

Keystone Adds Staff In Lancaster County

LANCASTER (Lancaster Co.) — Bruce Miller, vice president of Keystone's Lancaster region, has announced the hiring of Eric Knutsen and Jay Shannon.

Knutsen has been hired as an executive loan officer and will service accounts from the Quarryville office. Shannon, who will service accounts from the Lancaster office, has also been hired as an executive loan officer.

Knutsen joins Keystone with seven years of Farm Credit experience, having worked previously for Central Maryland Farm Credit and Delaware Farm Credit. He grew up on a dairy farm in Rising Sun, Md., where he resides. He is a graduate of the University of Delaware where he majored in ag business with a concentration in finance. He is an active member of the state and national Holstein associations, 4-H Alumni and of St. Patrick's Church. He enjoys marketing registered Holsteins, wood-working, and country dancing.

Knutsen will be providing financial services to commercial farmers. His special interest is working with large and expanding dairy operations.

Shannon has 16 years of Farm Credit experience, having worked for Marva Farm Credit, Chesapeake Farm Credit, and Meadville PCA/FLBA. He grew up on his family's dairy farm in Mercer County, which is still in operation today. Shannon is a graduate of Penn State University with a degree in agronomy and lives in Landisville. He is a member of the Junior Chamber of Commerce, Mt. Olivet United Methodist Church, The Ag Issues Forum, and Pennsylvania Farm Bureau.



Eric Knutsen



Jay Shannon

Shannon will be providing financing, leasing, and other financially related services to large farm operations and ag related businesses in Lancaster, Lebanon, and Dauphin counties.

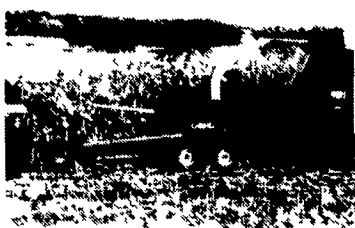
Pull-Type Crop Processing Forage Harvester Produces High-Quality Silage

WEST BEND, Wis. — Gehl has introduced a pull-type forage harvester with exclusive Crop Processor™ that produces high-quality silage in a single field operation.

Gehl Model 1275 forage harvester optimizes processing of kernels, cob, and stalk — resulting in improved milk or beef production through better feed digestion and utilization.

"In a single operation, the 1275 chops and processes corn silage with its two integral high-speed, 8½-inch diameter rolls, which are similar to those used in roller mills," said Gehl Product Manager Jim Phillips. "The high-capacity 1275 does everything a self-propelled harvester can do in terms of processing corn but at a fraction of the initial cost."

Research studies have shown that processing corn silage greatly improves its digestibility and utilization. The new Gehl 1275 can be set to deliver a longer length of cut while still giving you the full advantage of thoroughly processed



Gehl has introduced a pull-type forage harvester with exclusive Crop Processor™ that produces high-quality silage in a single field operation.

cobs and kernels, according to Phillips.

"Processed corn silage is more uniform in its makeup — the kernels are cracked, and there are no large chunks of corn cobs for your cows to sort or nose out," he said.

Maximizing the nutritional value of the silage is possible because the Model 1275's roll gap adjusts for various moisture contents to ensure that no kernels pass through uncracked, said Phillips. When the kernels are cracked, the

BASEL, Switzerland — The Novartis Research Foundation announced the planned investment of USD 600 million in the next 10 years to fund one of the largest initiatives in plant genomics.

The first step will be the creation of the Novartis Agricultural Discovery Institute (NADI), which will be one of the largest single research endeavors dedicated to agricultural genomics research and development. Located in San Diego, Calif., the main campus of NADI will have a team of about 180 researchers headed by Steven P. Briggs, Ph.D. Additional investments will be announced this fall.

NADI will be a spearhead in Novartis' strategic focus on biotechnology research, maximizing cross-sector cooperation between crop protection and seeds, and working in tandem with the Novartis Agribusiness Biotech Research facility at Research Triangle Park, N.C., and with numerous Novartis research stations worldwide. The close proximity

of NADI to the recently announced Novartis pharmaceuticals institute (Novartis Institute for Functional Genomics), which is being built in La Jolla, Calif. will optimize cross-business synergies in genomics research in both agribusiness and in pharmaceuticals.

"We aim to create a powerful technology platform across all of our businesses. In the future, genomics will play an even more important role in our discovery programs. The institute will offer an exciting environment, fostering open scientific exchange with academic institutions, biotech companies, and other Novartis research centers for testing new ideas and concepts, and breaking new ground. This unique scientific network will generate a stream of innovative and highly competitive technologies and products," said Daniel Vasella, president of Novartis.

