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Lancaster Farming

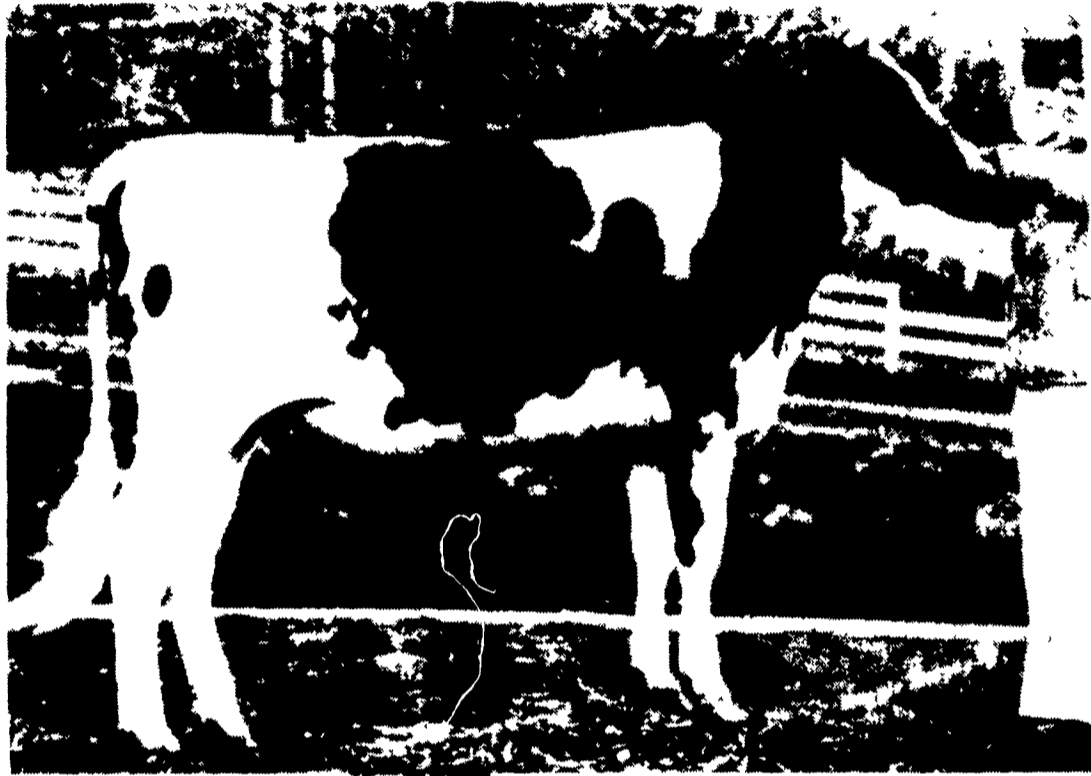
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Four Sections

Lancaster Farming, Saturday, July 5, 1986

\$8.50 per Year

Grass-Roots Makes Point at National Holstein Convention



Second high bid of the Century II Sale, \$73,000, went to Hilltop Hanover B Damara-ET. This bred heifer, sired by Valiant, sold to Pintail Point Farm, Queenstown, Md., along with a five pregnancies guarantee. She was consigned by Hilltop Hanover Farms, Yorktowne Heights, N.Y. See complete sale story and Thomas Kelly's story on A-26.

Seminar Explains Options Contracts

BY EVERETT NEWSWANGER
Managing Editor

LANCASTER-A seminar sponsored by Penn Ag Industries Association was held Monday afternoon to familiarize ag industry leaders with option contracts for grain and livestock.

William Barclay, marketing manager for ag and metal complexes of the Chicago Board of Trade, opened the seminar by equating grain and cattle option contracts with a theoretical example of a real estate transaction.

