Ag Secretary Promotes Bush Economic Plan To County Presidents

A cut in the capital gain tax would not only benefit the agricultural economy, it could also make it easier for young farmers to get into agriculture, according to Edward Madigan, Secretary of the U.S. Department of Agriculture.

"Because we keep talking in Washington about changing the capital gains tax and not doing it, older farmers are not selling their land," said Madigan, speaking at a press conference Feb. 6 during the 1992 County Presidents' Conference in Detroit. "And as a result of that, younger farmers can't acquire farmland. If we could resolve this, we could provide the opportunity for a younger person to get on the land."

Speaking at the county presidents' luncheon, Madigan pointed out the savings a typical farmer could realize from President Bush's capital gain tax cut proposal. "If you sold a hundred acres of farmland at average Michigan farmland values, you would put an extra $7,200 in your pocket," he said. "When people criticize the capital gains tax and say it benefits only people making more than $100,000 a year, what they don't tell you is that they're including the capital gain for that year in that calculation. A capital gains tax is not just for the rich. It can help the economy of the United States considerably."

Madigan also promoted Bush's proposed 12 percent investment tax credit. "If that tax credit would encourage you to buy a tractor, combine or truck, somebody's going to build that tractor, combine or truck. And that's going to create jobs for people."

The 1993 federal budget released by President Bush proposes a funding cut of $2.4 billion for the overall agriculture budget in the new fiscal year. Nearly all of that decrease comes from funding for community and rural development.

Outlay levels are up for research and education. "We're trying to change the direction of research at USDA," said Madigan. "We want our scientists to focus some attention on developing alternative uses for crops that are frequently in surplus."

New MDA Initiatives To Reduce Pesticide Exposure In Michigan

Three new Michigan Department of Agriculture (MDA) programs will go a long way in reducing the potential for pesticide contamination, according to MDA Director Bill Schuette.

"The Michigan Department of Agriculture is absolutely committed to protecting the environment by removing outdated pesticides and recycling empty pesticide containers," said Schuette. "We are confident these programs will succeed in greatly reducing any potential threat that an accidental release of these chemicals would pose to ground and surface water."

Clean Sweep

The Michigan Clean Sweep program will focus on eliminating outdated or suspended pesticides that could find their way into the Great Lakes. The first part of the program will include 16 West Michigan counties to help protect Lake Michigan from future contamination. Licensed hazardous waste management companies will handle and transport the materials to approved hazardous waste incinerators, landfills or high temperature furnaces for disposal. The program is based upon the success of an earlier pilot program which collected 120,000 pounds of unusable pesticides from 360 participants in 24 counties. Some of the products that may be in storage and need to be properly disposed of include: DDT, Chlordane, Dieldrin, Aldrin, Heptachlor, and Lead Arsenate.

Pesticide Container Recycling

Each year Michigan growers and applicators use up to 600,000 2-1/2 gallon plastic pesticide containers. In the past, these containers have been dumped in solid waste landfills, burned or stockpiled. The Pesticide Container Recycling Program will collect these containers, grind them into usable granules and recycle the granules into new non-consumer, environmentally safe pesticide containers. Close monitoring will ensure that collected containers have been cleaned to remove any pesticide residue. This will be a cooperative venture between MDA and MSU, the Michigan Agri-Business Association, and Grower Service Corporation, a subsidiary of United Agri-Products. Although MDA will help fund this proposal, it's anticipated the majority of the funds will come from private sources.

Pesticide Regulatory Education

The third program, Pesticide Regulatory Education Program, will be conducted as a joint effort between MDA, MSU and EPA. One aspect of this national pilot project will focus on training state regulatory officials from all over the nation on EPA's new initiatives for the disposal and recycling of used pesticide containers. Participants will be briefed on the new federal requirements, review existing state programs and develop model plans that satisfy the federal mandates. MSU and MDA were successful in obtaining federal funds from EPA to support the program.

Work has already begun on all three initiatives with full implementation expected within the next few months.

According to Schuette, "One of MDA's top priorities is the environmental stewardship of Michigan's natural resources. I think Michigan farmers will welcome our efforts, particularly those who have been safely storing outdated pesticides and containers awaiting the technology and means to properly dispose of them."
Farmers and Farm Bureau – Integrity and Commitment

The recently completed 1992 American Farm Bureau Federation annual meeting in Kansas City was a showcase for the people and programs that make Michigan Farm Bureau the most respected and largest state Farm Bureau in the nation.

