — mostly in the dialect.

And they are farmers, who in such talk, would mostly just shake their heads when the Schlamb farming operation came up for discussion.

It's the hay, straw and manure operation of Mrs. Essie E. Schlamb, Rt. 1, Box 37, New Tripoli, to which FBI agents say they have traced at least a half-million dollars (and maybe more) in phony loans from Eugene B. Richard, fired vice president and head of the ag loan department at American Bank.

And what were these Dutch farmers shaking their heads at concerning the Schlamb operation?

—Well, things like the family almost dropping out of the blue six or seven years ago and going into farming in a big, big way.

—Mr. Schlamb, who has since died two or three years ago, saying,



Star shows approximate location of the Schlamb Farm at Rt. 1, New Tripoli, Lehigh County.

he was born in nearby Fogelsville. But no one in that town ever hearing of him.

—And the big potato operation he had up in the Cunningham Valley. But no one there ever heard of him.

—Buying big, new green equipment — always the best.

—Also new GMC trailer rigs — half-dozen or more — to haul manure from race tracks to mushroom growers.

—Brand, new pickup trucks for employees.

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PIK contacts planned

in Lancaster

LANCASTER — The Lancaster Conservation District will make a special effort to interest Payment-In-Kind participants in conservation this summer and also plans a no-till corn planting comparison study.

Aaron Stauffer, board chairman, said that the District will be contacting the 41 landowners, who have signed up the approximate 4,000 acres in the PIK program in Lancaster County.

"We will encourage them to install terraces, tile or whatever is adaptable to their operation," he said.

"This will help us stretch out our workload. Before, we had to stop any conservation efforts at corn planting time. Now, we will be able to work with PIK farmers right through the summer — the best time to do these things."

Stauffer indicated that with PIK-idled land there would be less chance of causing any damage to nearby crops as was the danger when full cropping efforts were conducted.

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Pictured with top-selling calf are L to R, Mike Weimer, PHA representative; Christine and Ross Hershberger; buyer, Charles Hershberger and wife Dolores, and consignor, Doug Seipt.

Top Holstein calf brings \$14,000

HARRISBURG — Prices seemed a little depressed Thursday at the Pennsylvania Holstein Association State Calf Sale, promoted as Pennsylvania on Parade. The sale was held in the

small arena of the Farm Show Building. Depressed prices rained on the parade as dairymen feeling the economic uncertainty of an industry in flux made conservative bids.

R. Charles Backus, Mexico, N.Y. and A. Doty Remsburg, Jefferson, Md, auctioned off the 231 calves as they paraded through the ring. The sale total was \$281,950 for the 231 head sold, with a sale average of \$1423, according to Peter DeBlock, Jr., sale clerk.

Top-selling calf was number one, Keystone Pete Dorothy-ET, born December 1, 1981. A Pete daughter, her dam, Keystone Monarch Dinah is classified VG at 87 as a six-year-old, with an index of +1553 M. Her second, third and fourth maternal dams are all excellent.

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PDA eyes voluntary

10-cent milk deduction

BY TRISH WILLIAMS

HARRISBURG — The dairy industry is abuzz with talk over the 50-cent assessment that will go into effect next Saturday. Whether it is causal or only coincidental, much of the talk about milk promotion is finally evolving into positive action.

Last week, the Pennsylvania Holstein Association outlined its plans for milk promotion.

There is no doubt that all five breed associations share the popular belief that they have done a great deal to improve milk production and should take some responsibility to promote its marketing. The problem confronting the color breed associations is that when you combine all four groups, they still only account for less than ten percent of total production.

Throughout Pennsylvania, there is a patch work of organizations involved in milk production and now marketing that feel their efforts toward milk promotion are limited by their size, monetary limitations or leadership ability.

Recognizing the need for a statewide milk promotion program to fill the gaps left by other promotion activities, the Penn-

sylvania Department of Agriculture is working to create such a program.

Director of the Bureau of Markets, James Sumner, told

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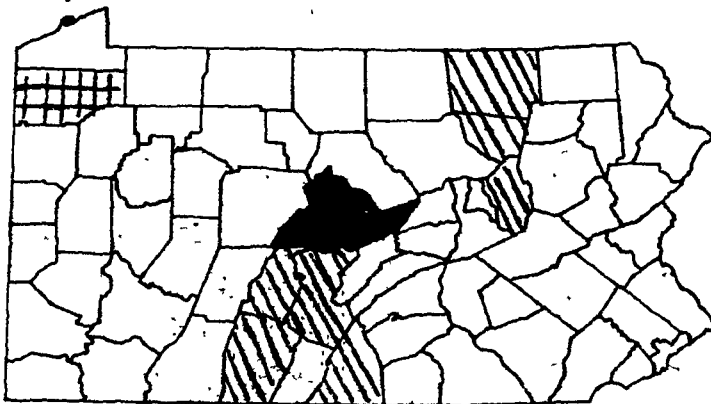
Crop associations spreading out

BY SYLVIA COOPER

BELLEFONTE — During the past 12 months, crop associations have opened up in seven counties due to the groundwork set by the Centre County Crop Improvement Association in 1978-1979. (See map.)

The organization came about when several concerned farmers approached Mel Brown, Extension County Agent, with the idea of hiring a professional employee to help them plan a cropping program that would improve productivity and the soils. Brown said that since the dairymen felt they were doing a better job with their dairy herds than with their cropping programs, they felt that improvement would occur if an organized cropping plan were implemented.

In 1979, after a fall season of



County crop improvement associations, which began in Centre County (solid) three years ago, have since branched out into nine of the Commonwealth's counties. Other associations in operation include (diagonal) Bedford, Franklin, Columbia, Blair and Huntingdon; Bradford and Sullivan. In addition, Crawford (cross-hatch) is organizing an association which will begin operation in July.

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