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Failing NEDCO may cost producers \$10 million

BY JAMES H. EVERHART

SYRACUSE, NY — The financially troubled Northeast Dairy Cooperative Federation is on the brink of complete bankruptcy, a failure that could cost hundreds of Pennsylvania and New York dairymen placed at up to \$10 million.

The federation just last week

allowed Dairylea Cooperative to begin servicing its marketing members, beginning with June 15th deliveries. For those producers, the payments from Dairylea will be the first in 45 days.

NEDCO spokesman Bill Douglass said they made the arrangement with Dairylea after determining that they could no

longer guarantee that money would be available to pay producers for any June deliveries. Dairymen in NEDCO's marketing program also have not been paid for May milk deliveries.

He was not able to say how many producers or cooperatives remained in the federation as marketing members. Others still

belong to NEDCO as "affiliates," who handle their own milk marketing.

Douglass said NEDCO was not planning to file for bankruptcy, although he admitted that substantial questions remained about the economic viability of the organization.

One possible scenario was that NEDCO would return to the basic "service" orientation it once had, handling basic service functions in check-writing, testing and quality control for producers or cooperatives. It would not, however, be involved in direct marketing of milk, he said.

A variety of industry sources discounted that possibility, noting that the failed federation would have little credibility as a check-writing entity, and adding that most of the functions are not needed in the Pennsylvania and New York areas NEDCO now covers.

Added one knowledgeable observer, who asked not to be identified, "if you can't pay your

producers, you're done. Forget all this other —."

Douglass said he did not know for sure how many marketing members remained in the NEDCO organization, since numbers were changing almost daily. He admitted that they were declining, down considerably from the 3,200 listed late last year.

NEDCO's problems first became critical in February, when the federation surpassed its line of credit and many producers' milk checks were returned. At the same time, the organization levied a \$1.50 per hundredweight assessment on members' milk checks.

Dairylea spokesman Bruce Snow said his organization's efforts to help NEDCO producers did not involve pledging Dairylea funds in the relief effort.

His organization simply was guaranteeing the payment for the milk delivered, the proceeds coming from the sale of that producer's milk.

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\$13,000 Bid Tops Ogston Sale

BY ROBIN PHILLIPS
Staff Correspondent

COLUMBUS, N.J. — A chapter of Jersey breed history was written here on Thursday as 182 animals were dispersed from the Ogston herd of John Bishop VI.

The Ogston Golden Opportunity Sale featured the cows and bloodlines that have made headlines in the Jersey breed for more than 15 years. And following on the heels of the AJCC and NAJ annual meetings, held in Lancaster this week, the sale drew bidders from every corner of the United States.

The sale average reached a high of \$1892 on the 182 Ogston animals to parade through the sale ring.

Crowning the sale bids was a \$13,000 nod from Bob Gluck and Tom Cope of Danville, Vt. for Ogston TBS Bessie. She sold with a contract from Select Sires to purchase a bull calf from her by Magic of Ogston.

For her top record, the VG-85 Top Brass daughter produced 17,190 pounds of 4.4 percent milk, 758 pounds fat and 596 pounds protein at three years and five months. She is out of the Ogston Beacon Bessie cow.

Ogston Ultimate Nun, a heifer carrying a full sister or brother to Ogston TBS Bessie, sold for \$5200 to Texan Wilbert Layne.

Vermont breeders Gluck and Cope also picked up the fancy Ogston Magics Adora for a bid of \$7600, third highest of the sale. A Magic of Ogston out of Ogston Appollo Adora, Magics Adora was milking 58 pounds of 4.1 percent milk in April and is bred to Top Brass.

Gluck and Cope selected Magics Adora over Ogstons Samson Slipperette-ET in buyer's choice bidding.

The second highest price in the Ogston Golden Opportunity Sale was placed on Ogston S.B. Sound. Another Vermont operation, Comfort Hill Jersey Farm, purchased the two-year-old for \$11,000.

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For complete coverage of the National Jersey Convention, turn to page A24. Jersey Junior activities can be found on A26, and the National Heifer Sale results are on page A36.



Bidding was intensive in Thursday's Ogston Golden Opportunity Sale in Columbus, N.J.



Ogston TBS Bessie, the top selling animal, brought \$13,000 at the Ogston Golden Opportunity Sale.

100th anniversary Holstein Convention to open Sunday

BY JOYCE BUYP
Staff Correspondent

HARTFORD, Conn. — The National Holstein Association comes "home" to New England this week, to celebrate its hundred-year-birthday here where the breed industry first put down roots.

A full scope of gala events is planned for this Centennial celebration of registered Holsteins in the United States, running June 23 through 26. Activities range from today's New England Convention Classic show in Massachusetts through a 100th-birthday-party banquet climax Wednesday evening at the Hartford Civic Center.

Pennsylvania's delegation, traditionally a large one, is expected to turn out in full force for this anniversary event. The state's

Holstein Association



official voting delegation of 33, second in number only to Wisconsin, will join in Tuesday's general session crammed with special industry speakers and Wednesday's annual business session.

Monday's popular Host Day features a selection of tours, with visits to the National Association headquarters in Brattleboro, Vermont, the city of Boston, and the recreated colonial Mystic Seaport. A Monday evening clambake and the 100 Years of

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June is Dairy Month at Lancaster Farming

Week 4. Products

LANCASTER — Dairy month coverage in Lancaster Farming this week focuses on products and processing — the growing concern about what happens to raw milk products after they leave the farm.

Writers and correspondents visited a variety of processing facilities throughout the region, to cover the situation at small, entrepreneurial facilities as well as at state-of-the-art processing complexes.

Stories focus on the giant Weis Market fluid milk facility in Sunbury, the strict quality story of Dairy Maid Dairy in Frederick, MD, and the Jefferson Cheese plant operation, which produces 20,000 pounds of mozzarella cheese daily in Hagerstown, MD.

In a broader look at the products scene, editor Jim Everhart discusses the new products which have appeared on the scene over the past few months, and talks about the attention the huge food conglomerates are beginning to focus on dairy products.

There's also extensive coverage of this week's National Jersey Cattle Club Convention in Lancaster, including the page one story about the Ogston Golden Opportunity Sale Thursday in Columbus, N.J.

Finally, Lancaster Farming includes coverage of the many Dairy Princess pageants being held this month throughout the state. This week's edition includes results from Lancaster, Armstrong, Lebanon, Adams, Franklin, Huntingdon, Jefferson, Cumberland, and Mercer counties, and the combined Washington-Greene County pageant.



Lancaster County dairy princess Janae Martin.