



OPINION

Spilled Producer Income

The recent announcement that the Chicago Mercantile Exchange will open a new cash market for cheese on May 2, 1997, is recognition that dairy farmers' complaints are being heard. But, we should not be hoodwinked into believing that simply moving the cash market from Green Bay to Chicago will strengthen producer milk prices. The emphasis must remain on developing a new pricing system that provides dairy farmers with a fair return on their investment and labor.

Substituting the new Chicago cash market for the Green Bay market in calculating dairy prices would be a mistake that could be costly for producers as well as consumers. The new market is untested. And, at least initially, the new market is likely to be as thinly-traded as the Green Bay market, and therefore, subject to market manipulation. Further, trading in Chicago may or may not be regulated by the Commodity Futures Trading Commission, as CFTC officials say that their ability to regulate cheese trades will depend on how the contract is written. It is expected that cheese trading on the new exchange will take place only once a week. Sound familiar?

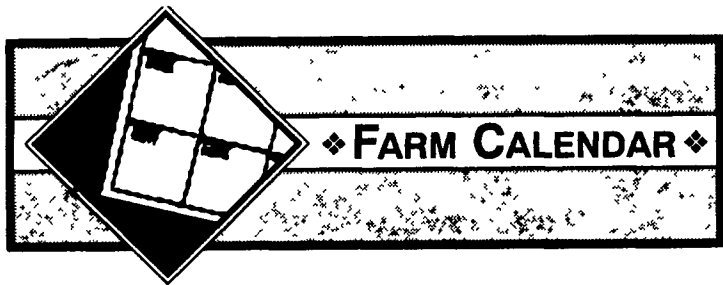
These factors, and the ease with which the National Cheese Exchange in Green Bay, Wis., announced its plan to close once the Chicago market begins trading cheese, should cause dairy producers to ponder whether or not price data from Chicago trading will be any fairer than it has been from the Green Bay exchange.

The basic formula price for milk need not be based on the new cheese market, particularly since other viable options exist. Since mid-February, the U.S. Department of Agriculture has been collecting cheddar cheese price data from processing plants across the nation.

Delegates to National Farmers Union's 95th anniversary convention in March 1997 voted to support use of USDA's wholesale price data for cheese, combined with consumer price data and production cost information, to calculate the basic formula price for milk. Commodity trading is known for its extreme price swings, while stability is beneficial to both producers and consumers.

Once developed and actively traded, the cash market for cheese could become a useful tool for milk marketing. In the meantime, however, it is important to keep this untested, thinly-traded and possibly unregulated market from setting producer prices. Otherwise, the crying will be over spilled producer income.

Leland Swenson,
president,
National Farmers Union



FARM CALENDAR

Saturday, April 12

Drying Flowers with Silica Gel, Carroll County Extension Service Office, Westminster, Maryland, 1 p.m.-5 p.m.

Garden Wise, Conference Center, Penn State York Campus, 7:45 a.m.-3:30 p.m.

Forest Stewardship Landowners' Banquet, Allen Hall, Mansfield University, 9 a.m.

Blue Seal Feeds, Inc., Open House, Hagerstown, Md., 9:30 a.m.-4 p.m.

East Central Pa. Two-Cylinder Club, Inc., Ron Boyer Farm, Hereford, Pa., 9 a.m.-? Rain-date April 19.

"Income Opportunities for Rural Areas-Utilizing Your Natural Resources," James Rumsey Technical Center, Hedgesville, W.V.

Sunday, April 13

Show Series, Grazing Acres Farm, New London, Pa. and KA Equestrian Center, Cochranville, 8:30 a.m. Also June 15 and

Sept. 7 at Grazing Acres and July 13 and Oct. 12 KA Equestrian Center.

Berks Poultry Fanciers Spring Show, Berks Co., 4-H Building, 9 a.m.-3 p.m.

"Woodland Insects and Diseases" program and tour, PP&L Montour Preserve, 1:30 p.m.

