

Bucks, Northampton 4-H's Top Eastern Pa. Beef & Lamb Show

BY ED SHAMY

Northampton Co. Correspondent
ALLENTOWN — Some of the exhibitors were new and all of the animals were rookies, but a thread of consistency ran through the Eastern Pennsylvania 4-H Beef and Lamb Show last week in Allentown.

Once again, Danny George of Bethlehem, Bucks County livestock dealer John Scholl and the Berks-Lehigh Farm Credit Association dominated the buying.

George, who operates George's Foodliner grocery store in the Westgate Mall, was high bidder on 23 of the 100 lambs sold at auction the day after the show.

George, honored earlier in the week by the Northampton County Cooperative Extension Service and 4-H clubs as a "Friend of 4-H," also bought six of 22 steers entered in the six-county show.

Included in George's purchases were the grand champion lamb, and the grand champion steer at the show. The Suffolk lamb was raised by Katherine Moss, 17, of Perkasio, Bucks County. The Eastern Pennsylvania show in Ag Hall at the Allentown Fairgrounds was the sixth year she had exhibited, and marked her first grand champion. George was high bidder for the 136-pound lamb, buying it for \$4.20 per pound.

The Berks-Lehigh Farm Credit Association bought the grand champion pair of lambs, a total of 221 pounds, for \$1.60 per pound. The association purchased five other lambs and a steer. The grand champion pair, a Shropshire and a Hampshire, were raised by Jacquelyn Miller of Bethlehem Township, Northampton County. Scholl, of Perkasio, was high bidder on 19 of the lambs.

But it was George who took home the grand champion steer, a 1,270-pound Angus shown by 15-year-old Dan Berghold of Moore Township, Northampton County. The steer, which topped 21 other entries, sold for \$3.50 per pound, one of the highest prices ever paid for a steer in the 46 years of the event. Dan was in his eighth year of showing steers in the show, and had taken home reserve grand champion honors before.

The show was open to 4-H youths



Danny George (left) was high bidder for Dan Berghold's grand champion steer at the sale that followed the Eastern Pa. 4-H Beef and Lamb Show.



George also went home with Katherine Ross's grand champion market lamb.

from Bucks, Carbon, Lehigh, Montgomery, Northampton and Schuylkill counties.

As has been the trend in recent years, lamb entries were on the rise and steers on the decline. Lamb entries rose to 100 this year, up 33 percent from a year ago,

contest officials said.

The show drew 65 potential buyers, including Baum's Meats of Lansdale, which purchased four of the steers that were shown.

Prices averaged about 85 cents per pound for the steers, about 95 cents per pound for the lambs.

powerful message capable of cutting through the clutter," said Producer Ray Hanks, chairman of the NPPC's Consumer Product Marketing Policy Department Group. Producer leaders were involved throughout the process, said Hanks, and a producer survey was initiated to generate honest first impressions of the campaign.

Almost fifty personal on-farm interviews with pork producers were conducted, said Sanders. "While most producers seemed surprised initially by The Other White Meat positioning, the positive response was fantastic," he said. Nine out of 10 felt the strategy would create awareness, communicate benefits, and stimulate consumption. "Almost every producer agreed that the message is appropriate for the industry's campaign in 1987 and beyond," Sanders added.

The new theme will be presented to consumers across the nation starting next March in national magazines and target market television advertising. Also planned are personal appearances by Olympic gold medal winner, Peggy Fleming.

The promotion campaign will be funded by the 100 percent national checkoff of .25 percent of the value of every hog sold, which went into effect Nov. 1. Producer leaders have earmarked \$4.5 million for the advertising campaign thus far. Foodservice programs, retail merchandising, and consumer public relations are also a part of NPPC's total marketing program. An additional \$1 million has been set aside to match funds provided by state associations to support the national advertising program, bringing the potential budget to \$6.5 million.

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Pork Prose

by
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Overweight Hogs

It's been going on for at least six weeks at Hatfield Packing. Tom Leidy of Leidy's Int. has noticed it since the beginning of September. And Ed Hermann of Gwaltney Packing claims it's been happening most of the fall.

What are we talking about? Heavy hogs. Market weights have been creeping up. It may not be a nationwide phenomenon, but it sure seems to be the case in the Northeast.

"Our normal market weight average is 230," Tom Leidy told me last week. "But now it's up to 237. And producers who do that will have a fair number of hogs on the load weighing over 240 pounds," he added.

