

Ag Group Tells Congress New Policy Tools Are Needed

WASHINGTON, D.C. — "In this new farm economy, the old tools we've used to try and shore up and protect farm income simply aren't enough to do the job. We need a bigger toolbox and some new tools," Wayne Nelson, president of Communicating for Agriculture and the Self-Employed (CA) and a South Dakota grain farmer, said in testimony before a U.S. House of Representatives Subcommittee.

"These new tools include legislation that would encourage value-added agriculture development as a vital part of long-term strategies for farmers in a rapidly changing food and agricultural system," Nelson emphasized at a hearing on "Regrowing Rural America Through Value-Added Agriculture" by the House Small Business Subcommittee on Rural

Enterprises, Agriculture and Technology.

Specifically, Nelson said CA supports H.R. 1094, the "Farmers Value-Added Agricultural Investment Tax Credit Act" that would allow producers to receive a 50 percent tax credit on investments in producer-owned, value-added enterprises up to \$30,000 per year, and H.R. 1093 that would establish innovation centers to provide technical assistance, market and business development services for new value-added ventures.

"It is now abundantly clear that vertical integration in agriculture is here to stay," said Nelson, citing reports that only 17 percent of hogs are sold on the open market today compared to 43 percent in 1997. "This is a cause of great worry among

farmers, but the results of this trend are by no means necessarily bad. Vertical integration can have many benefits — the only question is, will farmers truly participate and will they share in its rewards?"

He told the members of the Subcommittee that vertical integration from the farmer's field to the grocery shelf could offer the opportunity to better line up supply with demand. It also offers the opportunity to produce more specialized, tailored products that consumers want, whether it's lean pork, organic vegetables, branded beef products or specialty grains.

Nelson said another important new tool is Congressional support for stronger oversight to preserve competition in the agribusiness and food industries, and com-

mended the Subcommittee Chairman, Congressman John R. Thune (R-SD), for introducing H.R. 1526, the Agriculture Competition Enhancement Act. Thune's legislation would put limits on mergers to prevent excessive concentration and provide for stronger oversight in the Department of Justice.

"The approach that is needed is to use new policy tools to see that farmer can participate in, are served fairly by, and will benefit from vertical integration, rather than being taken advantage of," Nelson said.

The CA leader also expressed support for USDA's cooperative stock purchase loan guarantee program, and urged the legislators to consider establishing a low interest loan program to help beginning farmers to participate in new value-added co-ops.

Nelson also reiterated his organization's support for legislation that provides an economic safety net for the farming community by continuing reliable

farm income support programs and strong conservation incentives in the new Farm Bill Congress is about to write.

And, Nelson urged members of the Subcommittee to support:

- Help for beginning farmers and ranchers by exempting state "Aggie Bond" finance programs" from state bond caps, and legislation that would allow the Farm Service Agency beginning farmer loan guarantees to be used on Aggie Bond loans.

- The Ag Tax Package, H.R. 2347, that includes a range of tax changes that benefit agriculture, including:

- FFARM accounts, which provide tax-deferred saving accounts to enable farmers and ranchers to save in good years for use in bad years.

- Needed clarification of IRS rules regarding taxation of income from CRP payments and certain farm rental payments.

- Other provisions that would benefit cooperatives and beginning farmers.

Farm Service Agency Explains Loan Deficiency Benefits

POTTSVILLE (Schuylkill Co.) — Grain prices are still below the established loan rates. The loan rates for 2001 crops are: barley \$1.44, oats \$1.30, wheat \$2.63, corn \$2.13, and soybeans \$5.43. Whenever the daily market price is below the above rates a deficiency payment is available.

In all cases the benefit must be requested while you still have control of the grain. If you are selling grain directly from the field you must request payment

prior to harvest. The benefit amount will be based on the date of sale. If placing grain in farm storage, you can select the day you wish to take the benefit anytime prior to sale or feeding.

If you wish to take a loan you will receive the full loan rate to use to pay bills. At any time prior to feeding or sale you can repay the loan at the daily market price or principle plus interest, whichever is less. For example: if you loan \$213 for corn and the market price is \$1.90 on the day you

repay you pay \$1.90 per Bu. There is no interest charge in his case. The difference, \$.23 is considered a market gain.

In 2001, USDA has not received authorization to make these benefits available on farms not enrolled in the seven-year Production Flexibility Program. This applies to all program crops: however, soybeans are eligible for benefits on all acres reported to the FSA office.

For questions contact the FSA office at 570-622-1555.

Ohio State Honors Dairy Industry Leaders

PLAIN CITY, Ohio, — The Ohio State University, Columbus, Ohio, recently inducted Ron Long, vice president sire procurement, Select Sires Inc., into its Dairy Science Hall of Service. Each year at its recognition banquet The Ohio State University Buckeye Dairy Club presents this award to an individual whose initiative, guidance and sharing of knowledge have made him a pioneer in the dairy industry.

