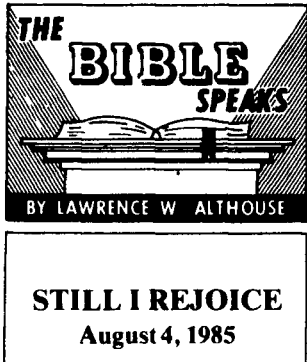


Guest Editorial:

# Generic versus branded: Will dairy promotion pay its way?



By Kathy E. Gill  
Executive Secretary  
Pa. Assn. of Farmer Cooperatives

Three days into the voting period for the national dairy promotion program referendum is a good time to ask: "Does advertising pay?"

The easy answer is, "Of course, look at all the money that Coke, Pepsi and Anheuser-Busch spend on advertising. They wouldn't have such large budgets if advertising did not pay!"

However we all know that dairy-farmer-funded advertising differs greatly from that of the firms named above. Why? Primarily because it is generic, that is, not brand-specific.

That very difference has sparked debates across the Commonwealth and the nation. Generic versus branded. Which is better?

**Generic gets nod**  
The traditional generic has been that generic advertising increases the market for a product, whereas brand advertising increases that brand's share of the market.

A July 1 report to Congress confirms that view. In it, Arthur D. Little Inc. states, "brand advertising of cheese compliments generic advertising more so that vice versa." That is, generic advertising exerts a greater impact on cheese sales than brand advertising, according to a 1984

study. "Generic advertising (of cheese) is found to be 7.1 times more effective than brand advertising in expanding cheese sales in the market," the report states. The report credits generic advertising with increasing the market for cheese by nearly eight percent.

Thus dairy farmers, whose main goal is increased raw milk sales, should continue funding generic cheese advertising. Those farmers that market branded cheeses should also be funding branded advertising, remembering that generic increases the size of the cheese "pie" for all dairy farmers.

**Fluid increases**  
In general terms, dairy farmers spent \$33.5 million to advertise fluid milk in 12 specific markets from August 1984 to August 1985. That includes regional and national actions. Remembering that economists sometimes turn things around, the Arthur D. Little Inc. report says that with no advertising at all, fluid milk sales in these markets should have been 751.8 million pounds less than with the \$33.5 million.

In the logic of the rest of the population, we can deduce that \$33.5 million invested in fluid milk advertising increased fluid milk sales 751.8 million pounds in those 12 markets. Blend prices are about \$14 in Federal Order 4, so, using that figure, the increased com-

mercial sales have a farm value of \$105.2 million.

In simpler terms, one dollar in fluid advertising resulted in three dollars in fluid sales in these 12 markets. However, if you want to really stretch the implications, you could double that figure since the 12 markets represent only 43 percent of the US population. But it is even more important to recognize that these sales mean less milk manufactured and sold to the government.

Without a doubt, the fact that the milk would have sold in any case colors the valuation process. But also without a doubt, generic fluid milk advertising pays.

**Does it pay?**  
It is important to keep in mind that this recent analysis is only a first step. With a limited amount of data, economists hedge when asked to make specific promises.

These economists will say, however, that generic advertising has a "positive and statistically significant effect on fluid milk sales."

With that fact in mind, when you vote on continuing the advertising program, remember that your 15-cent advertising investment can be translated loosely into a 45-cent increase in fluid sales and an eight percent increase in the cheese market.

Where else can you get that kind of return or investment?

**Background Scripture:**  
habakkuk  
**Devotional Reading:**  
Habakkuk

"How long, O Lord? How long?" asks the prophet Habakkuk. And from time to time when we are particularly honest within ourselves, so do we.

To some, it might sound arrogant, perhaps even blasphemous: "O Lord, how long must I call for help before you will listen? I shout to you in vain; there is no answer" (1:2). Habakkuk's words are both a question and complaint.

**CRUEL & VIOLENT**  
The prophet does not try to hide his true thoughts and feelings—for God knows them anyway. And because he is willing to bare his heart to God, the Lord reveals to him what would have probably remained hidden if he had been more timid: "Look and be amazed! You will be astounded at what I am about to do" (1:5).

Perhaps one reason many of us do not receive God's revelation is that we fail to ask him the hard questions that bother us. The answer that God gave to Habakkuk was not what he wanted to hear: "I am raising a new force on the world scene, the Chaldeans, a cruel and violent nation who will march across the world and conquer it" (1:6). Although the Chaldeans worship other gods and are ignorant of the Lord, he will be using them to accomplish his divine purposes.

Though many of us would be too timid to press further, Habakkuk is not satisfied with this answer: "...Should you be silent while the wicked destroy those who are better than they?" (1:12,14). The Lord seems to be doing something that is out of character with the prophet's understanding of who and what God is.

**JUST BE PATIENT!**  
And, once again, because Habakkuk is willing to raise the hard questions, God is able to give him some new understanding: "Slowly, steadily, surely, the time approaches when the vision will be fulfilled. If it seems slow, do not despair, for these things will surely come to pass" (2:3). These things are all part of God's larger plan.

