

RCMA Establishes Six-Member Task Force To Investigate Dairy Issues

BATAVIA, NY — The Regional Cooperative Marketing Agency (RCMA), a 22,000 member dairy farmer organization, appointed six people to a "Dairy Issues" investigative task force during a meeting of the RCMA Board of Directors, Friday, July 7, 1989.

Dick Langworthy of Agri-Mark, Inc. in Methuen, MA will chair the group assigned to look at such dairy issues as the value of manufacturing milk, producer price alignment among Federal Milk Marketing Orders, and long-term RCMA pricing strategies. Other members of the RCMA Task Force include: Clyde Rutherford, Dairylea Cooperative, Inc. in Syracuse, NY; Mike Donovan, Eastern Milk Producers Cooperative in Syracuse, NY; Jim Fraher, Atlantic Dairy Cooperative in Southampton, PA; Joe Hess, RCMA Region 17 Director from Mt. Joy, PA; and Mert Evans, Allied Federated Cooperative. The group will report back to the RCMA Board of Directors on August 11, 1989.

According to RCMA President, Bill Zuber, "RCMA is doing

everything possible to ensure a profitable future for dairy farmers and the thousands of other people employed directly or indirectly in the dairy industry here in the Northeast." Zuber stated that these six people will devote as much time as needed to look into some

of the long-standing problems facing the Northeast dairy industry.

"We are trying to assist the milk dealers here in the Northeast so that they may, in turn, be able to help our members and keep them in the dairy business," explained

Zuber. "After all, our main goal is to strengthen all facets of the dairy industry."

The Regional Cooperative Marketing Agency is a 22,000-member organization run by and for dairy farmers in 11

Northeastern states. RCMA collects, from the marketplace, a Class I fluid milk differential over the minimum Class I price set by the Government, and RCMA returns this money in the form of "Over-Order Premiums" to its farmer-members.

Weather Dominates Market Price Moves

NEWARK, DE — "Corn, wheat and soybean prices have been driven by weather this past month," says Carl German, University of Delaware Extension crops marketing specialist.

"The Eastern corn belt has been inundated with too much rain in contrast to parts of the Western corn belt," he says, "which are in need of timely rains for corn that has reached the tasseling stage."

German says severe drought conditions do not seem likely during the present cropping season. However, portions of the growing region may experience reduced yields due to a lack of timely rains, while the excessive rain in the Eastern corn belt has reduced yield prospects in that region.

"As in most weather markets,"

he says, "only time will determine the eventual outcome for crop yields. But farmers still need to have marketing strategies."

Considering the general condition of crop development in the United States, the smart thing to do now is to place further 1989 crop sales on hold, German says. The weather during the month of July and possibly August will help determine the eventual direction of crop prices.

Trading ranges for corn, wheat and soybeans are likely to be within 20 to 30 cents of their current levels. December corn is expected to trade from \$2.50 to \$2.80, November soybeans from \$6.50 to \$7.00, and September wheat from \$3.95 to \$4.15 per bushel.

"The bottom line in the event of

timely rains in the Midwest," the specialist says, "is to expect these prices to break toward the bottom or below these trading ranges. If the rains don't come, then we'll see higher prices."

Regarding the small-grain harvest, German says if wheat is harvested and stored, producers may want to consider protecting the price risk with September put options or a hedged position in the futures market. This is because the spring and Canadian wheat crop, which will be harvested in September, is said to be in great shape.

Another factor to consider, which may prove to be price-depressing for wheat, is the wheat

catalog, which is scheduled to be released when the national average wheat price hits the \$4.10 per bushel mark, German says.

Finally he notes that producers with profitable positions in options may want to consider offsetting those positions. But producers must keep current with market trends to make their best decisions.

"One can be sure that seizing upon any opportunity to make additional cash sales in the present market will require keeping abreast of daily market developments," German says.

For further information on marketing your crops, call Carl German at 451-1317.



**Lebanon Valley National Bank
Agricultural Group
INVITES YOU TO STOP BY OUR
BOOTH AT THE LEBANON
VALLEY FAIR!**

Stop By
For FREE
POPCORNI!

Mike Firestine - Vice President - Sr.
Agricultural Loan Officer
Ronald Donaldson - Agricultural Loan Officer
Paul Bliseman - Agricultural Loan Officer
Sean McKinney - Agricultural Loan Officer
Cathy Whittaker - Agricultural Loan
Coordinator

Lebanon Valley Fair
Sunday, July 30 Thru Sat., Aug. 5

REGISTER TO WIN!

**3 FEEDER PIGS and \$50 STATEMENT SAVINGS
ACCOUNT
JUST GUESS THEIR WEIGHT!**

Have your financial questions answered by one of Lebanon Valley National Bank's agricultural loan professionals.



**Lebanon Valley
National Bank** 717-274-6906
Member FDIC Equal Opportunity Lender



**MILK. IT'S FITNESS
YOU CAN DRINK.**



ASPHALT PAVING SPECIALISTS

- STREETS •PARKING LOTS •DRIVEWAYS
- RECREATION AREAS •ROADS •FARM LANES

FREE ESTIMATES BOOK YOUR PROJECT NOW!

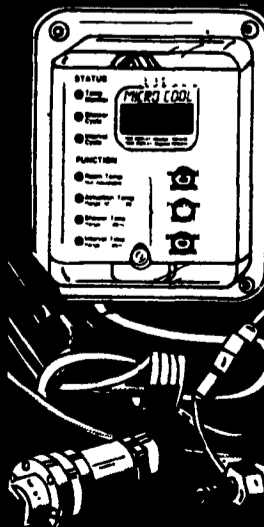
For Prompt Courteous Service Call

(215)267-7591

Toll Free: (800)422-8107
R D 3 DENVER, PA

A.G. KURTZ PAVING, INC.

**DO SOMETHING
ABOUT HEAT STRESS**



DRIP COOL GESTATING SOWS

DRIP COOL LACTATING SOWS

DRIP COOL BREEDING BOARDS

SPRAY COOL kits also available

COMPLETE KIT • WATER •
INSTALL IN 30 MIN.

Stocked & Distributed By:
FRI-COUNTY
CONFINEMENT
SYSTEMS INC.
608 E.
EVERGREEN RD
LEBANON,
PA 17042
PH. 717-274-3488