Monday, April 14

Dairyalea Cooperative Regional Informational Meetings, Holiday Inn, 122 Crystel Runn, Middletown, NY, 1 p.m., and Holiday Inn, South Side Rte. 23, Oneonta, NY, 7:30 p.m.

Bull Sale Preview, Eastern Ohio Resource Development Center, Caldwell.

Pa. Farmers Union Roundtable Discussion, Shadowbrook Inn and Resort, Wyoming Co., noon-4 p.m.

Tuesday, April 15

Dairyalea Cooperative Regional Informational Meetings, Quality Inn, Everett Rd., Exit Rte. 90, Albany NY, 1 p.m., and



Now Is The Time By John Schwartz

Lancaster County
Agricultural Agent

To Monitor Heifer Program

If you are raising dairy replacement heifers, some of your goals should be to raise genetically superior heifers, have them ready to calve at 22 to 24 months of age, and do it economically, said Glenn Shirk, Lancaster County extension dairy agent.

Growth rates are a good indicator of how well you are raising your heifers. Compare their growth rates with those that are suggested on the more current growth charts. Measure the growth rates of heifers similar to the way you measure the growth rate of children.

From the growth charts, paint height lines on walls or posts along walkways and in various pens for various age groups of heifers. As different aged heifers walk by, stand opposite to these painted lines and compare their height at the withers to what is expected. When eyeballing their heights and comparing it to the painted lines, be sure heifers are standing on a solid, level surface and you are eyeballing them from the same level as their backs.

If you spot "poor doers," move them back to a younger age group. If they do not improve, consider culling them. Chances are they will also be "poor doers" as cows.

To Control Heifer Costs

Glenn Shirk, Lancaster County extension dairy agent, said the total cost of raising heifers to a calving age of 24 months is about \$1,200. If they replace cows that have been culled for \$300, the net cost of repopulating a stall is \$900.

Crystal Chandelier Resort, Rte. 28 North, Herkimer, NY, 7:30 p.m.

"Air Quality for You and Your Livestock," Towns Edge Restaurant, Martinsburg, 8:30 a.m.-3 p.m.

Pa. Farmers Union Roundtable Discussion, Light House Restaurant, Franklin Co., Noon-3 p.m.

Wednesday, April 16

Pa. Poultry Federation Banquet, Hershey Convention Center, Social 5:30, dinner 7 p.m.

Dairyalea Cooperative Regional Informational Meetings, Best Western University Inn, Rte. 11, Canton, NY, 1 p.m., and Deer Hill Restaurant, Rte. 12 NW, Lowville, NY, 7:30 p.m.

Pa. Farmers Union Roundtable Discussion, Berks County Ag Center, Noon-4 p.m.

Thursday, April 17

Dairyalea Cooperative Regional Informational Meetings, Ramada Inn, 6300 Arsenal St., Watertown, NY, 1 p.m.

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If the cows stay in the lactating herd about three years, the net cost of replacements per cow per year is \$300. That amounts to \$1.50 per hundredweight of milk for a 20,000-pound producer.

To reduce the cost of replacements:

- Reducing calving age from 28 months to 24 months reduces the number of heifers needed by 15 percent. It also costs less to calve heifers at a younger age. That means lactating heifers can recover their rearing costs in about 1.5 years instead of 2 years.

- Cull fewer cows. When cow turnover rates drop from 35 percent to 25 percent, about 30 percent fewer heifers are needed.

- With today's good genetics and new technology, it may be profitable to extend calving intervals. As calving intervals increase from 12.5 months to 15 months, 20 percent fewer heifers are needed.

To Improve

Herbicide Effectiveness

According to Robert Anderson, Lancaster County extension agro-

nomy agent, the effectiveness of a weed control program may be improved by following five easy steps.

First, match the control program including the herbicide to the weed problems in the field.

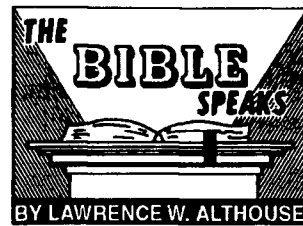
Second, plant and apply preemergence herbicides as soon as possible after the last tillage operation. Many herbicides are only effective on germinating seeds and will not control weeds after they have germinated.

