

CWT Outlines Buyout

(Continued from Page A1)

"The dairy industry has an opportunity to impact its own destiny."

Heatwole outlined the proposed 12-month program as it has been developed so far. A number of details are still being worked out, he said.

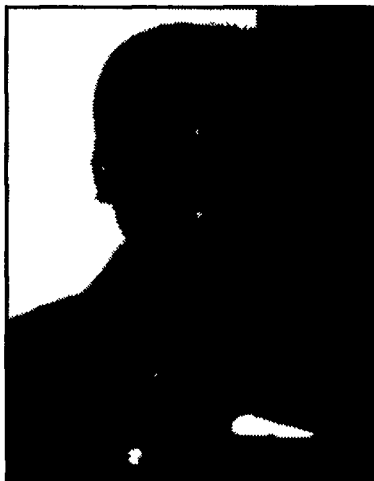
One of CWT's chief goals is to eliminate 125,300 U.S. cows through a "herd retirement program." Herds would be selected and purchased through the lowest voluntary producer bids based on annual hundredweight production. The selected herds would be committed to slaughter to ensure they do not return to a milking operation.

Heifers and calves would not be included in the buyout, Heatwole said, noting that the intent is not to eliminate any dairy farmers.

"This is not a program to get farmers out of production — it is a program to get cows out of production," he said.

"The objective is to (eliminate) the largest number of cows at the lowest possible price."

Producers can also bid on an



Jerrel Heatwole of DFA explains the broad terms of the CWT program.

amount they would be willing to receive to reduce future milk marketings by a specific percentage, such as 10 or 15 percent. As part of the bidding process, they would need to indicate the measures they intend to take in achieving the reduction. If they accomplish the projected cutback — plus or minus 1 percent — they would then be paid the con-

tracted amount.

The third part of the plan is to provide incentive to dairy manufacturers and exporters to sell more U.S. dairy products abroad.

Employing these three aspects of the plan, CWT's goal is to reduce national milk supplies by 2.7 percent — about 4.6 billion pounds over the next year. That would raise average milk prices a projected \$1.30 per hundredweight.

For herds of about 125 cows or less, however, reduction in Farm Bill payments under the Milk Income Loss Compensation (MILC) program would cut the overall benefit down to about 70 cents per hundredweight.

Even so, that's about 50 cents per hundredweight returned to the producer above the 18 cent per hundredweight investment in the program, Heatwole noted.

Heatwole showed the group a graph of the U.S. divided into five regions — the Northeast, Southeast, Upper Midwest, West, and Southwest.

CWT is targeting the West and Southwest to cut back production far more than in the eastern regions and Upper Midwest.

West and Southwest regions are targeted to reduce production by 5 percent and 4.3 percent, respectively.

In the other three regions, including the Northeast, the goals for reduction are only 0.5 percent.

Several producers at the meeting asked why dairy producers in the east are being called on to help pay for a problem that appears to have been caused by dairy herd expansions in the west.

The milk price dilemma is not that simple, according to Heatwole.

"(Producers from other regions) have different ideas of what caused the problem," he said.

"No region can act independently from the rest of the country."

Some farmers at the meeting expressed concern that CWT

buyout price levels would be too low to be feasible — and that that could cause the 18 cent per hundredweight fee to go even higher.

Heatwole promised the fee won't be set any higher.

"If the price goes over 18 cents, the program is going to die," he said.

While non-contributing farmers and co-ops would, in essence, get a "free ride" from the program, that's no reason for the rest of the nation's dairy producers "to sit around and do nothing," Heatwole said.

Heatwole said that he doesn't expect dairy imports to take the place of any reduction in U.S. milk supplies brought about by the CWT program.

He also noted that milk processors, as well as large retailers such as Wal-Mart, will likely be supportive of the concerted dairy effort because it aims to take care of their milk suppliers.

Dairy industry representatives are lobbying in Washington to curb milk protein concentrate (MPC) imports and address other trade issues, establish effective price support floors, and adopt dairy compact legislation.

"There is no single solution to this issue of low milk prices," Heatwole said.

The meeting

took place at the Peach Bottom Inn in southeastern York County.

Many more CWT informational meetings are scheduled throughout the region. Check the *Lancaster Farming* calendar for one in your area.

For more information, call the CWT Northeast Hotline at (888) 858-7813, e-mail NMPF at info@nmpf.org, log onto their Website at www.nmpf.org, or contact a field representative from a sponsoring cooperative.



About 50 dairy farmers and others attended the CWT meeting in southeastern York County Thursday evening to hear how the national, farmer-funded program might boost milk prices.

SHORT NOTICE

PUBLIC AUCTION

JUNE 7, 2003 9:00 AM

BACKHOE - VEHICLES TOOLS

LOCATION: 6024 Old Route 22, Bernville, Berks Co. PA. From Harrisburg Rt. 78 East to Strausstown Exit - Rt. 183 turn right to red light (Old Rt. 22), turn left and go approx. 3 miles to auction site. Watch for auction signs!

Ford 800 backhoe loader; 4x6 utility trailer; Several vehicles; Milling machine and lathe tools; Welders; Drill press; Bale chopper; ss hog feeders; Star silo unloader; Tools - tools - and more tools! Watch for full listing 5/24.

AUCTIONEERS NOTE: Lots of good used and new machines, hand and power tools and equipment.

TERMS: Cash or acceptable PA check.

