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current dollar exchange rate opens new exporting doors," Wolfe said. "And the proximity of the Boston show should make it easy for potential Pennsylvania exporters to take advantage of this marketing help from the department.

While the exposition is the fourth annual event, it's the first time the exposition, sponsored by the National Association of State Departments of Agriculture, is to be held in the Northeast. Companies participating in the show may be eligible to receive financial assistance for export promotion and marketing programs from the value-added product promotion program sponsored by the U.S.

Department of Agriculture Foreign Agriculture Service.

"One Pennsylvania exporter, Goldenburg Candy Company in Philadelphia, has received promotional funding after registering for the exposition," Wolfe said. "Goldenburg was awarded a \$30,000 federal grant to increase export sales of their confectionary products in Europe and the Middle East."

Marketing directors from state departments of agriculture throughout the ten-state Northeast region attended the meeting. Ronald Gaskill, Director of the Pennsylvania Bureau of Markets in the State Department of Agriculture, was the coordinator.



National Ag Marketing officials met in Lancaster this week to plan for the 1989 NAS-DA Food Exposition in Boston and discuss other marketing issues. The annual meeting of the Northeast region included a team of Lancaster Co. Food Processors. The group stopped for this photo at Anderson's Pretzel Plant.

Northeast Cooperative Starts Milk Price Campaign

WESTMINSTER, Vt. — The Council of Northeast Farmer Cooperatives today announced a grass-roots campaign to stop further cuts in federal dairy price supports. "Dairying in the Northeast is threatened by Agriculture Secretary Lyng's reliance on "shotgun" price cuts to discourage surplus milk production in other regions. Such cuts cannot be "targeted" to just those who are overproducing, however. If we are to succeed in our efforts to stem the loss of farms in the Northeast, we must convince the Secretary to use a program of targeted supply management instead of indiscriminate price cuts," said C.N.F.C. executive

director Steve Kerr.

The 1985 Farm Bill authorizes the Secretary of Agriculture to initiate a new whole-herd buyout or milk diversion program in order to prevent a build-up of surplus milk. Both programs have been used successfully in recent years to bring U.S. milk production into line with commercial demand, reduce dairy program costs and strengthen farm prices.

The Farm Bill also requires cuts in the milk support price, however, if production is not kept in line with demand. Estimates of total milk supplies for 1988 and 1989 indicate that, unless the Secretary acts soon to reduce production,

another price support reduction of \$.50/cwt. will be made on January 1, 1989.

A new surplus of milk is developing because of rapidly growing production in southern and western states. "It makes no sense whatsoever to allow surpluses to trigger farm price cuts when those cuts could be forestalled - and farm prices instead strengthened - by the expeditious use of tools that the Farm Bill's authors explicitly included in the law," remarked Kerr. "It makes even less sense when one realizes that those price cuts will reduce production in the wrong regions."

Farm prices are now more than

\$2.00/cwt. lower than they were in 1983. Production costs have begun to rise after several years of moderate declines. The "cost-price squeeze" that is developing will cause net farm income for Northeastern Dairy Farmers to average 20% less in 1988 than last year.

The price cuts are accelerating a structural shift of historic proportions in the U.S. dairy industry. Growing regional surpluses are forcing milk prices down nationally. Farm numbers are consequently falling in the traditional Northeastern dairy states, in spite of the fact that supplies in those states are very tight.

While the C.N.F.C. supports the

use of a program that will obviate further price reductions, it wants to structure them in a way that will preclude excessive reductions in farm numbers and milk volume in the Northeast. "It is vital that any supply control be targeted to the regions which overproduce, as Senator Pat Leahy, Congressman Jim Jeffords and other Northeastern members of Congress have urged," Kerr cautioned. The C.N.F.C. therefore proposes the use of a targeted buy-out, one which would remove production capacity in those regions with more milk than they can market. A targeted buyout would strengthen farm prices nationally without taking too much milk out of the deficit regions such as the Northeast.

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Casey Signs Coyote Bill Into Law

HARRISBURG — "The Coyote Bill" was signed recently by Pa. Gov. Robert P. Casey, thus culminating a successful three-year effort by the PA State Grange. The effort was aimed at aiding Pennsylvania livestock and poultry farmers to recover from devastating herd and flock losses caused by coyotes.

The bill creates a coyote indemnity program that provides for up to \$20,000 annually to recompensate farmers for livestock and poultry injured or killed by coyotes. The funding for this program will come from the existing Dog Law Fund which generates more than \$3 million annually.

The effort began in 1985 at the grassroots level, when members of the Oak Hill Grange in Clearfield County expressed concern over the serious problem of farm animals killed each year by coyotes.

A subsequent 1985-86 Penn State University study documented at least 128 sheep killed by coyotes in 1985. More recently, 80 sheep were killed in Greene County, while 20 sheep were killed in Bradford County.

State Grange Master, Charles E. Wismer, Jr., said of the Bill signing, "We (the Grange) are very pleased to be the initiator and the driving force in securing aid to Pennsylvania farmers through our efforts in getting this legislation enacted."

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