In the area of member involvement, Michigan Farm Bureau was honored with 12 Gold Stars for outstanding program achievement. These stars were recognition that Farm Bureau members and their organization conduct well organized, effective programs that make membership proud.

The Washtenaw County Farm Bureau won the County Farm Bureau Program Exchange for their “Project RED” Agriculture in the Classroom project. This innovative activity and the well-constructed convention center display impressed Farm Bureau members from all over the country.

Our Young Farmer and Rancher contest participants did a great job representing their state. Andy and Beth Stier, Hart, received the Distinguished Young Farmer competition and Bob Mayer, of Bronson, made the final four in the national Discussion Meet. Their performance really highlights the abilities of these young farmers who represent the future of our industry.

Your Farm Bureau delegates did their usual competent job during the policy session. Three major policy areas deserve special note. Farm Bureau’s dairy position was reaffirmed. It calls for the use of a voluntary diversion program in any inventory management effort, a dairy help program for dairy workers and a voluntary standard for dairy products.

Of interest to our Michigan specialty crop industry; delegates called for a longer phase-in period in the North American Free Trade Agreement for import-sensitive commodities.

And in reference to the GATT trade negotiations, delegates approved policy stating that Farm Bureau will not support elimination of Section 22 import quotas for sugar and dairy products in the negotiations unless they are replaced with tariff quotas which retain a substantial level of import protection. U.S. commodity support prices should only be reduced when it can be assured that the multilateral reductions are being applied to comparable imports by the countries which are both fair and equitable to U.S. producers. The policy recommends that all foreign export subsidies be properly identified and completely eliminated.

In conclusion, the activities of the 1992 AFBF annual meeting really underscore an important observation about our organization. Other interest groups, such as environmentalists, have much greater financial resources than Farm Bureau. But I can think of no other group that brings a greater level of integrity and commitment to their industry than do farmers. These are our strengths and advantages that will allow us to prevail in the legislative and public opinion battles of the coming year.

New Facilities Planned for MSU Food Safety Center

Robert Hollsworth, director of the Pesticide Research Center at Michigan State University, has been designated as an additional role as director of MSU’s embryonic National Food Safety/Toxicology Center (FS/TC). Hollsworth will lead development of the center’s programs and construction of an animal facility and laboratory research building.

The research building will be a federally funded structure costing an estimated $17 million, and will be built just east of the Veterinary Clinical Center. Additional FS/TC facilities for animals will be built south of Mt. Hope Road and will cost another $6 million. Planning, architectural services and a sewer extension will add another $2 million to the project costs.

MSU plans to match a total of $25 million from the federal government through new federal/industry cooperative agreements. Agriculture has been identified and completely eliminated.

In brief...

January Farm Prices Unchanged From December

The index of prices received by U.S. farmers for their products in January was unchanged from the December level, but was down 4.9 percent from January 1991, according to recent USDA estimates.

Lower prices in January for eggs, hogs, and milk were offset by increases in the prices of commodities. In December, USDA said in its monthly Agricultural Prices Report, U.S. consumers paid said prices for fuels and feeder livestock were significantly lower than the last time they were surveyed in October.

USSR Grain Pact No Longer Valid

A special agreement between the former Soviet Union and the U.S. to buy millions of tons of grain each year is null and void, USDA spokesman Roger Runnäsning announced recently. Under the U.S.-USSR Long Term Grain Agreement (October 1, 1991 to September 30, 1996), the former USSR each year was obligated to buy 4 million tons of each of U.S. wheat and feed grains and 2 million tons of each of U.S. soybeans and sorghum.

Despite that, Runnäsning said, the U.S. would not hold the Commonwealth of Independent States (CIS) to the obligations of the grain pact. “The ‘LTA was an agreement with a nation that no longer exists,’ he said. The U.S. and the USSR signed their first grain pact in 1975 after the USSR unexpectedly bought massive amounts of grain in 1972-73, shocking U.S. supply channels and pushing domestic grain prices higher.

The most recent 5-year agreement was to cover the years 1991-96, but the end of the Soviet Union has now made that pact obsolete. USDA confirmed the LTA’s demise, after the CIS made its first purchase of U.S. corn since the formation of the commonwealth. USDA said the recent development forced a decision whether to terminate or extend the agreement.

