

Forage And Grassland Council Meeting

Row Lists Items That Affect Dairying

BY LINDA WILLIAMS
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ALTOONA (Blair Co.) —
What do, freedom in Europe, cardiovascular concerns, the weather, genetics, and the 1990 Farm Bill all have in common?

According to Ewing Row, managing editor of Hoard's Dairyman, and speaker for the Alfalfa Growers Program Meeting and Banquet, they are the five items that will affect dairying in the next five years.

The program/banquet was held on Wednesday, Dec. 20, at the Sheraton in Altoona. Row brought an ending to an afternoon filled with information on alfalfa, often called, "The queen of the forage crops."

This event was held in celebration of the 15th and last year of the Alfalfa Growers Program in the Commonwealth.

While Row had been asked to speak on "What's Going to Happen to Dairying During the Next Five Years," he said he preferred to predict just one year at a time.

The five items most affecting milk checks in the next year will be: weather, general agreements on tariffs and trade, how well dairymen present a united front in Washington for the 1990 Farm Bill, technology, and how well the industry deals with excess fat.

"We have little control over the weather," Row admitted, "In this state, I know that you experienced a year of severe drought followed by a year of monsoon rains. You really can't do anything about the weather, but how you manage in

response to what Mother Nature brings is what determines profit and loss.

"Agriculture is front and center in the Uruguay Round," Row pointed out, "U.S. negotiators are interested in exporting feed and food grains, oil seed crops, lumber, beef and a host of other agricultural and natural resource products. The U.S. has a comparative advantage in these materials and many hope agriculture can lessen the balance of trade deficit which has plagued the U.S. for some time.

"It is my guess that the European community and Japan, two of our most important trading partners, will not opt for free trade in agriculture. Both have powerful farm lobbies which greatly influence their policies."

Row says that Secretary of Agriculture Clayton Yeutter is one who believes the U.S. dairy industry can become an important supplier of dairy products on world markets. There is a tremendous shortage of nonfat dry milk in the world. The Soviet Union recently has shown an interest in our butter stocks.

Hoard's Dairyman advocates quotas. "The reason is simple," Row said. "If the supply of milk goes up 1 percent, it takes a drop in the farm price of 3 to 4 percent to sell that added supply on the market. By the same token, if the supply of milk drops 1 percent, the price goes up 3 to 4 percent. Therefore, with lower supplies, dairy farmers make more money than previously because the price

response more than makes up for the smaller supply marketed."

Row rather glumly predicted that, "With only from 130,000 to 140,000 commercial dairy farmers in the country, they had better hang together or hang separately in economic ruin."

He indicated that Upper Midwest dairy farmers and their cooperative leaders are calling for changes in the federal milk marketing order system to give them less of a price disadvantage. Hot topics at Wisconsin meetings include Class I differentials, down allocation and reconstituted milk pricing.

On the subject of technology, Row said: "Where would our great industry be without the technology presently in place: DHI testing and computerization of records, artificial insemination, embryo storage and transfer, sophisticated ration balancing and the tremendous advances in disease control. No industry, no individual business, can ignore technology whether there is a surplus or a shortage of a particular product. The dairy industry is no different."

Row indicated that Hoard's Dairyman has long believed that bovine somatotropin (BST) has the potential to be a useful tool, lowering dairymen's costs by increasing the efficiency of today's high producing dairy cows. The decisions to use BST or any other technology which has been proven safe and effective should be an economic one, not one made in state or national

legislatures.

He added that the FDA had ruled long ago that the production from BST treated cows is safe for consumers. "However, consumer acceptance is the real issue."

As a point of acceptance Row indicated that the technology used to produce BST is the same as that used to produce insulin for diabetics.

"The value of butterfat is on the decline," Row commented. "due to cholesterol, calories and cardiovascular concerns. On January 1, the value of fat will drop in value (8.7 percent) while the worth of nonfat in milk may remain the same or may rise, depending on what the Secretary of Agriculture decides."

Jersey Breeders Review Decade's Changes

REYNOLDSBURG, OH —
"The Jersey breed has been through an eventful, challenging, but most rewarding decade," reports Maurice Core, Executive Secretary of The American Jersey Cattle Club.

"During the '80s we saw a dairy termination program that took approximately one million dairy cows out of production, reducing dairy cow numbers to 10.1 million - the lowest number in over 100 years. There were also nine years of surplus production. Now we are in a shortage situation described by some as the most critical since World War II, resulting in the highest producer milk

"The handwriting is on the wall, milk fat will continue to lose in value."

To review the five points which will affect the dairy industry in 1990, Row noted, "the weather, general agreement on tariffs and trade, unity, technology and milk fat will all affect your dairy industry. Four of the five are controllable. If the toughest one, unity, is licked, there is no telling how good being a dairy farmer can be. The industry can be in charge of its own destiny instead of depending on decisions by politicians in Washington.

(Coverage of the Alfalfa Growers Program is scheduled to be continued next week.)

prices in history."

During the '80s, the AJCC registered approximately 558,300 Jerseys, a 32% increase over the previous ten year total. More significantly, 55,200 Jerseys are on the official Dairy Herd Improvement Registry (DHIR) and Total Performance Evaluation (TPE) programs at the end of 1989. This is a 229% increase in participation in these official testing programs compared to 1975.

For more information contact: The American Jersey Cattle Club, Kurt Lyon, Director of Information. Phone (614) 861-3636.

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