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Boards Unanimous; Members To Vote This Month

Inter-State, Lehigh Approve Merger

SOUTHAMPTON — The Inter-State Milk Producers' Cooperative and Lehigh Valley Farmers boards of directors have approved plans to merge the two cooperatives to form "Atlantic Dairy Cooperative."

The proposal to merge was unanimously endorsed by both boards of directors at a joint meeting on Oct. 22. The plan now awaits final vote by the membership of both cooperatives. If approved, the merger would

become effective Feb. 1, 1987. In announcing their plans, Inter-State and Lehigh report a mutual benefit for all members. Atlantic Dairy Cooperative, they contend, will achieve greater operating savings and increased marketing efficiency. The result will be a higher return to members.

Under the proposal:
• Atlantic Dairy Cooperative will be headquartered at Southampton, where Inter-State is currently located.
• Cooperative dues will be 12 cents per hundredweight.
• The capital retain program

will be ended for all Atlantic members who have over four years of membership in either Inter-State, Lehigh or Atlantic.
• All Atlantic equities will be placed on a five-year revolving plan. Former Inter-State and
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Inter-State president Robert B. McSparran, left, and Lehigh president Alpheus Ruth give the "go" to a proposal to merge the two cooperatives.

"The merger proposal offers many advantages to both Inter-State and Lehigh members," said Alpheus Ruth, Lehigh president. "The most important are the savings and efficiency resulting from a closer working relationship."

According to initial estimates, Atlantic Dairy Cooperative will realize annual operating savings of nearly \$1 million as a direct result of the Inter-State-Lehigh merger. This is achieved by streamlining marketing and transportation programs.

"The merger plan focuses on the market and production strengths of each cooperative," said Inter-State president Robert B. McSparran. "It places us, as Atlantic Dairy Cooperative, in a stronger, more competitive position in the marketplace."

Don't Miss This Tax Meeting

LANCASTER — Penn State management and tax specialists will explain the many changes in the tax law during an Extension-sponsored meeting at the Lancaster County Farm and Home Center Auditorium Nov. 24.

farmers, small businesses and individuals
The discussion will cover the loss of investment credit and Capital Gain Treatment, and the new rules on depreciation

Dr. Larry Jenkins and Jesse Cooper will give a comprehensive review of provisions in the Tax Reform Act of 1986. The review will include a discussion on the key points of the tax law that will affect

The information provided in this meeting could help you make some tax saving adjustments before you close your books for the year. Mark the date on your calendar now and invite your tax consultant to attend the program with you. The meeting begins at 7:30 p.m.

Auctions Beef About Checkoff Program

BY JACK HUBLEY
LANCASTER — With a month's-worth of the beef checkoff program under their belts, livestock auctions are bracing themselves for the second wave of paperwork with the startup of the national pork checkoff today.

Cattlemen's Beef Promotion and Research Board. The National Pork Board will be collecting all pork checkoff monies and refunding a percentage to the state pork councils based on the number of head they market. The more hogs a state produces, the lower their return percentage will be.

from the program's Nov. 1 startup date.

Both programs are mandated by farm bill '85, and both are producer financed. The two differ somewhat in their per-head assessments and their implementation. While the beef checkoff is a standard \$1-per-head fee, pork producers will be contributing one-quarter of one percent on the gross amount received from all hogs sold.

Both programs offer refunds to producers not wishing to participate. Whether or not beef producers receive their refunds is contingent upon the outcome of a producer referendum to be held after the program has been in force for 22 months. On the other hand, pork producer refund requests will be honored regardless of the outcome of a pork referendum. The pork referendum must be held within 24 to 30 months

Both programs are grounded in the premise that more dollars for promotion means greater consumer demand, which in turn leads to higher red meat prices. While the farming community seems ripe to embrace the concept, its birth has proven to be a bit painful, particularly for the auction houses charged with collecting the funds from livestock sellers.

Beef funds are collected by the state beef councils and 50 percent of the money is sent to the national

"All these programs are putting a tremendous burden on the auctions," says Jim DeGaetano, president of Carlisle Livestock Market, and past president of the Pennsylvania Livestock Association. "The thing I resent is that they come up with these programs and then they expect the auction barns to do all the work."

Farmers Tour Local Businesses

BY EVERETT NEWSWANGER
Managing Editor

ago as a place for "a chemist in private practice," Hess said. "Our business grew out of my farm background experience and allowed us to start small and grow with a family type operation much like farmers do. Even now with 185 employees, we consider ourselves an extended family. Though I must admit, it gets harder to know everybody personally as the employee number grows."

LANCASTER — This year the farmers visited ag-related businesses on the Lancaster Chamber of Commerce and Industry Tour sponsored by their ag committee. Often the community is invited to take a tour to the farm. But on Thursday morning more than 50 people left the Farm and Home Center on a bus headed for Lancaster Laboratories, Inc., on New Holland Pike and Victor Weaver, Inc., in New Holland.

Hess listed several business principles he thinks are very important.

At Lancaster Labs, Mr. and Mrs. Earl Hess, founder of the growing testing laboratory, hosted and welcomed the group. Hess said the response to the chamber tour showed the kind of commonality that business and farming have in this area.
The firm was started 25 years

1. Delivery a high quality product with a personal touch
2. Know what your product input costs are and make a reasonable profit. Only with a profitable business can you expect to grow.
3. Make no compromise on integrity and honesty when dealing

DeGaetano is particularly miffed about a form called the "Certificate of Non-Producer Status." The form's purpose is to avoid reassessing cattle that are being resold within 10 days of the first purchase.

"The form is very poorly written," DeGaetano says, pointing out that the document should be simplified. There also seems to be a distribution problem, he says. "If the sellers have an exemption certificate, they don't have to pay again, but the sellers aren't getting these forms."

Another bone of contention seems to be the beef checkoff's per-head charge. "I think it's way too high on those calves," says DeGaetano. Illustrating his point, he notes that an average 60-pound veal calf may bring 30 cents a pound for a total of \$18. Of that



Charles E. Wismer was re-elected master of the Pennsylvania State Grange in Reading this week.

Wismer Re-elected State Grange Master

BY EVERETT NEWSWANGER
Managing Editor

the Grange such as a food cooperative, a credit union and an insurance program. Wismer is a dairy farmer in Montgomery County.

READING — At the four-day Pennsylvania State Grange convention here this week, Charles E. Wismer, Jr., was re-elected for a two-year term as master of the State Grange. Wismer was first elected master in 1979 and re-elected in 1980, 1982 and again in 1984 to two-year terms. He has been active on the local, county and state levels of the Grange for more than 30 years. Wismer's efforts on behalf of the State Grange, first as legislative chairman then as master, were largely responsible for many legislative victories for the Pennsylvania farmers. During his term as master Wismer has also introduced many new services into

One of the featured speakers at the Grange meeting was Secretary of Agriculture Richard E. Grubb. Secretary Grubb used the occasion to announce a major initiative by the Pennsylvania State Department to promote export sales of Pennsylvania food products in European markets. Grubb said the Department of Agriculture will lead nine Pennsylvania food companies to Berlin in January to participate in International Green Week.

Pennsylvania foods will be displayed to a half million visitors
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