The department concluded that the pact was no longer valid since the former republics of the USSR are now all independent nations.

Milk Price and Production Rising

Milk herds in Michigan produced 436 million pounds of milk during December, up 7 million pounds from a year ago, according to the Federal/State Michigan Agricultural Statistics Service. Milk production rates averaged 1,290 pounds per cow, increasing 40 pounds from the same time a year ago. Michigan's dairy herd was estimated at 338,000 head, 5,000 fewer than last December.

The preliminary value of milk sold averaged $14.30 per hundredweight (cwt.) in December, $2.20 more than last year and $3.20 higher than November 1991. Mid-month December slaughter cows prices averaged $46.10 per cwt., $2.60 less than the previous year.

Milk in the 21 major states totaled 10.4 billion pounds, one percent less than production in these same states in December 1990. Production averaged 1,242 pounds for December, 17 pounds more than December 1990. The number of cows on farms was 8.36 million head, the same as November 1991 but 191,000 less than December 1990.

Dairy manufacturing plants in Michigan produced 1.7 million pounds of butter in November, 12 percent more than per year ago. Ice cream output totaled 1.4 million gallons, 14 percent less than last November.

1993 CRP Enrollment Expected to Slow

USDA expects farmers to enroll 381,000 acres of environmentally sensitive land in the Conservation Reserve Program in 1993. This compares with an estimated 1.1 million this year, according to Knight Rider News.

The CRP, created by 1985 farm law, is a long-term land retirement program intended primarily to take highly erodible farm land out of production. But the program was reshaped in the 1990 farm act to also include land where farming threatens water quality.

In the 11 sign ups held so far, farmers have agreed to idle 35.5 million acres, usually for 10 years, in exchange for annual rental payments from the federal government. The administration estimates those payments at $1.79 billion in fiscal 1993, up from 1.73 billion this year.

The budget also estimated that farmers would enroll 200,000 acres of wetlands, at a cost of almost $161 million, in the Wetlands Reserve Program created by the 1990 farm act. In total, USDA is required to enroll at least 40 million acres in the two programs by the end of 1996.

The MICHIGAN FARM NEWS (ISSN ———) is published semi-monthly except in the months of November, December, June, and July when only one issue is made, as a service to members. By members, for members. The Michigan Farm Bureau is not responsible for the opinions expressed in the Farm News. This publication is designed to encourage Michigan farmers to express their opinions in the political process, to aid in the organization of political action, to foster the development of the political process, and to encourage informed discussion and debate on all matters affecting the economic and social well-being of Michigan farmers and the Michigan Farm Bureau. The Michigan Farm Bureau is not responsible for the opinions expressed in the Farm News. This publication is designed to encourage Michigan farmers to express their opinions in the political process, to aid in the organization of political action, to foster the development of the political process, and to encourage informed discussion and debate on all matters affecting the economic and social well-being of Michigan farmers and the Michigan Farm Bureau.

February 15, 1992

Michigan Farm News

Wilber; Henry Huisjen.

Guthrie, Delton; District 5, Mark Smuts, Charlotte; District 6, Wayne Wood, Marlette; District 7, Larry Snider, Hart; District 8, Richard Leach, Saginaw; District 9, Joshua Wunsch, Traverse City; District 10, Margaret Kartes, West Branch; District 11, Robert Wehmeier, Bellaire; District 12, Douglas Darling, Bayport, Jack Laurie, Casa City, Baye Adam, Shriver, Jon VanBoglen, Clarice, Promotions and Education, Laura Deines, Stirling, Young Farmers, Graves, Spuyce.

District 1, Tim Miller, Coloma, District 2, Blaine VanSickle, Marshall, District 3, Diane Homing, Manistee; District 4, Robert Hollsworth, Forest, District 5, Mark Smuts, Charlotte, District 6, Wayne Wood, Marlette; District 7, Larry Snider, Hef, District 8, Richard Leach, Saginaw, District 9, Joshua Wursh, Traverse City, District 10, Margaret Kartes, West Branch, District 11, Robert Wehmeier, Bellaire; District 12, Douglas Darling, Bayport, Jack Laurie, Casa City, Baye Adam, Shriver, Jon VanBoglen, Clarice, Promotions and Education, Laura Deines, Stirling, Young Farmers, Graves, Spuyce.