Third, use a rotary hoe or spike tooth harrow to incorporate herbicides if rain is not received within 5 to 7 days.

Fourth, whenever possible, take advantage of cultivation to control escape weeds.

Finally, develop realistic goals for the weed control program. Crops can tolerate some weeds with little or no impact on yields. However, watch for escape weeds which could become problems in the future.

Feather Prof.'s Footnote:
"Everything you say and do is a reflection of the inner you."



POOR, BUT RICH

April 13, 1997

Background Scripture:

Revelation 2:8-17

Devotional Reading:

1 Corinthians 1:8-13

I don't know where I first heard this quotation, but it does seem to get around: "I've been poor and I've been rich and 'rich' is definitely better."

It's hard to quarrel with that point of view, but, of course, it all depends upon what you mean by both 'poor' and 'rich.' Just as one can be 'lonely' in a 'crowd,' so it is possible to be 'poverty-stricken' in the midst of our 'wealth' or even 'rich' in the grips of 'poverty.' This certainly is what is behind the letter of Revelation to the church at Smyrna: "I know your tribulation and your poverty (but you are rich) ..." (2:9).

Just as we think of a poor man as one who lacks wealth, Saint Francis of Assisi thought of a rich man as one who lacked grace of poverty. That doesn't mean that I am going to rush right out and make myself poor so I can be rich in grace, but I will take seriously all the manifold riches God has bestowed upon me and continues to bestow.

ARE YOU RICH?

Normally, if asked whether I am 'rich,' I don't hesitate to answer 'No.' But as John's letter to Smyrna tells the Christians there that they are truly 'rich,' so, I'm sure, he must be saying that very same thing to each of us. Actually, when I get rid of the dollar sign, I can say without reservation or equivocation, "I am rich." So, I suspect, are you.

'Rich' and 'poor' are really relative terms. Billy Rose once wrote in his newspaper column of a meeting that we held at the Edgewater Beach Hotel in Chicago in 1923 for seven of the most powerful financial leaders in the world. Together, they controlled more wealth than what was in the U.S. Treasury at the time. They were: Arthur Cutten, greatest wheat speculator in the world; Richard Whitney, President of the New York Wheat Exchange; Albert Fall, a member of the President's Cabinet; Jesse Livermore, the leading 'bear' on Wall Street;

Leon Fraser, president of the Bank of International Settlement; Ivan Krueger, head of the world's largest monopoly; and Charles Schwab, president of the world's largest steel company.

But by 25 years later Curren had died abroad, insolvent; Schwab lived on borrowed money for the last five years of his life; Fraser, Livermore, and Krueger committed suicide; Whitney served a term in Sing Sing, and Fall was released from prison so that he might die at home. These men were 'rich' but truly 'poor.'

CONSCIOUSNESS

Even apart from the IRS' 1040 income tax form, none of us likes to admit just how 'rich' — financially or otherwise — we are. A friend of mine once told me, "I grew up poor, but I didn't know it. So I guess I wasn't." Both poverty and affluence require a degree of consciousness. No matter what our bank balances might indicate, most of us — perhaps all — are far richer than we realize. And one of the things God wants us to do is realize just how richly he has blessed us.

Jan Struther wrote an inspiring novel, Mrs. Miniver, during World War II. When she died some years ago, she left behind this poem:

One day my life will end; and lest

Some whim should prompt you to review it,

Let her who knew the subject best

Tell you the shortest way to do it:

Then say: "Here lies one doubly blest."

Say: "She was happy." Say: "She knew it."

'Poverty?' 'Wealth?' It's all in the 'knowing.'

(In October, Rev. & Mrs. Althouse will lead a 14-day tour to Turkey to trace the footsteps of Paul and John. For information, write: 4412 Shenandoah Ave., Dallas, TX 75205.)

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