Maryland, Virginia Milk Co-op Cite Progress

KARL BERGER Special Correspondent

HAGERSTOWN, MD. — "Another good year of progress and growth for your association."

Officials of Maryland and Virginia Milk Producers Cooperative Association have used that phrase so often in the last few years it must be permanently lodged in the computer files of the typesetters who prepare the organization's annual report.

President Russell Wachter, a Keymar, MD., farmer, used it once again while describing 1989 operations to members attending last week's annual meeting of the dairy cooperative in Hagerstown, Md. He cited profitable performances by the cooperative's equipment, fluid milk and manufacturing divisions as key elements in a year that saw record milk sales and equity payments to members.

Wachter and Bob Vaughn, the cooperative's general manager, outlined these and other accomplishments in characteristically low-key fashion to about 400 Maryland and Virginia producers attending the brief business session at the half-day annual meeting.

In fact, the highlight of the rou-

tine session was an appearance by Cynthia Kereluk, the attractive host of a nationally syndicated exercise show who has been hired by the Middle Atlantic Milk Marketing Association to promote milk locally.

And in the only note even remotely controversial, sounded by Vaughn in response to a question from the floor, the general manager reiterated Maryland and Virginia's official opposition to the use of bovine somatotropin. He said the opposition, which dates from a member resolution approved in 1987, is based on economic rather than health considerations. The cooperative, he said, would have no problem with the experimental hormone product if it can be proven that its use will not reduce milk sales.

"As far as BST is concerned, we'll have to go with what the consumer says," Vaughn added.

In 1989, the cooperative sold 1.926 billion pounds of milk, up 5 million pounds from the 1988 total, according to association figures. Dollar sales of raw milk, processed goods and other items totaled a record \$348.5 million, an 11-percent increase. Included in this total was a 5.5-percent increase in Equipment Division

sales, to a record \$4.75 million.

During the year, the cooperative completed the sale of its former office property in Arlington, VA., realizing a \$6.6 million gain, Vaughn noted. This amount was distributed to members as cash payments in October. The cooperative also allocated its net margin for the year -- \$7.5 million -- to the members' equity account. The bulk of this will be paid out during 1990. Moreover, profits from processing operations amounting to 22 cents a hundredweight once again were distributed as a "13th milk check."

Vaughn, detailing the cooperative's financial performance, said various key indicators remain "at comfortable levels." The cooperative reduced its long-term debt from \$2.7 million to \$1.5 million during the year.

The membership roster at the end of the year totalled 1,325 active producers, a decline of 48 from the 1988 year-end total. Roughly one-third of these are located in Pennsylvania, according to Jim Reeder, the organization's director of member and public relations. The rest live in Maryland, Virginia and West Virginia.

Reeder, in brief remarks at the

meeting, said the cooperative continues to improve its production of quality milk. In December 1988, he said, the average somatic cell count for Maryland and Virginia members was more than 500,000. In January 1990, it was about 300,000. A total of \$447,000 in quality premiums were distributed in 1989.

Also addressing the meeting were: Thomas Neale Jr., the manager of the cooperative's Marva Maid Division in Newport News, VA.; George Walgrove Jr., manager of the Manufacturing Division in Laurel, MD.; and the Outstanding Young Cooperator couple for 1989, Grant and Cheryl Gayman of Waynesboro, MD.

In other business, the membership rejected a proposal to limit directors to three three-year terms. The proposal, which would have required a change in Maryland and Virginia's bylaws and thus required a two-thirds majority, originally was advanced at last year's annual meeting. It garnered just 245 of the 503 ballots cast either by mail or at this year's meeting itself, according to unofficial results announced there.

Nine members were either elected or re-elected as directors. They are: Richard Arrington of Mt. Airy, MD., William Blaylock of Baskerville, VA., Steven Graybeal of Peach Bottom, John Hardesty of Berryville, VA., Douglas McCulloh of Mercersburg, Richard Mosemann of Warfordsburg, Wilbert Paul of Mt. Savage, MD., W.W. Sanford Jr., of Orange, VA., and James Weddle of Hagerstown, MD.

The cooperative honored retiring directors John Shank of Hagerstown and Donald Wilcom of Ijamsville, MD., and 50-year members Clovertop Farm of Keymar, MD., and J.W. and L.L. Day of Midland, VA.