Auction for: **K. L. Miller**
WOLGEMUTH AUCTION SERVICE
 Robert Wolgemuth Lic. #1534 717 665-6684

PUBLIC AUCTION

Metal Lathe Power Tools, Antiques, Furniture Trees & Shrubs Power Chair

Thurs., May 22, 2003 at 2 PM

At Fogelsville Auction Center, 820 Nursery St., Fogelsville, PA 18051 (Just west of Allentown take exit 49B off I-78 on Rt 100 then L at light)

Tools (Approx 6 PM)

Sheldon 12"x36" metal lathe; Bico metal cutting band saw; New Lincoln Weld-Pak 100 wire feed welder; Like new Craftsman contractor Series tools inc: 6 1/8" jointer planer; 6" belt/9" disc sander; 14" band saw; Flr model radial drill press; Dust collecting system; Also Delta 16" variable spd scroll saw; Porter cable router & kit; w/plunge base; Bench grinders; Craftsman 10" band saw; Craftsman mitre saw; Lot pwr hand tools; Craftsman air comp; Floor jack;

Trees & Shrubs (Approx 5 PM)

Japanese red maple, lace leaf & reg; Flower trees: pear, kwansan cherry, pink crabapple, tender cloud plum, azaleas, rhodo, arborvitae, lilacs, tall & dwarf, trellis apple trees, burning bush, blueberry, raspberry, elderberry, seedless grape, nice asstd annuals, perennials; Hanging baskets; Seedlings

Furniture (7 PM)

Vic marble top occ tbl; Sq mahog china closet; 8' Pier mirror w/marble base, Drexel 9 pc mahog DRS; 2 Victorian marble fireplace fronts; Period Empire sofa w/winged front & paw ft; Waterfall china closet; 2 pc Italian leather LRS; Curio cabinets; PA House cherry tbl; Chrs & buffet; Nice inlaid 2 ton buffet

Antiques & Collectibles (Starting 3 PM)

Royal Bonn porcelain clock w/Ansonia works; Gaudy cup & saucer; Westward Ho goblets & compote; Iron still lion bank & carousel bank; Pr elec lustrs; Gone w/Wind lamp; Transferware plates; Majolica plates & pitchers; Vaseline baskets; 7 patchwork & embroidered quilts; Cake stands; Box type coffee grinders; Cut glass, Depr. & carnival glass pcs; Dresden porcelain fruit bowl; Flow blue plates; Nice pr French mother of pearl opera glasses; Royal Bayreuth tomato sugar; Also Invacare Power 9000 motorized wheel chair & many fine items. See full list on website. Selling for several local estates.

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 Fogelsville, PA 18051-0215 "Proven Service Since 1952"

Auction Sale

Saturday Morning at 10:00 a.m. May 24, 2003

At Ebensburg Auto Auction, Rte. 160 South, Ebensburg, PA

A huge sale of new and used items, tractors, chainsaws, atv's, golf carts, motorcycles, helmets, tools, etc. This sale will be held indoors with bigger items in the parking lot. Lots of parking. Refreshments will be available.

Used Items

Kubota B7500 tractor/loader/mid mount mower - only 50 hours, Cub Cadet 18HP tractor with snowblade, Wheel Horse 16HP tractor with snowblade, 20HP Yardman, 15HP White, 20HP Sears w/blade, 15 used atv's - Suzuki LT-50, Suzuki LT-80, Suzuki LTF-160, Suzuki 250, Suzuki LT-4WD, Suzuki 300 4x4 King Quad, Suzuki 500 4x4, Polaris Trail Blazer, Polaris 400 4x4, Polaris 500 6x6, Yamaha Big Bear, Yamaha warrior, Yamaha YZ80, Arctic Cat 500 4x4. Motorcycles - Suzuki JR-80, 8' equipment trailer, 16' trailer, used chainsaws, golf carts (gas and electric)

Demo and New Items

Kubota BX22 w/loader and backhoe-32 hours-new warranty. Trailers - snowmobile-ATV-Equipment (8', 10', 12', 16'), Log Splitters - 22 ton-vertical/horizontal, Generators - 2500 watt - 3000 watt - 5000 watt, Stihl chainsaws, Stihl trimmers, Husqvarna chainsaws, Husqvarna trimmers, hydraulic oil, Helmets - motorcycle, atv, snowmobile - we purchased over 200 from a dealer that went out of business, Cub Cadet 17HP tractor, lawn and garden tractor batteries, Tractor Equipment - rear blades - 7', 6', 5', Rock Rakes 5', 6', 7', 8', Tillers - 4', 5', 6', Bale Spears, Middle Buster, \$10,000 worth of tools - (something for everyone) - wrenches, socket sets, wire brushes, jacks, cut off saws, grinders, battery charges, screw drivers, hack saws, extension cords, air compressors, pipe wrenches, tarps, tarp straps, paint guns, air tools, air sanders, extension cords, tap & die sets, tape measures, parts washer, engine hoist, knives, machetes, tie downs, pad locks, gun cabinets, tool kits, hand truck, creepers, drill press (much more can't list it all), snowmobiling clothing, gloves, boots, jackets. Troybilt tillers, Cub Cadet mowers, tow dolly (for behind motor home), Woods zero turn 20HP mower

Paint - Need Paint? We have a truckload for houses-decks-inside/outside. We will be selling it in gallons and bulk.

Terms: Cash or check with ID. Financing is available but prior arrangements must be made. Call Pat at 814-328-2222 for details. Some items subject to bid approval. All items subject to prior sale. This is a partial listing of equipment only. Refreshments and seating available. Sale will be held indoors.

Special Interest

1976 Ford Attula 20' Motorhome With a little TLC this would be a great motorhome!!!

Auctioneers: Wayne Templeton AU-001110-L, Benny Davis AU-00203-C
 Phone 814-472-6029