With this greater, fuller understanding of God's purpose—even though he doesn't understand just how or why—Habakkuk can do what all of us must learn to do if we are to live by faith: to praise God in the midst of adversity.



**Saturday, August 3**  
Sussex County Farm and Horse Show begins; continues through Aug. 11.  
Pa. Simmental Association Field Day, Baker's Simmentals, Buffalo Mills. Contact Bill Shoemaker, 412-262-4486.  
Clinton County Fair, Mackeyville; continues through Aug. 10.  
Pa. Mountain Dairy Goat Association meeting, 1 p.m. at Winkerberry Farm near Moscow.

**Sunday, August 4**  
Butler Farm Show, Butler; continues through Aug. 10.  
Lebanon Area Fair, Lebanon; continues through Aug. 10.

**To Flush Ewe Flock**  
Sheep producers in this part of the country should be planning for the 1986 lamb crop. The starting place is to have healthy ewes and a good ram. The practice of "flushing" the ewe flock several weeks prior to the breeding season is recommended in order to get more twin lambs. This refers to the feeding of extra grain, or the ewes having access to lush grass-type pasture in order to bring them into a gaining condition. Ewes that are not thrifty at breeding time will be more likely to throw only a single lamb. The control of internal parasites should be given attention prior to the breeding season.

Union County West End Fair, Laurelton; continues through Aug. 10.  
Dover Area Young Farmer's family picnic, Rohlers Lutheran Church picnic grounds; 12:30 p.m.  
Eastern Apicultural Society Conference, Franklin and Marshall College; continues through Aug. 10.

**Monday, August 5**  
State 4-H Achievement Days, Penn State University.  
Great Bedford County Fair, Bedford; continues through Aug. 10.  
Greene County Fair, Waynesburg; continues through Aug. 10.  
Warren County Fair, Pittsfield; continues through Aug. 11.  
Wayne County Fair, Honesdale; continues through Aug. 11.

**Tuesday, August 6**  
Harrold Free Fair, Greensbury; continues through Aug. 10.  
Dairy Issues and Outlook Meeting, Lancaster Farm and Home Center, 7:30 p.m.

**Wednesday, August 7**  
Lancaster Conservation District monthly board meeting, Farm and Home Center, 7:30 p.m.  
Farmer's Field Day, Rodale Research Center, Kutztown, 9:30 a.m. and 1 p.m.  
Carlisle Fair, Cumberland County; continues through Aug. 10.  
Tioga County fair, Whitneyville; continues through Aug. 13.  
Potter/McKean Farmers Association, Holstein Club Annual Picnic, 7:30 p.m., 4-H Center, Fairgrounds.

**Thursday, August 8**  
Researcher's Field Day, Rodale Research Center, Kutztown, 10 a.m. to 3 p.m.  
Farm City Day on Penn Square in Reading, 10:30 a.m. to 3 p.m.  
Lancaster Holstein Field Day, Nelson Wenger Farm, Manheim, 10:30 a.m.

**Friday, August 9**  
Montgomery County 4-H Fair.

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## NOW IS THE TIME

By Jay Irwin

Lancaster County Agriculture Agent  
Phone 717-394-6851

**To Attend Ag Progress Days**  
Most farmers do not need much prodding to visit an agricultural show whether it is in the county or halfway across the state. And, since 1976 tens of thousands of people have jammed Penn State University's Rock Springs Agricultural Research Center, nine miles west of Boalsburg on Route 45, to attend the Annual Ag Progress Days. The dates are August 20-22. Activities will start at 9 a.m. and end at 5 p.m. each day. This year's show should be one of the biggest and best ever. More than 300 commercial companies will be exhibiting their products for home, farming and country living. Take a day out of your busy schedule (you've earned it) and plan to attend Ag Progress Days. There is no charge for parking or admission.

**To Observe Poultry Month**  
The Lancaster County Commissioners have proclaimed August as Poultry Month. So, this is a good time to reflect on the impact this important industry has on the economy of Lancaster County. Poultry products in Lancaster County provide nourishment for over six million people. The value of the poultry products sold totaled over \$174 million. It is estimated that nearly 20,000 people are employed in the many different areas of the poultry industry in Lancaster County. The industry is strong because of the dedicated, well managed poultry farms along with a highly efficient and supportive allied industry. Eggs and poultry meat are two of the most nourishing foods in your health diet. Let's be support of this important part of our agricultural economy during Poultry Month.

**To Be Aware of the Pollen Count**  
The "hay fever" season is here. Despite its name "hay" is not normally the cause of hay fever. Ragweed is the chief cause. Ninety percent of all allergic reactions to grass and weed pollens are due to ragweed. Hay fever is a seasonal disease. It's a disease that many people tend to minimize despite the fact that one out of every three sufferers develop its serious form—chronic asthma. In Lancaster County it is widespread from early August through September when ragweed flowers. The best way to destroy the weed over large areas is by using a weed spray such as 2, 4-D. Cutting the plant low, near the roots is recommended for small areas. The best way to prevent the spread of ragweed to keep idle land covered with grass.