Long has been a dairy industry leader at the state, national and international levels for more than 40 years. While much of his legacy is seen in the improved type and production of dairy cattle, he also has served the industry well through his service and mentor-

ing of others.

Dairy producers throughout the world have benefited from Select Mating Service (SMS), a cattle-mating program pioneered by Long that has grown to include more than 50 professionals who make more than 2 million matings annually. In addition, Long has served as president of National Dairy Shrine, as well as a member of the National Association of Animal Breeders (NAAB) Standardization of Type Traits Committee, Holstein Friesian Association (HFA) Type Advisory Committee, HFA Genetic Index Committee and Ohio State's Dairy Science Advisory Committee. He is also a well-regarded national and international judge.

After earning a bachelor's degree from Ohio State, Long returned to Longway Holsteins as a partner to manage the 70-cow herd. He then became an official HFA classifier. Following that, he was herd manager of the 600-cow herd at SanMarGale Farm. In 1973, Ron became vice president of dairy sire procurement for Select Sires, beginning a long tenure at what now is the leading A.I. organization in North America.

In 1998, Ron became chairman of the dairy sire department at Select Sires. Through his leadership, Select Sires consistently has developed what is arguably the industry's leading dairy-sire offering in all breeds. These bulls have also become chosen sire fathers for future generations, influencing all active-A.I. lineups.

Based in Plain City, Ohio, Select Sires Inc. is a federation of 10 farmer-owned and controlled co-operatives. It provides highly fertile semen as well as excellence in service and programs to achieve its basic objective of supplying livestock breeders with America's best genetics at a reasonable price.

National Poultry Meeting Planned For October In Maryland

GEORGETOWN, Del. — More than 500 poultry industry personnel from across the country and around the world are expected to attend the National Meeting on Poultry Health and Processing in Ocean City, Md., October 17-19.

Delmarva Poultry Industry, Inc. (DPI), the trade association working for the continued progress of the Delmarva Peninsula's broiler chicken industry, sponsors this highly respected meeting.

"The meeting, now in its 36th year, is unique in that it brings together poultry health, live production, processing food safety, allied industry, and academic personnel to hear presentations that provide practical information to the poultry industry," commented meeting chairman Dr. G. Donald Ritter, the chairman of DPI's Poultry Health Committee. That committee, plus DPI's Processing and Food Safety Committee, selected speakers from 10 states, the District of Columbia, and two foreign nations.

In the combined session to open the educational portion of the meeting on October 18, speakers will discuss various topics related to food safety, consumer acceptance of irradiated chicken, and U.S. ani-

mal health programs.

Poultry health sessions include presentations on IBDV, a novel pathogenic reovirus strain in Europe, field observations from a Southeast U.S. reovirus infection, new approaches to control LT, supplying the live bird markets, low pathogen A1 control in northeast live bird markets, disease-control decision making, performance impacts from management practices, regional perspectives on broiler health, and five presentations on the importance of proper hatchery procedures.

In the Processing Session on October 18, topics include practical approaches to Listeria-proof packaging areas, edible coatings to protect food from pathogens, accurate detection of bone fragments, improving deboning quality, water reuse in processing, and preparing for USDA's moisture retention rule.

For further information about the 36th National Meeting on Poultry Health and Processing, contact Delmarva Poultry Industry, Inc., 16686 County Seat Highway, Georgetown, DE 19947-4881; fax (302) 856-1845; telephone (302) 856-9037; or send via e-mail to dpi@dpichicken.com.

AMS Selects Plant Variety Protection Office Commissioner

WASHINGTON, D.C. - The USDA's Agricultural Marketing Service recently announced the selection of Paul Zankowski as the new commissioner of the Plant Variety Protection Office.

Zankowski comes to AMS from a position with the Harris Moran Vegetable Seed Company in Modesto, Calif., where he held the title of director of biotechnology. While with Harris Moran, Zankowski developed commercial biotechnology products, administered the molecular biology program, and conducted extensive plant breeding research.

As commissioner, Zankowski

will head the USDA staff that administers the provisions of the Plant Variety Protection Act. The act extends intellectual property right protection to developers of new varieties of seed-reproduced and tuber-propagated plants. This protection encourages development of new varieties of plants, benefiting agriculture, home gardeners, and consumers.

Zankowski received his M.S. and Ph.D in plant physiology from the University of California and a B.S. in biology from the Pennsylvania State University.



Dr. Jim Kinder, left, chairman of Ohio State's Animal Science Department, presents Ron Long, Select Sires vice president of procurement, with the 2001 Dairy Science Hall of Service Award.

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