Milk Production Drops As Milk Prices Climb

MEDIA, OH - The production of milk in northeastern Ohio and western Pennsylvania has dropped 7.8% for the period of June through October, 1989 compared to the same period last year. This regional decrease, caused by weather and shifting economic trends, is five times greater than the national average and comes at a time when milk prices are climbing to record levels.

"This uncertainty of milk production is caused by poor quality feed supplies resulting from this year's wet spring coupled ith the uncertainty of producer milk prices in 1990", says Tom Croner, president of the Producers' Equalization Agency and a dairy farmer from Berlin, Pennsylvania. Although milk prices paid to dairy farmers will reach record levels this fall and winter, Croner questioned whether local milk production would rebound. Croner adds,

"even though dairy farmers cannot change the quality of feed stored on their farms, they can provide some stability in their price during 1990".

"Last year, prices dropped to their lowest level in May than took a 20 percent upward swing this fall. It's expected that milk prices will take another downward swing this spring possibly exceeding a 20 percent drop. This sharp downward swing in milk prices becomes more apparent because the support price is expected to drop to \$9.85 per hundredweight on January 1, 1990. This drop is \$1.00 below the support price of last spring and is at the lowest level in ten years", explains John Siglow, general manager of the Agency.

"Dairy farmers are reluctant to make a financial investment to improve or expand milk production under these unstable pricing

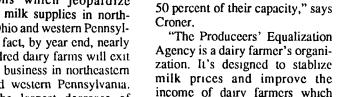
conditions which jeopardize adequate milk supplies in northeastern Ohio and western Pennsylvania. In fact, by year end, nearly five hundred dairy farms will exit the dairy business in northeastern Ohio and western Pennsylvania. That's the largest decrease of dairy farms in recent years", says Siglow.

'One of the purposes of the Producers' Equalization Agency is to stabilize milk prices for local dairy farmers by cutting the expected 20 percent milk price drop in half. This will aid in stabilizing milk prices and in turn will help maintain adequate milk supplies for milk processors in northeastern Ohio and western Pennsylvania", comments Croner.

"The timing is right for the Agency. We need it to foster a healthy dairy industry in northeastern Ohio and western Pennsylvania", Croner adds.

Northeastern Ohio and western Pennsylvania are lagging far behind national milk production and milk supplies in this area are inadquate, according to Croner. Just recently the USDA, upon the request of milk processors in northeastern Ohio and western Pennsylvania, increased the percentage of milk that must be shipped to fluid plants.

"This indicates that there are inadequate supplies of milk being shipped to fluid milk plants. At the same time, this lowers the amount of milk available for manufacturing plants now running well below



zation. It's designed to stablize milk prices and improve the income of dairy farmers which will stabilize production and help assure adequate milk supplies to local processors. This would be accomplished by establishing prices that exceed federal order minimum prices and equally charge all processors for raw milk. The Agency would pay all money

collected to dairy farmers, except

for one cent per hundredweight for Agency operation", according to Siglow.

"To achieve this we need the support of not only dairy farmers but also milk processors. Therefore, during the next four months we will be meeting with dairy farmers and milk processors to explain the Agency and gain their support", says Croner.

For additional information about the Agency, contact John Siglow at the Agency's new toll free phone number, 1-800-837-MILK.

Blair County DHIA Year-End Totals

(Continued from Page C10)			
3. Jerry & Joan Bechtel	234	2-11	793
4. W. Dean Stern	Pammie.	2-10	780
5. Hilecrest Farm	309	1-11	763
TOP FIVE TWO-YEAR OLDS			
MIL	.K		
1. Gerald Burket	245	2-6	27,568
2. Kenneth & Debra Bush	23	2-11	26,161
3. Thomas W. Kelly	Audrey	2-11	25,482
4. Jerry & Joan Bechtel	234	2-11	25,007
5. Pleasant View Farm 3	462	2-11	24,980
FIVE HIGH COWS-MILK			
Owner	Cow	Age	Milk
1. Thomas W. Kelly	Bonnie	4-2	32,590
2. Thomas W. Kelly	Janine	4-2	32,303
3. Thomas W. Kelly	Brill	6-3	31,813
4. Thomas W. Kelly	Blossom	6-4	30,673
5. Thomas W. Kelly	Jewel	5-4	30,278
FIVE HIGH COWS - BUTTERFAT			
Owner	Cow	Age	Butterfat

Owner	COW	Age	Dutteriat
1. Burket Falls Farm	Sylvia	4-6	1,332
2. Clover Will Farms	26	3-5	1,276
3. Fidelity Holsteins	Janet	3-9	1,224
4. Thomas W. Kelly	Jewel	5-4	1,207
5. Clover Will Farms	91E	5-2	1,206

FIVE HIGH COWS - PROTEIN				
Owner	Cow	Age	Protei n	
1. Thomas W Kelly	Brili	6-3	987	
2. Mike & Carol Hoover	Cindy	3-8	963	
3. Clover Will Farms	26	3-5	960	
4. Burket Homestead	41	4-11	935	
5. Clover Will Farms	15E	6-5	933	

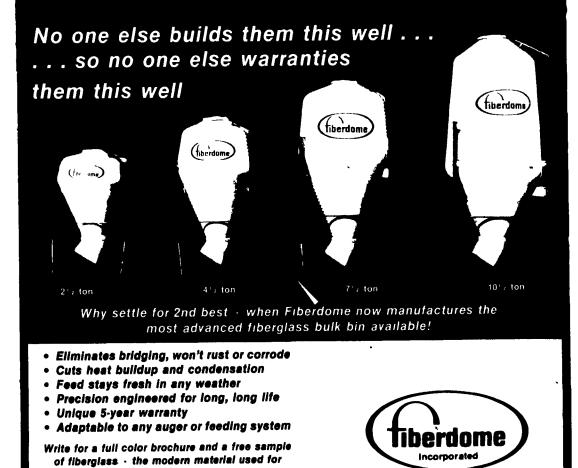
TEN HIGH COWS - LIFETIME BUTTERFAT

Owner	Cow	Lactations	Milk	Butterfat
1. Lar Ann Farm	Judo	13	275,600	9,739
2. Richard Fox & Sons	200	10	233,349	9,297
3. Marcove Farm	Lvei	9	226,803	8,849
4. Pleasant View				
Farms 1	315	9	223,884	8,073
5. Harold Walter	371	7	196,038	7,902
6. Marcove Farm	lda	7	203,769	7,658
7. Durrell & Dawn Delp	Eva	8	210,267	7,5 77
8. Burket Falls Farm	611	10	210,050	7,320
9. Bradley & James				
Baker	337	10	196,062	7,104
10. Harold & Bernard				
Bailey	21	10	189,536	7,103
•				

FIVE LOW HERDS - SOMATIC CELL COUNT

Owner	SCC
1. Steven J. Clapper	87,000
2. Rodrick & Trudy Hinish	102,000
3. Clover Will Farms	102,000
4. Dale W. Hoover	104,000
5. Penn-England	151,000

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