March 15, 1992

Michigan Farm News

Wilber; Henry Huisjen.

Guthrie, Delton; District 5, Mark Smuts, Charlotte; District 6, Wayne Wood, Marlette; District 7, Larry Snider, Hart; District 8, Richard Leach, Saginaw; District 9, Joshua Wursh, Traverse City, District 10, Margaret Kartes, West Branch; District 11, Robert Wehmeier, Bellaire; District 12, Douglas Darling, Bayport, Jack Laurie, Casa City, Baye Adam, Shriver, Jon VanBoglen, Clarice, Promotions and Education, Laura Deines, Stirling, Young Farmers, Graves, Spuyce.
Medical Liability Reform

MFB Position
MFB is a member of the Michigan Medical Liability Reform Coalition, representing more than 50 groups, associations and organizations across the state that are actively supporting these reforms.

Action Needed
Farm Bureau members are encouraged to contact their legislators and ask them to support the reform legislation. House Bills 5434 and 5435.

MFB Contact
Howard Kelly, Ext. 2044

At press time, 63 of the 110 State House members had signed on as co-sponsors of a two-bill package, HB 5434 and HB 5435, calling for tort reform and alternative dispute resolution measures. Highlights of the bills include:

- Disputes could be settled through the use of an alternative system for resolving claims before they go to court, possibly saving millions in legal transaction costs and providing settlements to patients much faster than currently possible.
- Require patients to officially notify doctors, hospitals, and other providers 180 days prior to filing a suit, to allow them time to prepare a defense.
- Create a sliding scale contingent fee system for attorneys, replacing the current system that allows lawyers to receive one-third of a patient's settlement. Currently, only 37 cents of every liability dollar actually goes to a patient.
- Requires better qualified "expert" witnesses at Michigan trials.

The reforms place no limits on the amount of economic awards (lost wages and medical rehabilitation costs) that a patient can collect. They do limit non-economic awards to $250,000, meaning the same injuries and settlements will be treated more equally across the state.

Local Wetlands Ordinances

MFB Position
MFB policy supports legislation that prohibits local wetlands ordinances that are more stringent than the state Wetlands Protection Act and, therefore, supports SB 522 as introduced.

Local Pesticide Ordinances

MFB Position
Farm Bureau policy opposes regulation of pesticides by local units of government. We support SB 643 as introduced.

Pesticide Regulation

The Michigan Department of Agriculture has drafted regulations as required by the 1988 amendments to the Michigan Pesticide Control Act. Some of the provisions in Regulation 637 include the requirement that all applicators prevent off-target drift, maintain pesticide equipment in good mechanical condition including properly functioning shut-off valves and anti-splintering devices, and have a "spill kit" available at all times.

Applicants must identify sensitive areas such as schools, parks, bees, organic farms, etc., and prevent pesticides from drifting onto those areas. Applicators who use drift minimization practices and put a drift management plan in writing will be given special consideration in any regulatory enforcement action.

The regulations allow for pesticide-containing materials such as soil, sediment and debris to be land applied if the active ingredient can be measured and the application is no greater than label rates. Applicators must wear protective equipment as described on the label and shall contain all spills promptly.

All commercial applicators must install mixing and loading pads, meet posting and notification requirements, and notify all persons registered with the department as "sensitive persons" at least 24 hours in advance of applying pesticides.

MHA has held public hearings and the rules will go to the Joint Committee on Administrative Rules this winter.

INS Revises Employment Eligibility Form I-9

Michigan Farm Bureau has received numerous calls regarding a previous article on a new Immigration and Naturalization Service INS Form I-9 now in effect and being mailed to employers. These forms are also available at INS offices and Department of Labor Wage and Hour offices.

Form I-9 is the form used to establish a worker's employment eligibility under the 1986 Immigration Reform Act. These forms must be completed and on file each time a worker is hired, and must be retained for three years after the date of hire, or one year after the employment ends, whichever is later.

A number of recent changes are important. Employers should be aware that it is discriminatory to specify which documents an employee must show for employment authorization. Employers can't ask for more or different documents than the employee offers, nor refuse to honor documents which reasonably appear to be genuine.

In addition, old I-9 forms can be used until the new forms are readily available, and it is not necessary to complete a new I-9 form on any employee whose present I-9 form is still valid.

