

PMMB Raises Over-Order Premium To \$1.40

HARRISBURG (Dauphin Co.)—The Pennsylvania Milk Marketing Board (PMMB) will raise the over-order premium to \$1.40 per hundredweight effective from March to June of this year.

On Jan. 27, the PMMB conducted an emergency over-order premium hearing to consider raising the level of the over-order premium. Testimony was received on behalf of Dairylea Cooperative, Dairy Farmers of America Northeast Council, Dairy Farmers of America Mid-East Area Council, Dairy Marketing Services, and the Pennsylvania Grange.

The Board Members found that conditions have changed since Nov. 6, 2002, and testimony given was credible and persuasive

in stating that Class I and blend prices are now forecasted to be even lower, milk production in Pennsylvania has continued to decline, premiums paid in the Southeast have increased, and premiums paid in Ohio have increased.

However, based on testimony from the Nov. 6 hearing, board members also found the possibility remains that, because of customer demands, based partly on the level of the over-order premium, some milk dealers have, or will, put plans in motion to move some of their operations out-of-state to avoid paying the over-order premium.

While some circumstances have changed, board members believe that an over-order premium of \$1.40 through June 20

strikes the proper balance while providing as much income to the Pennsylvania farmer as possible, maintaining a market in Pennsylvania for Pennsylvania produced milk, and insuring an adequate supply of wholesome milk to Pennsylvania's consumers at a fair price.

In response to the Nov. 6 hearing the board decided to lower the over-order premium of \$1.65 in steps to \$1.50 in January, \$1.40 in February, \$1.30 in March, and \$1.25 for April-June.

Testimony at the Nov. hearing convinced board members that the market for Pennsylvania milk was threatened because of the difference between the Pennsylvania over-order premium and

premiums paid out-of-state. Customers were beginning to demand that Pennsylvania processors seek arrangements that would allow them to avoid paying the over-order premium altogether.

Board members believe that to maintain a strong dairy industry in Pennsylvania, all segments of the industry must be healthy. To continue the long-standing \$1.65 over-order premium in relation to out-of-state-milk costs provides a very strong incentive for both in-state and out-of-state processors, based on their customers' demands, to either source their raw milk from out-of-state supplies or to structure their transactions in such a way that the over-order

premium is not paid to Pennsylvania producers.

While board members are aware of the financial stress on the state's dairy farmers, and are very concerned about the situation, they believe it would be of no benefit to Pennsylvania producers to set an over-order premium at a level that would cause Pennsylvania processors—for competitive purposes—to seek ways to avoid paying the over-order premium.

Should any of these conditions change and threaten the stability of Pennsylvania's dairy industry, the board can react quickly to hold another emergency hearing to address the problem.

PFB: Mixed Response To Premium Decision

HARRISBURG (Dauphin Co.) — Pennsylvania Farm Bureau has expressed both appreciation and disappointment in response to the Pennsylvania Milk Marketing Board's (PMMB) decision this week to stop decreases it had scheduled for the over-order milk price for Pennsylvania dairy producers.

"We think the board could have set the premium level at \$1.50 for the next four months without any serious problems," said Joel Rotz, Pennsylvania Farm Bureau's dairy specialist. "We appreciate the prompt action the board took in preventing further reductions in the over-order premium."

The PMMB, acting on testimony received at a hearing on Jan. 27, voted to maintain the over-order price at \$1.40 per hundredweight (cwt.) of milk for March through June, when the remainder of the order expires. PMMB had allowed the over-order price to drop from \$1.50/cwt. in January to \$1.40 in February. Dairy Marketing Services (DMS), which represents the Dairy Farmers of America and Dairylea cooperatives, had petitioned for the hearing and recommended that the over-order price level be set at \$1.50.

PMMB had voted in December to lower the over-order premium in steps from \$1.65/cwt. to \$1.25 by April and keep it at that level through June.

The over-order price is added to the price of Class I (fluid)

milk produced, processed and sold within Pennsylvania.

Pennsylvania Farm Bureau (PFB) had submitted a letter to the PMMB in support of the DMS petition for the January hearing. In the letter, PFB reiterated its support for continuing the over-order price at the \$1.65 per hundredweight level which was in effect last year. At the very least, PFB wrote PMMB members, the over-

order price should not fall below \$1.50 for the remainder of the current order's term. PFB pointed out that economic projections presented at the January hearing indicate dairy farmers' economic plight will be even worse than what was anticipated at a hearing last November which led to the PMMB's decision to cut back on the \$1.65 over-order premium.