"Let's assume you want to buy some land for \$2,000 from a neighbor," Barclay said. "You don't have the cash now so your neighbor makes a proposal; I'll give you the right to buy that land

anytime during the next six months at \$2,000 per acre, but for that right to buy my land I want you to pay me \$100 today. So you buy that option to buy the land at \$2,000 per acre. Under what circumstances will you go ahead and

buy the land at the \$2,000 per acre price?" Barclay asked. "If the land goes up. Under what circumstances might you walk away from your option. If prices go down. What you have done with

(Turn to Page A39)

BY JOYCE BUPP AND
MARTHA GEHRINGER

MILWAUKEE, Wis. — The grassroots level of the Holstein-Friesian Association of America told the administration they want changes in the index system and in the financial management of the Association. These ideas were presented at the 101st Annual Meeting of the Holstein-Friesian Association of America held here earlier this week.

No longer will members of the Holstein Association readily approve increases in fees requested by the administration; increases in funding must be accompanied by administrative cutbacks.

The administration acknowledged the dissatisfaction of the membership and agreed to try to make appropriate changes.

A grassroots organization hoping to represent the feelings of the membership, the Breeders' Majority presented proposals to the annual meeting.

They proposed a re-evaluation of the current index system to account for maternal contribution, lifetime performance and dam-daughter comparison. In their resolution, the Breeders' Majority called for a "HFA board appointed committee to address these changes with 40 percent of the makeup of that committee to be named by the Breeders' Majority and that that committee be appointed at the next full meeting."

This resolution passed. Two other proposals were presented at the Convention, but both were altered prior to approval.

The first, concerning increasing registration fees, read as follows: "That, effective November 1, 1986, the schedule of registration fees...be changed so as to establish minimum registration fees of \$6,

\$12, and \$18 for state and national members, national members and non-members, respectively, and an additional fee of \$3 for each month of age over 3 months up to 24 months."

On the recommendation of Marlin Hoff, Md., the membership agreed to increase the minimum registration fees by \$2, raising the fee from \$4 to \$6 with no other changes. This fee increase will raise approximately half of the anticipated deficit of \$1 million for the Association.

A general consensus of the membership was that fees could increase somewhat, providing there would be cutbacks on the administration's side.

The second proposal concerned transfers and read as follows: "The minimum fees for recording a transfer shall be applicable to every application received within 30 days after the date of change of

(Turn to Page A26)



Thomas W. Kelly

PFA Asks Employees To Take Short Furlough

CAMP HILL — To cut expenses and meet projected budgets, the Pennsylvania Farmers Association has asked the 182 full-time salaried and commissioned employees to take a 10 day unpaid furlough sometime before the end of the fiscal year. The layoff program allows the employees to take their days off from one-at-a-time to all-at-once.

According to Richard Newpher, Administrative Secretary for the largest state farm organization, the move was necessary solely because the lower than projected interest rates have cut the association's interest income from deposits of membership fees, farm management fees and prepaid insurance fees. "When we made the current budget, we expected interest rates to average around 12 percent. The present 6 percent

interest rate was unbelievable at the time," Newpher said. "We have sold more products, provided more management services and even increased membership. So our reduced income was totally the result of lower interest income on our interest bearing deposits," Newpher said. "The association is currently preparing a budget proposal to shorten expenses for the coming fiscal year. We will try to make cuts where the average member does not notice any decrease in service," Newpher said. "But we have an obligation to our members to manage the organization correctly and cuts will need to be made. While such a move has never been necessary before in the history of the PFA," Newpher said, "anyone working with agriculture today has experienced a little downward spiral in income."

"GIVE ME YOUR TIRED YOUR POOR YOUR
HUDDLED MASS'S YEARNING TO BREATHE
FREE, THE WREICHD REFUSE OF
YOUR TIE SHORE SEND THESE THE
HOMITESS TO ME I LIFT MY
LAMP BESIDE THE GOLDEN DOOR"



See Editorial Page 10

CCC Writing Checks Again

WASHINGTON D.C. — The Urgent Supplemental Appropriation Bill, authorizing \$5.3 billion to the CCC, was signed by the President on Wednesday, July 2.

Within the hour of the President signing the bill, checks were being written to make payments to farmers for such programs as the Conservation Reserve, disaster relief, the buyout program and routine CCC loans, according to Bill Wright of the ASCS.

Urgent appropriation bills like this are not uncommon, he added, to provide funds for programs that were underfunded or events eclipsed the original appropriations.