Agricultural genomics is the study of the location and function of groups of genes within crops and their pests. NADI will apply

genomics to generate databases that match genes with traits, and will provide advanced technologies that can be used widely in agribusiness research for the development of gent-based products.

Steven Briggs, president of NADI, noted, "We will focus on identifying targets for seeds and plant protection. Our funding will allow us to have considerable scope and depth in our discovery efforts, with access to the most advanced research in the industry."

The new Institute will add to Novartis' substantial number of alliances with leading institutions and major universities in the U.S. and overseas. The project will provide a great professional opportunity for scientists in all areas of genomics and functional genomics relevant to agriculture, including gene library construction, sequencing, mapping, and bioinformatics. In a related initiative, Novartis recently announced a USD 3 million agreement with Clemson University targeted at mapping the genome of rice and its pathogens.

Case Reports Strong Second Quarter

RACINE, Wis. — Case Corporation reported operating earnings for the second quarter of \$199 million and net income of \$126 million or \$1.61 per share.

These results, while below the record performance reported for the second quarter of 1997, were achieved despite one-time costs associated with the company's negotiations with the UAW and the company's previously announced sales delay of agricultural equipment to the Commonwealth of Independent States and surrounding countries.

In the prior year period, Case reported operating earnings of \$211 million, and net income of \$138 million or \$1.75 per share.

Second-quarter revenues increased to \$1.7 billion, up 8 percent from the second quarter of 1997, including double-digit sales growth in North America and Latin America, offset by continued lower sales in the Asia Pacific region.

Operating earnings for the second quarter were driven by continued cost reduction initiatives and equitable pricing. These were offset by \$15 million in expenses and operating inefficiencies related to the company's negotiations with the UAW and by \$14 million in unfavorable foreign exchange rates, due primarily to a 17 percent decline in the value of the Australian dollar. In addition, the company reported substantially higher new-product launch expenses as compared to last year's

second quarter.

For the first six months of 1998, net income was \$195 million, compared with \$202 million for the same period last year. Net income per share was \$2.48, compared to \$2.57 per share in the comparable period of 1997. Revenues for the first six months of 1998 were \$3.1 billion, up 10 percent over the prior year. Operating earnings were \$308 million for the first six months of 1998, compared with \$314 million last year.

In the second quarter, Case announced an expanded focus for its financial services subsidiary by creating Case Capital Corporation, a broad-based financing company for the global marketplace. In addition, the company completed the acquisition of certain assets of the Tyler Industries division of IBOCO, Inc. Tyler is a designed, manufacturer and distributor of chemical and fertilizer sprayers and applicators.

Case also took steps during the quarter to keep its equipment inventories at below-industry averages.

Other significant developments during the quarter include the ratification by UAW-represented employees of a six-year contract between Case and the union. In addition to favorable economics, the new agreement provides the flexibility necessary to implement Case's manufacturing strategy, a key component of which is the new Case Production-System.

Case Credit Corporation, a lea-

ding worldwide financial services provider for the equipment industry, announced net income of \$18 million for the second quarter of 1998, up 6 percent from \$17 million in the comparable period last year.

Revenues increased 33 percent over the prior year to a record \$80 million. These improvements are attributed to higher financing income from strong growth in receivables and leases, partially offset by the impact of Case Credit's asset-management strategy.

For the first six months of 1998, revenues increased 24 percent over the prior year to \$156 million. Net income for the period was \$37 million, down 5 percent from \$39 million in the prior year. Increases in financing income were more than offset by the impact of Case Credit's asset-management strategy and a higher tax rate during the first six months. Net income would have been flat versus the prior year, assuming a comparable tax rate for both periods.

Case Credit's serviced portfolio grew to a record \$5.8 billion as of June 30, 1998. Financing originations increased 38 percent in the second quarter and 36 percent for the first six months, as compared to the prior year periods. Significantly higher financing of other manufacturers' equipment was one of the key drivers of this growth, representing 21 percent of total retail originations during the second quarter and 19 percent for the first six months.

Case Corporation announced in June that it intends to expand the focus of its financial services business by creating Case Capital Corporation, a broad-based financing company for the global marketplace. Case Capital will include separate businesses that offer loans and leases for construction, agriculture and other industries; commercial lending within equipment industries; multiple lines of insurance products and private-label credit cards.

rumen bacteria and intestinal enzymes can more easily unlock the available store of nutrients — resulting in better feed digestion and utilization.

"Some researchers have reported that feeding processed corn silage produced an additional two to four pounds of milk per cow per day," said Phillips.

