

# Lancaster Farming

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## Experts predict continued '86 dairy surplus

**Special to Lancaster Farming**  
SYRACUSE, NY — What impact will the Food Security Act of 1985 have on the nation's dairy farmers? Will the whole herd buyout program reduce the milk surplus by the mandatory 12 billion pounds?

These questions were just a sampling of what dairy industry leaders attempted to answer Monday and Tuesday as they gathered at the 1986 Northeast Dairy Conference. And while no ready-made answers were offered, conference participants presented an optimistic viewpoint about the industry's future.

Touting the theme "Dairy Industry at the Crossroads," the conference highlighted dairy legislation and the farm financial picture. It also looked at other avenues of stability, including dairy promotion and product research.

But the underlying theme centered around the whole herd buyout program and the anticipated producer sign-up. With the conference held just three days before the March 28 announcement of accepted bids, attendees sought to predict the program's future outcome.

Speaking before an audience of 200 cooperative, university and agribusiness leaders, economist Andrew Novakovic reviewed the whole herd buyout program and cautiously offered his predictions.

"We'll make a lot of progress with this program," Novakovic said, "but it won't be the solution in 1986."

The Cornell University professor based his prediction on current milk production, which continues to climb. For 1986, Novakovic estimates that total U.S. milk production will reach 149 billion

pounds, compared to 144 billion pounds in 1985.

"If we go below 1985 levels, we'll be lucky," he said, adding that production may begin declining at the end of the year when the effects of the buyout program are felt.

USDA economist Clifford Carman echoes Novakovic's predictions. In addressing the dairy situation and outlook, Carman said production will be at a down turn at the end of 1986.

"We're unlikely to hold 1986 production at 1985 production," he said. "The cows and milk (of the buyout program) will not be out until 1987."

On the price side of dairying, farmers can expect lower milk prices during the second half of 1986 than the second half of 1985. Generally, prices will be down between 45 and 85 cents, Carman said.



Andrew Novakovic, Cornell University, outlines his thoughts on the impact of the 1985 Farm Bill.

But the key to prices, Novakovic said, will depend on the buyout program. With this said, he opened up discussion among the dairy leaders, questioning the sign-up in the individual northeastern states.

the leader suggested. But what level will be the cutoff for acceptance?

"My personal guess," Novakovic said, "is they won't take bids over \$20."

In volunteering the information they had, conference participants indicated that the sign-up in these states averaged between 12 and 26 percent of total dairy herds. From these figures, Novakovic said, the northeast "clearly has an interest in this program, but the sign-up is not as high as the rest of the country."

If the number of bids accepted does not reach 10 billion pounds of milk equivalent, a second sign-up period is likely, Novakovic said. The goal of the current administration is to reduce the surplus by 12 billion pounds of milk equivalent.

"And if the buyout program doesn't work, what next?" Novakovic quizzed his audience. "Quotas? We'll probably have to think about it."

The bids in the northeast ranged somewhere between \$4.90 and \$350.

## February milk output up seven percent

WASHINGTON — U. S. milk production surpassed year-earlier levels once again in February, completing 12 consecutive months of production increases.

production per cow was up four percent to 1,015 pounds.

The nation's February milk output was 11.3 billion pounds, seven percent higher than in February 1985.

In Pennsylvania, production was up four percent to 791 million

Cow numbers in January climbed about three percent over 1985 levels, to 11.1 million, while

pounds, tying the production record for the month set in February 1984. Cow numbers averaged 739,000, or 4,000 more than year-earlier totals, and production per cow was up 40 pounds, to 1,070.

## Valiant daughters top calf sale

HARRISBURG — Pennsylvania Parade continues today at the Farm Show complex with the long-awaited show that promises to put some of the best of the Holstein breed in Pennsylvania on display.

The State Holstein Show today has 400 head entered for the opportunity to be considered best in Pennsylvania. Among those competing are previous champions from the Doeberiner, Hostetter, King, Foster, Bupp, Fox, Boyer, Reipt, and Ohlinger herds

When these top names in the state gather, the spectators know they will be treated to a parade of outstanding Holsteins

In Thursday's calf sale which initiated the three day event, the top seller was Henry-Acres Valiant, a S-W-D Valiant daughter. This December calf, consigned by Roy and Glen Henry from Port Royal, was purchased by Latuch Brothers, Rockwood, for \$3,400.

The dam of this calf, Henry-Acres Elevation Joyce, is classified EX-90 and has two records over 30,000 pounds of milk, and a lifetime record of 223,151 pounds of milk to date. She presently has 13 sons in A.I. around the world

Roy and Glen Henry also consigned the second highest selling calf, Henry-Acres Valiant Elissa-T. This calf, which has almost the same pedigree as the highest-selling calf, sold for \$3,100 to



Jeff Harding, PHA staff; (left) consignor Roy Henry, and sale chairman Lewis Berkley stand with the top selling calf, Henry-Acres Valiant, who sold for \$3,400. At the lead is June Bechtel.

Michael J. Allen, Jefferson, MD.

The dam for this December calf is Middessa Rorae Ela. She is a gold medal dam classified EX-92.

Consignment numbers 115 and 66 received the next highest bid of \$1,700. Both of these calves were also sold to Hilmar Holstkins, Hilmar CA. One point these four top calves have in common is Round Oak Apple Elevation is their maternal grandsire.

Number 66, Ray-Mc Chairman Pride Jade is the daughter of Cal-

Clark Board Chairman and was consigned by Ray McMillen and Sons, Loysville. "Jade's" dam has one record over 30,000 pounds of milk. As a 10 year old, she produced a 309 day record of 28,138 M, 1,075 F, with a 3.7 test.

S-W-D Valiant is the sire for lot number, consigned by Loren L. and Helen M. Zimmerman, East Earl. This consignments dam is Zimhaven Elevation Jolly.

The unofficial sale average on 100 head was \$840.50. The sale was managed by Backus Associates, Mexico, NY. The barn crew and leadsmen for the sale were from the Dairy Societies of Penn State and Delaware Valley College.

The bred heifers and young cows scheduled for sale Friday were out of the finest bulls and dams in the breed. . . . Rotate, Astronaut, Chairman and Tony daughters from excellent dams with 20,000 plus pounds of milk.



The sale session always reaches its peak in March. In this issue find complete sale reports on the Exclusive Sale on A-23, Red and White Sale on A-22, York Calfarama on A-35 and PA on Parade on A-1.