To obtain copies of the new I-9 forms and the new Handbook for Employers, which contains instructions for completing Form I-9, members should either write or call the INS at the following location:

Immigration/INS
Federal Building
333 Ml. Elliot Street
Detroit, MI 48207
Phone: (313) 226-3270

According to MFB's Howard Kelly, the new I-9's were originally required to be used by all employers after Nov. 20, 1991. The INS has extended this deadline date, however, to June 30, 1992, to allow employers adequate compliance time.

- NA-CHURS* and & are trademarks of NA-CHURS Plant Food Company.

For inquiries welcome. Area, call us toll-free for the name and number of NA-CHURS distributor regarding installation and maintenance assistance. Plant tissue analysis and assistance in obtaining storage tanks.

The NA-CHURS® Program. Anything else is just a bunch of fertilizer.

NA-CHURS® Plant Food Company provides a crop service program based on sound information and analysis. Not guesswork. And not just fertilizer. The NA-CHURS® Program begins with soil samples taken before you plant. Your samples are sent to the NA-CHURS® laboratory where professional technicians perform the most sophisticated soil testing service in the country. In usually two weeks or less, you will have easy-to-read fertility recommendations matched to your crop and yield goals. It's all based on sound testing which can end with higher profits. And the NA-CHURS® Program doesn't stop with soil testing. You can even consult with your NA-CHURS® distributor regarding fertilization and calibration of your planter attachments, delivery of your NA-CHURS® Liquid Fertilizer, micronutrients, plant tissue analysis and assistance in obtaining storage tanks.

The NA-CHURS® Program. It's more than just the highest quality, clear liquid fertilizer available. It's a down-to-earth solution to vigorous crops which can help improve yields and, ultimately, profits. For more information on the complete NA-CHURS® Program, or to visit a NA-CHURS® field in your area, call us toll-free for the name and number of your local NA-CHURS® distributor. Dealer-distributor inquiries welcome. 1-800-NA-CHURS

Michigan Weather Summary

<table>
<thead>
<tr>
<th>1/1/92 to 1/12/92</th>
<th>Temperature Precip.</th>
<th>Dev. From</th>
<th>Dev. From</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observed Mean</td>
<td>Dev. From</td>
<td>Actual</td>
<td></td>
</tr>
<tr>
<td>M.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alpena</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bad Axe</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Detroit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Escanaba</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Rapids</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Houghton Lake</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lansing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manistique</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Muskegon</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saginaw</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traverse City</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vestaburg</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Precipitation Dev. From</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norm</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Michigan and Major Commodity Area Extended Weather Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michigan</td>
</tr>
<tr>
<td>W. Corn Belt</td>
</tr>
<tr>
<td>E. Corn Belt</td>
</tr>
<tr>
<td>Wint. Wheat Belt</td>
</tr>
<tr>
<td>Spr. Wheat Belt</td>
</tr>
<tr>
<td>Pac. NW Wheat</td>
</tr>
<tr>
<td>Delta</td>
</tr>
<tr>
<td>Southeast</td>
</tr>
<tr>
<td>San Joaquin</td>
</tr>
</tbody>
</table>


Jeff Andreassen, Ag Meteorologist, MSU

An active storm track brought moderate to heavy snow and arctic air to much of Michigan during the middle and later part of January, especially in southeastern sections of the state where snowfall for the month nearly reached 20 inches in some spots compared to 10 inches normally. With the exception of the northern and western Upper Peninsula, and a few spots in eastern lower Michigan, precipitation was below normal. Much above normal temperatures early in the month and again at month's end led to above normal averages for January. Temperatures for the month averaged from 2 to 7 degrees above the 30-year normal, with the greatest departures from normal occurring in northern and western portions of the state.

30 and 90-Day Forecasts

With El-Nino conditions presently continuing in the equatorial Pacific Ocean, milder and dryer than normal weather is expected to continue into early spring. Both the 30 and 90-day forecasts are calling for above normal temperatures and below normal precipitation statewide, although the historical correlation of El-Nino events and subsequent Michigan weather becomes weaker as spring approaches. If this outlook holds true, it would be the sixth consecutive Michigan winter of normal to above normal temperatures.