Sustainable Ag Program Primer Released

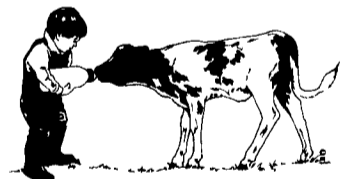
PINE BUSH, N.Y. — As a service to its partners, the National Campaign for Sustainable Agriculture (National Campaign) has offered the Federal Sustainable Agriculture Program Primer. This resource compiles basic information on a wide range of the programs and policies that the National Campaign and its partner organizations have helped to conceive, develop, promote and/or get funded over the years.

In a simple, user-friendly format, the primer provides a short description of each program, who administers it, how people can access the program (including application deadlines and criteria for eligibility), how the program is funded, the program's status — including various stages of administrative

action (rulemaking, implementation, etc.), and where to go for more information.

The Federal Sustainable Agriculture Program Primer is available at <http://www.sustainableagriculture.net/primer.php>.

"This is only the beginning," said Kathy Lawrence, National Campaign executive director. "We're looking to refine and regularly update this federal program primer, and will be adding more programs in the coming weeks. We'll also be developing more in-depth fact sheets for selected programs."



Greider & Witmer Associates, Inc.

Your Complete Tax, Accounting and Investment**
Service for Individuals, Small Businesses and Farmers

We Are...

Tax Return Preparation*

- Individual, Partnership, Corporate, Fiduciary
- Tax Planning
- Electronic Filing

Accounting and Payroll

- Bookkeeping and Financial Statements
- Payroll and Benefit Administration
- Accounting Software Installation and Support

Investment Services**

- IRA's and Retirement Plans
- Investments** with a Goal
- Life and Long-Term Care Insurance
- Annuities



Susan Greider
Enrolled Agent

2733 Willow Street Pike
Willow Street, PA
(717) 464-2951
Fax (717) 464-2013
greiderstaxsvc@msn.com



Roxanne Witmer
Enrolled Agent

** Securities offered through Royal Alliance Associates, Inc.
Member NASD & SIPC



SPRAYING EQUIPMENT

PACER
Self-Priming Centrifugal
PUMPS
For Agriculture



NORWESCO POLY-TANKS

25 To 3300
Gal. Vertical
and
Horizontal



We Stock A
COMPLETE LINE OF
TeeJet
SPRAY PRODUCTS

- Nozzles
- Balls Valves/ Solenoid Valves



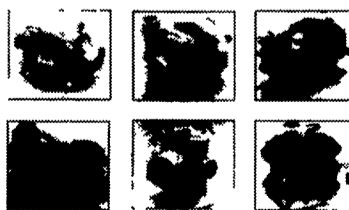
SHURflo

DIAPHRAGM
DEMAND
PUMP



Hypro PUMPS

The
Long
Blue
Line™



For roller pumps, centrifugal pumps, diaphragm pumps, piston pumps and plunger pumps, no one offers you more quality choices than Hypro. More types, more models. And most of all, more quality and dependability. For virtually any spraying, fluid handling or pressure cleaning need you have, depend on The Long Blue Line™ for genuine value. Genuine Hypro pumps from your quality Hypro dealer.

NORWESCO

- BALL VALVES
- CAM COUPLERS
- In Stock
- 1/2" to 3"

PAUL B. ZIMMERMAN, INC.

Manufacturers - Distributors
50 Woodcorner Rd., Litz, PA 17545 717-736-1880

HOURS:
Mon., Thurs., Fri.
7-8:30
Tues., Wed. 7-5:30
Sat. 7-4:00



A Dry Cow Booster That Costs 7¢ a Day

Hoffmans Horse and Cattle Powder is an ideal tonic for cows over freshening. Feed 6 wks. before freshening. 1 Tablespoon a day. (Two weeks over freshening, feed 1 Tablespoon in the morning & 1 Tablespoon in evening)

Cows will clean better after freshening. Cows have a lower somatic cell count and will have less mastitis problems. Great for reproduction tract and cows will cycle better after freshening. Will help rumen function over freshening. Less feet problems and less stress.

This is an over-all good booster if fed to dry cows, and it will pay you big dividends.

Sugar Valley Collar Shop
18 Wagon Wheel Lane
Loganton, PA 17747
D & J Farm Store
65 Hess Rd
Quarryville, PA 17566

Elvin Zimmerman
18051 Ridgewood Ave
Barnett, MO 65011
573-378-2658

Daniels Farm Store
324 Glenbrook Rd
Leola, PA 17540
717-656-6982
Gap Repair Shop
994 Gap Rd
Kinzers, PA 17535
717-442-4781

Bird-In-Hand Farm
Supply
200 Maple Ave
Bird-In-Hand, PA 17505

Gideon F. King
5465 Elam Rd
Kinzer, PA 17535