

Annual meeting of Middle Atlantic division

"Belt-tightening" profitable for Dairymen, Inc. members

BY JOYCE BUPP
Staff Correspondent

HUNT VALLEY, Md. — Farm cooperatives, farming practices and styles of family living will have to undergo changes to survive in the tightening farm economy, says West Virginia dairy farmer Fred Butler.

Butler, president of the Middle Atlantic division of Dairymen, Inc., addressed the milk cooperative's division annual meeting, held Oct. 26 at the Marriott's Hunt Valley Inn.

Butler related the restructuring that has taken place over the past 18 months at Dairymen's corporate and division levels, calling cost-cutting measures "painful and expensive," with more yet he wants to see done.

"In my opinion," predicted the co-op leader, "many and most other dairy and farm cooperatives will find it necessary to undergo a similar transition and change

period."

Financial belt tightening has allowed Dairymen to pay more money per hundredweight to member producers this year than during any other year in Dairymen, Inc. history, Butler said. Even through the transition period, the Louisville, Ky. based cooperative saw a \$10.5 million profit for the 1985 fiscal year, with equity increasing \$3.6 million, and assets increasing to over \$251 million.

Butler commented as well on the cooperative's UHT milk processing operation in Savannah, Ga., which has "shown strong improvement during the last year," and record sales in the last four months. September's sales topped \$1.3 million, more than double the UHT sales of one year ago.

A revised UHT marketing strategy for 1986 calls for a redesigned carton, replacement of

the pre-packaged straw with a flip-top-tab, development of a fortified calcium product, increased emphasis on UHT Skim for weight watchers, and non-refrigerated display cases for supermarket dairy sections.

Reviewing the cooperative's transition, division manager John Collins also related cost-effective accomplishments.

Regionalizing accounting, at the Greensboro, N.C. offices, has enabled earlier mailing of milk checks to most members. Former Baltimore offices of the division have been sold, employee numbers reduced and operations combined through expansion and remodeling of the division's warehouse at Eldersburg. An open house is planned for the expanded Eldersburg facility in late winter.

"It has been, and continues to be, an excellent year, with very strong Class I sales," Collins related. "Sales are up to our same

customers, and we are now putting around 75 percent of our milk into fluid milk plants in the Middle Atlantic Division. At the same time, the Federal Order has been averaging below 45 percent Class I usage."

He added that the division does have markets for additional fluid milk, and is looking for additional suppliers.

Members earned praise from their manager for the high quality milk they produce. Initially, six percent of the membership qualified for premium price under newer and more stringent standards that went into effect in July. In September, 13 percent of the 880 division members had qualified for the 15-cent quality premium.

Both president Butler and manager Collins predicted upcoming lower milk prices, dependent on Congressional action on the Farm Bill. Collins projects a possible improvement in the

Minnesota-Wisconsin price by the fall of 1986, due to shorter milk supplies and manufacturing plants bidding up the price.

Dairymen and other area milk cooperatives in the Pennmarva Federation are continuing studies on the establishment of an over-order price bargaining group for the region.

SPACE, the cooperative's Special Political Agricultural Community Education trust, got a boost from Collins and other program speakers. Increased emphasis on this political action arm, supported by Dairymen members and employees, is planned for 1986.

Maryland Congresswoman Helen D. Bentley, a special speaker during the morning meeting session, related her experience of working with political action committees. She acknowledged the impossibility of

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Long-time members and quality producers recognized

BY JOYCE BUPP
Staff Correspondent

HUNT VALLEY, Md. — Producers of top quality milk and long-time members were honored Oct. 26 by the Middle Atlantic division of Dairymen, Inc. Quality production winners and members meeting 25 and 50-year membership milestones received recognition during the cooperative's annual meeting luncheon at the Marriott's Hunt Valley Inn.

Top production honors went to Robert and Nancy McCuller, Taneytown, Md., recipients of the Excellence Award. To achieve

Excellence status, a member must meet the division's silver and gold award standards, plus earn inspection scoring of at least 99 points.

But the McCullers bested even those rigid requirements scoring perfect 100-point inspections on three separate occasions during 1984.

To earn the Silver Award designation, a member must meet the following honor roll standards for 11 out of the 12 months annually: standard plate counts below 5,000; no antibiotic adulterations, nor abnormal freeze points, no shipping suspensions,

somatic cell counts below 500,000 and average inspection scores of 92 or higher. A Gold Award goes to members achieving those standards each of the 12 months over a year.

Members achieving the Gold Award level for 1984 included Carl and Elsie Anderson, Dale Barshinger, David and Amanda Beiler, John and Sandra Bortner, Roy and Winifred Crowl and

Edward Ensor. Also, Kevin and Nancy Kendig, Arthur and Delores Kilbourne, Daniel and Sara Lapp, Robert Mays, Joseph Oberholzer, Kenneth and Virginia Swartz, George and Luzie Tubies, Unicorn Associates, Inc. and Wilmer and Elizabeth Yoder.

Silver Award winners for 1984 are Aarie Farm, Donald, Ethel, and Donald M. Ayres, Robert and Charlotte Baker, Harold and

Sharon Carbaugh, Melvin and Inez Cooper, James and Lorraine Dougherty, Edith and R. Thomas Franklin, Robert and Norma Grove, and Paul and Kathleen King.

Also, Jonas and Annie Kinsinger, Levi and Lydia Kinsinger, William Lantz, Kenneth and Fay Oliver, Robert and Mary Poole, Harold and Joyce Raubenstine, Lewis

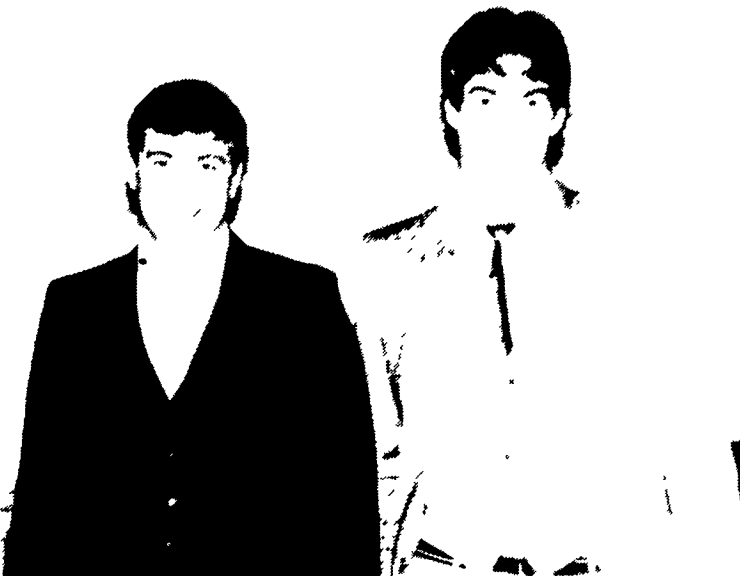
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Retiring director Jim Moser, left, was honored during the annual meeting of the Middle Atlantic division of Dairymen, Inc. Awarding the plaque of appreciation was division president Fred Butler.



Recipients of Dairymen's Gold Quality awards are, from left, Kenneth and Virginia Swartz, George Tubies and daughter Wilma, Robert and Mary Mays, and Edward Ensor.



Sons of two Dairymen member families are the recipients of scholarships toward agriculture degrees. They are Steve Hockman, left, University of Maryland, and David Kann, Jr., Penn State University.



Dairymen's Silver Quality production awards were accepted by, from left, William Lantz and Arlene Roth, Ruth and Matthew Chamelin, Harold and Joyce Raubenstine, Robert E. Baker and Mrs. James Dougherty.