Slight Increase In 1991 Fruit Production

Overall output of Michigan's seven major fruit crops in 1991 increased slightly from last year's below average harvest, according to the Federal/State Michigan Agriculture Statistics Service. Total production of apples, grapes, peaches, pears, plums, sweet cherries, and tart cherries increased 9 percent from the 1990 level to 597,000 tons. The apple, sweet cherry, plum and pear crops posted gains. A week of unusually warm weather late in March accelerated fruit development stages and left the crop vulnerable to prolonged freezing temperatures which hit the state on April 10 and 11.

Most crops suffered damage to bloom and as a result disease was widespread. The warm and then cold weather during critical growth periods during bloom resulted in poor pollination. This was magnified by lack of rainfall leading to production levels improved from last year, but below the five year average of 657,500 tons.

Colorado Potato Beetle/Nematode Control Workshop February 20

A Potato Pest Management Workshop is scheduled for Feb. 20, at Maxfield's Restaurant in Wyman, according to Don Smucker, Montcalm County Extension Director. The workshop, which begins with registration at 8:30 a.m., will deal with Colorado Potato Beetle, potato blight, brown rot, nematode and early-die management in the afternoon.

The workshop will feature resource people from Michigan State University, the agricultural industry, and local farmers. Topics will include biology and behavior of the pests, and control and rotational alternatives. Reservations for the buffet lunch are required and can be made by calling the Montcalm County Extension office at (517) 831-5226, extension 240.

Southeastern Michigan CES Melon School at Domino Farms

Melon school, a day long program of interest to growers, will be held on Feb. 29, at Domino Farms, Ann Arbor, sponsored by Washtenaw, Mon­roe and Monroe County Extension Services. Topics to be covered include use of drip irrigation and plastic mulch; pollination; fertil­izer; weed, insect and disease control well as cultivar evaluation; post harvest handling, economics and melon carving. A grower panel will share insights on production and marketing ideas. The $25 per person registration fee includes lunch and notebook and is required by Feb. 15, 1992. To obtain a registration form or more information, call the Washtenaw County Extension office at (313) 971-0079.

New Cardinal conveyors, with a PVC belt that has two-inch, high-bonded cleats spaced six inches apart, minimizes damage to grain, apples, potatoes, and other crops, and can be used to move fertilizer and other materials as well.

Developed by Cardinal Grain Systems, Inc., Co­lumbia City, Ind., the conveyors are designed with 16 gauge galvanized steel construction and 10 gauge galvanized head and boot section to provide a long rust resistant service life.

The versatile conveyors can be top or bottom driven; allowing material flows to reverse and come in 113 base units equipped with weather covers, flowing and electric, hydraulic, or gas drive. They move material horizontally or up to 45 degree angle with charge at rates up to 125 cubic feet per minute.

Cardinal conveyors are available in 6", 10", 16", and 24" widths, and can handle material up to 2'-3/4" high. With the addition of an available raised cover, Cardinal conveyors will handle higher materials. Conveyors equipped with a chassis are available in lengths up to 67'. Conveyors without chassis are available in lengths up to 102'.

Michigan Farm News
The MSU Cow-Calf and Backgrounding Shortcourse is a six-hour indepth session presenting information to update cattlemen on a number of topics including herd health, animal care and handling, selection and breeding programs, pasture management, and tips for improving profitability.

The shortcourse content and schedule is:

2 p.m. "Growing and Harvesting Pastures to Make a Profit" - (Pasture species; grazing systems; expected production; new equipment for grazing operations) - Ben Bartlett, Extension livestock/dairy agent, Marquette.

2:45 p.m. "Management Tips for Improving the Profitability of Your Backgrounding Operation" - (Strategies for increasing output per unit of input) - Ben Bartlett, Extension livestock/dairy agent, Marquette.

3:00 p.m. "Herd Health Programs" - (Cow calf programs; stocker programs; and record keeping) - Faculty members, Large Animal Clinical Sciences, MSU.

4:15 p.m. Break

4:30 p.m. "Proper Administration of Animal Drug, Biologics, and Over the Counter Products" - (Product storage, handling, and administration, extra-label use, withdrawal times) - Faculty members, Large Animal Clinical Sciences, MSU.

6:00 p.m. Dinner (included in registration fee).

7:00 p.m. "Beef Performance Testing: What it can do for you" - (How beef herds can improve over time; potential impact on income) - Beth Doran, Extension livestock agent, Sandusky.

7:45 p.m. "Management Tips for Improving the Profitability of Your Cow-Calf Operation" - (Strategies for increasing output per unit of input) - Mary Kaercher, Kalamazoo County agricultural agent.

