Hackettstown Poultry & Egg Hackettstown, N.J. Tuesday, May 13 Report Supplied by Auction

Leghorn Fowl .15-.20. Heavy Broilers .13. Pullets 1.80-2.35. Roasters .70-.80. Bunnies: 1.50-2.00. Ducks 1.10-1.55. Rabbits .80-2.00. Pigeons 2.05. Bantams .65-1.10.

Eggs Grade A: White Jumbo X Lge. .49-.76, Brown .52-.75.

Grade A: White Large .42-.68, Brown .44-.60.

Grade A: White Medium .40-.55, Brown .39.

Grade A: Brown Small .40.

Weekly Summary

Harrisburg, PA Friday, May 16 Report supplied by PDA 15 Livestock Markets

CATTLE: 7922. Compared with 7360 head last week and 7322 head a year ago. Steers 1.00-2.50 higher; heifers steady to 2.00 higher; cows steady to .50 higher; bulls weak to 1.00 lower; steers High Choice & Prime 54.50-58.00; Choice 52.25-57.00; Good 48.00-54.00; Standard 43.00-49.50; heifers Choice 49.50-54.50; Good 45.00-51.50; Standard 40.00-46.50; cows Utility & Commercial Breaking 36.25-42.00; Cutter & Boning 34.50-39.00; Canner & Cutter 30.00-36.00; shells 20.00; few Choice bullocks 50.00-54.50; few Good 45.00-51.00; YG No. 1, 1200-2200 lb. bulls 43.00-51.75; No. 2, 900-1400 lb. 38.00-45.00.

FEEDER CATTLE: Med. No. 1 steers 300-700 lb. 50.00-62.00; heifers Med. No. 1, 300-600 lb. 42.00 head last week and 1091 head a 53.00; bulls Large & Med. No. 1, 350-750 lb. 45.00-58.00.

CALVES: 3263. Compared with 3026 head last week and 2959 head a

Contract farming gains popularity

UNIVERSITY PARK - A trend toward increased contract farming provides farmers with much needed capital, but in exchange they must give up some of their freedom in making management

year ago. Vealers Grading Good & Choice mostly steady; Standard & Low Good 3.00-6.00 higher; Prime vealers 105.00-120.00; Choice 75.00-100.00; Good 60.00-85.00; 90-110 lb. 48.00-58.00; 70-90 lb. 43.00-53.00.

FARM CALVES: Holstein bulls 90-135 lb. 60.00-125.00; mostly 70.00-115.00; few heifers 95-130 lb. 53.00-

HOGS: 5246. Compared with 5438 head last week and 6416 head a year ago. 1.00-2.50 higher; No. 1-2, 210-255 lb. 46.50-48.00; No. 1-3, 200-260 lb. 45.00-47.25; No. 2-3, 200-265 lb. 43.00-45.75; few No. 2-4, 240-290 lb. 40.00-44.00; few No. 1-3, 160-190 lb. 39.50-44.00; sows .50-1.50 higher; US No. 1-3, 300-700 lb. 35.00-41.50; boars 25.00-33.00.

FEEDER PIGS: 789. Compared with 800 head last week and 966 head a year ago. Fully steady; 20-35 lb. 21.00-37.00; 35-55 lb. 25.00-48.00; few 50-65 lb. 44.00-59.00; all per head.

3 GRADED FEEDER PIG SALES: 1952. Compared with 2023 head last week and 2391 head a year ago. 3.00-6.00 higher; few No. 1-2, 20-30 lb. 110.00-142.00; 30-40 lb. 90.00-113.00; 40-50 lb. 87.00-106.00; 50-60 lb. 83.00-99.00; 60-70 lb. 70.00-89.00; 70-80 lb. 69.00-79.00; No. 2-3, 40-55 lb. 74.00-87.00; all per hundred weight.

SHEEP: 831. Compared with 751 year ago. Steady to weak; Choice & Prime 30-70 lb. 88.00-110.00, few 125.00; 75-110 lb. 80.00-90.00; Good & Choice 60-90 lb. 69.00-80.00; sl. ewes 14.00-40.00.

decisions.
H. Louis Moore, professor of agricultural economics extension at The Pennsylvania State University, says under contract farming, or "vertical integration," a producer signs a contract with a feed company or a marketing organization to produce for that firm. This permits a company to exert complete control over the production and marketing of a farm commodity.

'We see this trend in the industries that have the capability of being very efficient," he says. The poultry meat and egg industries are so highly integrated that few independent producers remain..

Moore says contract farming has been especially evident in the hog industry in the last decade. "In the Lancaster and York areas many of the large hog operations are under contract.'

Since 1977, the number of hog operations nationally with 500 or more animals has increased 3.3 percentage points, from 3.4 percent to 6.7 percent as of Dec. 1, 1985. While this may seem like a relatively small increase, hogs raised on such large farms now make up 55.5 percent of all hogs raised, compared to only 35.3 percent in 1977. The smaller operators, who make up the remaining 93 percent, today produce only 44.5 percent of the

This is a direct result of contract farming: more hogs are being raised on fewer farms. In both the poultry and hog industries, large contract farms are replacing small

Moore says contract farming may allow farmers to have bigger operations than they could if they had to produce their own capital.

Also, if a feed company is involved it might also supply the feed or other supplies on attractive repayment terms.

Producers supply the facilities and some management, but they also lose some freedom in making decisions. "In many respects, the farmer becomes just a hired hand," Moore says.

The contractors gain a guaranteed market for feed, feeder pigs or chicks. Contract farming also allows them to guarantee supply for a processing firm.

Contract farming leads to very efficient production, Moore says, and more uniform production throughout the year so that the market doesn't have a surplus at one time and then a shortage later.

It does have some disadvantages for the farmer, though. "One of the big disadvantages is that it makes

it more difficult for the average farmer to compete," Moore says. "The guy who tries to stay out of contract farming finds it increasingly difficult to do so as the marketing firms associated with contracting become larger and more influential.

"Farming becomes more like a factory enterprise and that could

be a disadvantage," he adds.

Consumers benefit from the efficiency, Moore says. "The trends usually work to the benefit of the consumer in that the retail prices of the goods are lower than they would be if you didn't have contract farming in that enterprise.'

Moore thinks the trend will continue. "Based on the experiences of the poultry and hog industries it can be expected that contract farming will continue to increase.'



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