

Less Corn, More Beans In Ohio

COLUMBUS, Ohio — Ohio farmers said in a government survey they'd plant more soybeans and less corn this year, but what they will really do depends upon a great unknown — this spring's weather, said Luther Tweeten, an agricultural economist at Ohio State University.

A U.S. Department of Agriculture report released at the end of March said Ohio farmers will plant 2 percent more soybeans, or 100,000 more acres than last year. Farmers intend to plant 6 percent less corn, or 200,000 fewer acres. Winter wheat acreage is expected to remain the same.

Tweeten said farmers may change their minds, though. If spring is warm and dry, they may plant more corn, which has a slightly longer growing season than soybeans. If the weather turns cold and wet, farmers will have to plant later and switch more acreage into soybeans, he said.

"It's a weather phenomenon at this stage," Tweeten said.

The report left farmers' intentions for 100,000 acres undetermined, which could reflect their indecision at the time of the survey said agricultural statistician Charles Mayzlik, Ohio Agricultural Statistics Service. Small amounts of that acreage may go into hay or be lost to non-farm development, he said.

Tweeten said farmers have more flexibility to change their in-

tentions because the government ended production controls under the Freedom-to-Farm legislation passed two years ago. Prior farm programs required farmers to plant a certain amount of corn or wheat in order to receive crop support benefits. Now farmers can base planting intentions on perceived marketing opportunities or weather problems.

"Farmers like that flexibility," Tweeten said. "It's nice for them to switch from corn to soybeans or from soybeans to corn depending on the weather conditions."

Another Ohio State agricultural economist, Carl Zulauf, agreed that farm policy gives producers more flexibility. He thinks another factor affecting planting intentions is that farmers have less cash costs with soybeans, which don't use as much fertilizers as corn, he said.

However, Zulauf is concerned about a long-term corn trend indicating that Ohio farmers are losing a yield advantage compared to other corn-producing states. Ohio's corn yields were 34 percent higher than the national average from 1948 through 1952, and only 1 percent higher during 1993-97, he said.

Ohio soybean yields, however, were 7 percent above the national average for 1993-97 compared to only 1 percent higher in 1948-52, he said.

The contrasting changes in

yield ratios between Ohio and the United States may be one reason why Ohio plants more soybeans than corn, and the reverse is true for the United States, Zulauf said.

Zulauf hasn't figured out the reason for the comparative decline in corn yields. In general, regions can lose competitiveness because of technological lags, differential changes in localized hybrids, geoclimatic changes, managerial capabilities, or off-farm jobs competing for time.

Tweeten said farmers are also losing a competitive edge in winter wheat production because profitability per acre is less than for soybeans and corn.

"The U.S. seems to be losing a comparative advantage in wheat not just in Ohio, but across the board in the Great Plains," Tweeten said. "We have not improved wheat yields at the pace of corn yields."

In all, Ohio farmers said they would plant 3.4 million acres of corn, compared to 3.6 million acres last year. The national corn acreage is expected to be 80.8 million acres — the highest in 13 years — or 1 percent above last

year's.

The USDA reports that Ohio farmers intend to plant 4.6 million soybean acres, compared to 4.5 million last year. Nationally, farmers said they will plant the highest acreage ever — 72 million acres of soybeans — or 2 percent more than last year.

Ohio's winter wheat plantings are expected to stay firm at 1.2 million acres. Nationally, winter wheat acreage is expected to be 46.6 million acres, or a decline of 4 percent from last year.

The potential for a big U.S. soybean crop plus an outstanding South American crop currently being harvested have sobered recent prices, Zulauf said. Add to that the lackluster export demand because of the Asian economic crisis and a slackening of domestic demand.

"There's a lot of soybeans out there," Zulauf said.

The supply-demand situation is tighter for corn, even though growth in domestic feed usage is slowing, Zulauf said. Furthermore, intended plantings for sorghum, a competing feedgrain, are lower.

"The bottom line is we have a long way to go with this crop," Zulauf said. "If you want me to tell you the price of corn for this fall, we'll have to wait to see the production this summer."

If crop weather is excellent and demand growth remains slow, farmers can use the government's marketing loan program to limit the damage of plunging markets, provided farmers are enrolled in production flexibility contracts, Zulauf said.

Marketing loans are available for corn, soybeans and wheat, Zulauf said. Marketing loans cannot be forfeited to the government, as they could in traditional programs. If the market place falls below the loan rate, the farmer can pay off the loan at the lower market price. This assures farmers of the loan rate as a minimum price, even though market prices might be lower.

The government will announce loan rates for 1998-planted crops in the coming months. Rates vary by county, but the national 1997-planted crop loan rates, per bushel, were \$1.89 for corn; \$5.26 for soybeans, and \$2.58 for wheat.

Cochran Fund Accepts Proposals Forestry Projects

YOUNGSVILLE (Warren Co.) — The Sandy Cochran Memorial Fund is seeking applications through June 1, 1998 for the funding of educational projects that will support good forest management and the forest industry in northwestern Pennsylvania and southwestern New York.

The Cochran Fund was established in the memory of Roe "Sandy" Cochran, a former Penn State forestry extension agent.

According to Ken Kane, past committee chair and a consulting forester from Kane, "Cochran was widely known and respected. He stressed the importance of continuing education and research-based knowledge. Cochran worked with everyone in the forest industry, from independent loggers and mill operators to those involved in forestry education at the local, state, and national levels."

Susan Stout, project forester with the U.S. Forest Service and Cochran Fund Committee member, said "Cochran's vision for the forestry community included safe work procedures, the application of best management practices in

the forests, the cultivation of promising markets for local forest products, the application of new technologies, and the creation of a policy environment created by informed political leaders. The Cochran Memorial Fund is intended to support projects that further these ends."

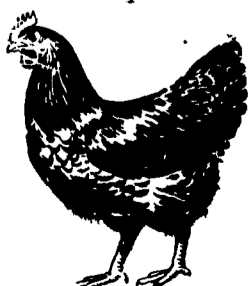
High priority will be given by the fund to projects directly affecting a 17-county area in the Northern Allegheny Region. A variety of projects have been funded in the past including support for the Allegheny National Forest "Forum," materials support to the 1995 Warren County Youth Conservation Camp, and funding for the development of several forestry photo displays. Requests for academic scholarship will also be entertained by the fund.

Applications for funding and further information can be obtained from The Sandy Cochran Memorial Fund in care of The Forest Sciences Laboratory, P.O. Box 267, Irvine, PA 16329-0267. Deadline for submission of all project applications and supporting information is June 1, 1998.



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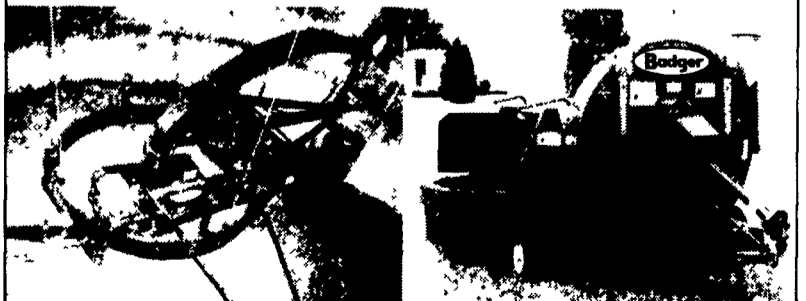
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