ASA-Cambaster "Farming," Saturday, "Jampary "21," 1995

ADC Reports Strong **Position For Members**

(Continued from Page A1)

eventually benefit the U.S. dairy producer.

He said that an agreement with Canada over dairy trade, within the North American Free Trade Agreement (NAFTA), still hasn't been worked out, and that provides uncertainty in the industry.

He said that on the other hand, although the Minnesota-Wisconin Price dropped 80 cents in the last two months, cheese prices moving up slightly recently and that can mean good news. Akers said that roughly a 1 cent change in cheese price equates to a 10 cent change in the price of a hundredweight of milk.

Also of concern to the cooperative has been an increase in the cost of hauling milk. He said hauling in Federal Order 4 will be going up slightly. "It was something we had to do," he said, "we're aware of the significance of the transportation cost."

In other news, Akers said that the cooperative "expanded the amount of scholarships available." He said there is one \$500 scholarship for the district for the coming fall semester, with details to be announced.

The 1989 patronage refund check was to be mailed out, and in April, members will get another check representing a return of 20 percent of profits for the past fiscal year, with the remainder going into the cooperatives 5-year revolving fund.

Akers also announced that the ADC board of directors has approved a policy of paying for part of the cost of attending the Dairy MAP program.

The Dairy MAP program is an Extension-sponsored program to help dairy producers better cope with management and profitability considerations on the operations. The program has been fairly well reported in various publications and by the extension service, along with Penn State University.

However, for more information, contact a local extension office. For more information on the ADC costsharing program, contact а field representative.

Also speaking at the meeting was Robert Dever, CEO for ADC. Dever, who started working for ADC in 1970, and is marking his 25th year with the cooperative in May, said that members should investigate the amount of federal assessment refund they are owed, depending on the amount of production they had last year.

Overall, Dever said that milk production in the entire United States is increasing in large sections. He said the upper Mid West seemed to have recovered significantly from weather-related disasters the past several years; western Texas, New Mexico and Arizona have increased milk production significantly; and the Northeast production has increased also, but not to the extent that is going on elsewhere.

The increase in production, without an increase in exporting or an effective price support program will result in lower prices, he said.

He said that over the past 25 years, except for two periods, the trend has been for lower prices and more milk.

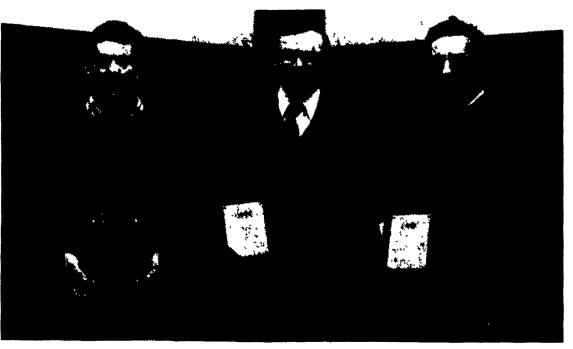
For those wondering about the milk production in California, because of the severe flooding on the West Coast, he said that a lack of water will probably be the only thing to slow down California's dairy production growth, not excessive rain from occasional storms.

Dever said that the outlook for milk price is right now just "an outand-out guess," but he expects a decrease in the range of 30 cents to as much as 70 cents per cwt.

On the brighter side, he said the current federal administration is continuing the DEIP program for at least the first six months of this year, and how long after that, depends on the political situation.

He briefly discussed the export of fluid and solid dairy products to Mexico as a benefit for the U.S. for the long term, although that country's recent bout with stabilizing the peso, and providing a sense of

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From the left, Herbert Gravbill holds a plaque he received for his family farm's 50th year as a cooperator in the Atlantic Dairy Cooperative, while C. Nevin Hershey, and Ray Ranck hold plaques commemorating their 25 years membership.

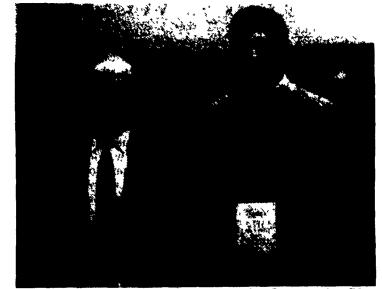
security to outside investors is something that will continue its uncertainty.

Dever said, "This is a cyclical type of business, prices will go up and down. But in my 25 years, those good managers are still producing more and more."

He said the bottom line is that he looks to the 95 milk price to go down and to start to increase late in the year or early 1996.

The recent 10-year contract with Hershey Foods Corp. represents an increase in ADC's membership. Out of the 720 independent producers previously shipping to Hershey, 480 have joined ADC.

According to Dever, a relatively few buyers of milk represent a great portion of the market for the cooperative. The Hershey contract represents about 15 percent of the total ADC production over the



From the left, receiving Atlantic Dairy Cooperative District 12 quality premium award winners are Curt Akers, and Robert Zander for J. Carl and Doris Zander.

next 10 years. The contract gives ADC a guaranteed outlet for locally produced milk, he said. "I beleive the Hershey contract

will pay dividends," he said, adding, "It did represent a shock to a significant number of farmers." (Turn to Page A35)



Members are to get summaries of 1994 production from the cooperative, which they can then take to the former USDA ASCS offices, now called the USDA Farm Service Agency, for determination and processing.*

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Winter Hours		ours
1	Wheel w/BB	\$8.00
1	4.00x16 Pneumatic	
	2.75x10 Wheel	\$ 5.00
•	B 45 Belt	\$ 2.00
	A 50 Belt	\$2.00
]	5L 510 Belt	\$2.00
	Bearing	\$ 8.00
	1" Pillow Block	
>	(2) BK 100H Pulley	\$27.00
	BK 140H Pulley	\$24.00
	BK 57H Pulley	\$ 8.00