

# FARMING

By George DeVault

## On The Edge

### EARN MORE IN 2004

It's the holidays again. And talk of food — its great availability, staggering variety, and low cost — is front and center at the American dinner table.

"One of our greatest blessings as Americans is the abundant, affordable and safe food supply we enjoy. As we sit down together ... with family and friends, it is appropriate to remember that it all starts with our farmers and ranchers." Bob Stallman, president of the American Farm Bureau Federation (AFBF), said in a press release Nov. 20.

No argument there. We are truly blessed in this country.

But there is more to the story. One thing that isn't talked about very often these days is how much — or how little — of the food dollar actually goes to the American farmer.

What is the farmer's share of the food dollar?

Take a wild guess:

A) Four dimes, one nickel, and two pennies? (Nope. Hasn't been that much since 1952.)

B) One quarter, one dime, and two pennies? (Not since 1980.)

C) Three dimes? (Wrong again. Farmers haven't seen three dimes out of the food dollar since 1990.)

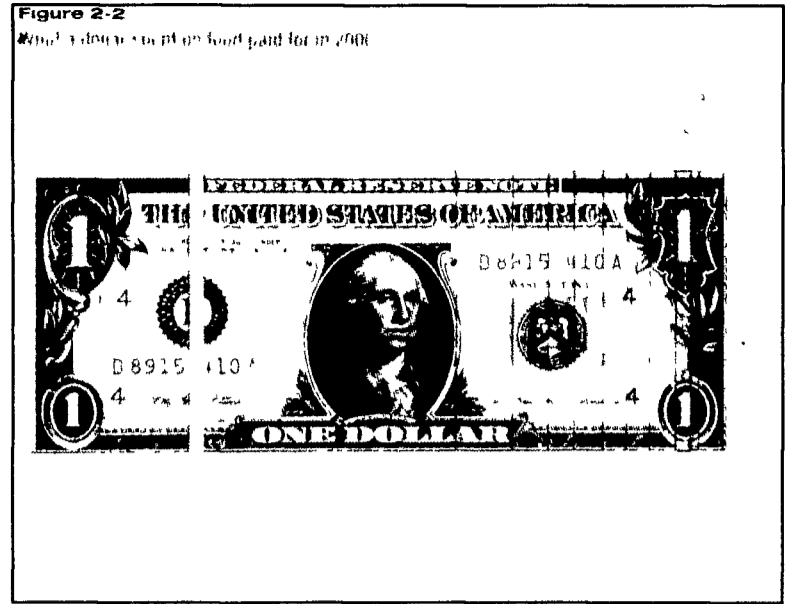
You're getting warmer, though. The answer, according to the USDA, is 19 cents: One dime, one nickel, and four pennies.

Except for a few upward blips, mainly in the late 1960s and early 1970s, the farm share of the food dollar has been falling steadily for more than half a century now, reports USDA's Economic Research Service.

If farmers today receive only 19 cents of the food dollar, what becomes of the remaining 81 cents?

It goes to pay what USDA calls the "marketing bill." That is the cost of labor, packaging, transportation, energy, profits, advertising, and other expenses involved in getting food from farm to table.

"The estimated bill for marketing domestic farm foods which does not include imported foods — was \$498 billion in 1999," reports USDA's Agriculture Fact Book, 2001-2002. "These rising costs have been the principal fac-



tor affecting the rise in consumer food expenditures. From 1990 to 2000, consumer expenditures for farm foods rose \$211 billion. Roughly 92 percent of this increase resulted from an increase in the marketing bill."

To clearly illustrate the point, USDA graphic designers in Washington took a one dollar bill and sliced it up like a loaf of

bread. The 19-cent "farm value" looks like about enough to make a couple of sandwiches, while the marketing share looks big enough to feed a family, a big family.

The previous edition of the Agricultural Fact Book (1997) also included a graph that shows both the farm and marketing shares of food expenditures from 1970 to

(Turn to Page A40)



## Farm Show 2004 Exhibitor Spotlight

Exclusive to Lancaster Farming

## John Deere To Offer 'Variation' At Farm Show

LANCASTER (Lancaster Co.) — John Deere dealers from across Pennsylvania will again be on hand at the Farm Show in Harrisburg this coming January.

Ken Dietz, owner and general manager at Landis Bros., Inc., Lancaster, is coordinating the effort to bring together a number of the state's Deere dealers for the event.

This year, John Deere's display and demonstrations "will be geared not just to the larger farmer, but to the weekend farmer and the larger property owner," Dietz said.

The exhibit will offer "variation and a little bit of something for everybody," he said.

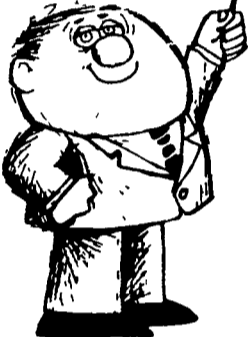
On display will be a model 7920 tractor, one of a new series introduced this year by John Deere. The 170-horsepower, 4-wheel-drive machine has been

"totally redesigned" according to Dietz.

John Deere hay tools, including a self-propelled windrower, will be featured as well, Dietz said.

New products from John Deere this year also include a line of all-terrain vehicles (ATVs), and new additions to the Gator line. These utility vehicles will be performing live demonstrations during the three Farmer Days.

"(The Farm Show) serves a need for customers to look at what alternatives and solutions are available for them in their own operations," Dietz said.



A lesson well learned...

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## LanChester Pork Council Production Forum & Annual Meeting

### Dec. 16th 8:30 am - 2 pm

Yoder's Restaurant, New Holland, PA

8:30 am - 9 am	Registration
9 am - 10:00 am	Boehringer Ingelheim * Water Delivery Vaccines and Enterisol Ileitis
10:00 am - 10:45 am	SWAP Overview
10:45 am - 11:45 am	Intervet: * Improve Breeding Herd Efficiency with Matrix
11:45 am - 12 noon	National Pork Board Spokesman
12 noon - 1 pm	Lunch and Annual Meeting
1 pm - 2 pm	PQA Level III Recertification

**RSVP to Kurt Good at 717-445-5776 by Dec. 10th**

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