Jerry Clemmens at Hatfield said, "Yes, our average weight is up. But it varies among producers. We have some lots in the normal weight range, while many others lately have been in the 250 to 270 pound category."

Why are producers shipping heavy hogs? Ed Hermann, manager of several Pennsylvania buying stations for Gwaltney, says heavy hogs aren't unusual for this time of the year. That parallels Jerry Clemmens' thoughts that it "could be related to the new corn," since hogs will eat more of it and therefore grow faster than producers anticipate. But Clemmens adds, "It may also be associated with producers not having as much time to market hogs in the middle of corn harvest."

The critical question is not so much *why*, but *what?* What will the effect be — on the producer, on the packer, on the industry?

Effects on the Producer

Heavy hogs are a good deal for the producer — to a point. Most of the time producers can make more money by marketing hogs at 240 pounds rather than 220 pounds. Why? Because the cost of gain (feed and facilities) is almost always cheaper than the market will pay. But when the market weights get so high that the packer discounts the price, the profit

picture changes as the shown in the table below.

Right now the most profitable weight is 240 pounds and for our example, it's the heaviest weight without a discount in price. That's the way it usually works. But what's surprising is the fact that you can make more money selling hogs at 250, 260 or even 270 compared to a market weight of 220. Normally the discounts that packers slap on make heavy hogs a losing proposition. Why isn't that the case today? Feed costs right now are unusually low, compared to the price of hogs.

Effects on the Packer

For most packers, heavy hogs create few problems. Hatfield, Leidy's and Gwaltney all make a lot of processed meats. So when a load of heavy hogs comes in, the carcasses are boned out, and products leave the plant as boneless hams, loins and other products. But the packer does have to contend with heavier bellies and picnics. And if he relies on a fresh pork market, then over-sized hogs yield over-sized retail cuts, which don't have good consumer acceptance.

Effect on the Industry

Because heavy hogs add a lot of pork to the market, prices get depressed. That's not hard to understand. So prices right this minute could be 50 cents or \$1 less than they normally would. And as Penn State Ag Economist, Lou Moore indicates, if heavy market weights continue into next year, prices will come down even faster than predicted.

We're in a strange set of circumstances. Right now corn prices are low enough and hog prices are high enough that feeding hogs to very heavy weights is the best route for some individuals. But for the majority of producers the most profitable weight is still 240 to 245 pounds. If we overshoot that by very much or for very long, the honeymoon of hog prices will come to a grinding halt.

Current Profit at Different Market Weights *

Market Weights, lbs	Price/cwt	Extra Feed reqrd, lbs	Extra Days To Market	Profit/Head
220	\$53 50	-	-	\$11 89
230	\$53 50	46	5	\$14 63
240	\$53 50	82	11	\$16 85
250	\$52 00	127	17	\$15 31
260	\$51 50	172	22	\$16 17
270	\$49 50	218	28	\$12 77

*Based on buying 45 pound pigs @ 1.25/lb finishing feed costs at \$107/ton and non feed costs @ approx \$16/day

Pork To Become 'White Meat' In Ad Campaign

DES MOINES, Iowa — The time is right for a new direction for fresh pork, two industry leaders recently told a press conference here as they announced the new industry theme — "Pork, The Other White Meat."

The concept has been thoroughly tested with a wide variety of audiences — consumers, packer/processors, and pork producers, according to Russ Sanders, executive director of the National Pork Producers Council which is developing and implementing the new marketing thrust.

Two independent surveys reviewed the theme to nearly 3,000 consumers across the United States, said Sanders, with exceptionally positive results. One of the research organizations was quoted as reporting "this campaign is one of the strongest and most motivating ever tested by this research organization." According to Sanders, the other organization commented, "The Other White Meat effectively breaks through the clutter of television advertising to create awareness of pork and its benefits."

Pork packers and processors have also endorsed the concept, said Sanders, but the final approval has come from pork producers themselves.

"We've taken recent industry changes and polls as signs that the time is right for an aggressive,

Swine AI Short Course Offered

UNIVERSITY PARK — An artificial insemination short course for hog producers will be offered by Penn State's Department of Dairy and Animal Science on Mar. 2-3 at the university's Henning Building.

All facets of AI technology will be covered, including collecting semen, insemination timing, storage and the use of frozen semen and fitting AI into your breeding program.

Registration of \$40 for adults and \$20 for additional family members and students is due by Feb. 23.

For more information contact Dr. Kenneth Kephart, 814-863-3671