8:30 p.m. "Where is the Beef Industry Headed?" - (Price and demand; impact of safety and health concerns; breeding programs needed to meet future needs) - Harlan Ritchie, Animal Science, MSU.

9:15 p.m. Discussion: questions and answers

Retail Partnership Aims At Increased Beef Sales

Teaming up for a common goal, the beef industry and A.I. Steak Sauce are working on a special $6.0 million retail promotion to increase beef and A.I. sales. The promotion, which has already been initiated with pre-event advertising, runs through Feb. 29.

"The partnership between the beef industry and A.I. is a natural one since A.I. sales are influenced by a great deal by our sales," says Jane Frost, a New Mexico beef producer and chairman of the Beef Industry Council (BIC) retail subcommittee. The promotion, "Beef Retail Partnership Aims At Increased Beef Sales," includes point-of-purchase materials, recipe cards, a free-standing newspaper insert, and entry forms for the National Beef Cook-Off.

Additionally, A.I. is running a $44,000 sweepstakes that will increase awareness of beef and A.I. sales. The promotion, "The promotion will focus on the new, easy-to-fix beef recipes that are featured on the recipe cards that are going to be included with coupons that will be placed in newspapers throughout the country Feb. 2, reaching 45 million consumers."

More than 21,000 grocery stores nationwide are participating in the promotion, which is designed to help generate greater consumer awareness of beef.

Court Sets Stage For "Rails To Trails" Resolution

The United States Claims Court has cleared the way for landowners to seek compensation from the Federal Railroad Administration when railroad right-of-way which had been converted to recreational trails. The Preseault case went to the U.S. Supreme Court in 1990. At that time the court ruled that Preseaults were the first to file such an action. The court ruled the appropriate remedy was compensation through the Claims Court. The Preseaults were the first to file such an action.

The American Farm Bureau had filed a "Friend of the Court" brief on behalf of landowners when the matter was heard by the Supreme Court.

"This action sets the stage for final resolution of the rails to trails matter," said Rich Ritchie, AFBF assistant counsel. "After more than four years of uncertainty, it seems we have finally reached the merits of the issue—whether this amounts to a 'taking' that requires compensation."

The controversial stems from a 1983 federal statute preventing abandoned railways from reverting to private ownership, instead allowing the strip of land to be used for recreational trail use without the consent of the abutting landowners. Farm Bureau and others charged the action amounted to a "taking" without compensation.

Landowner objections have been based on historic easement agreements, protected by state law, specifying that when a rail line is abandoned the rights revert to the landowners. Congress muddied the waters in 1983 by passing legislation which included recreational trails a form of "railroad use."

"In order to reach the taking issue, the Preseaults had to prove that they had a valid property interest in the right-of-way," Krause said. "The Claims Court ruled that they had such an interest and could proceed with their claim that the property interest was 'taken' by the Rails to Trails law. We expect other cases to move forward based on this ruling,'" he concluded.
Market Outlook

Dr. Jim Hilliker, Dept. of Agricultural Economics, Michigan State University

Corn
Corn prices have made a significant comeback since the January low. In fact, corn prices, plus fees to the grower, would mean corn producers who participated in the 1991 Corn Program will receive about 18 cents per bushel. The official number should be released the end of February. Hopefully, the payments will come in March or May.

As of early February, the nearby basis was down to 14 cents at Saginaw; the July basis was 25 cents. The market is saying it will pay you 11 cents to store the corn for the next 5 months. This is the corn for on-farm storage, it will not pay commercial storage. The relatively tight basis is saying the market wants the corn.

For those who have not priced much of their corn, consider taking advantage of $2.50 per bushel, plus prices to catch up on some sales. While there is a good chance we are looking at a stronger corn market this spring, early summer, I would not suggest speculation on the whole crop. Also, start looking for new corn pricing opportunities on rallies. The odds are corn prices next fall will be considerably below what we have seen opportunities to price soys for next fall.

Weekly export sales have been light as low as $3 this summer. This is primarily because of the weather conditions during our growing season. Yet we have seen opportunities to price soys for delivery in the $5.80 range. The basis remains historically tight.

Consider catching up some sales on rallies, especially if you are still holding a majority of your crop. While we will still probably see some increase in old corn soy prices, the market does not want to pay full storage costs. If you want to stay in the market, consider a basis contract or a minimum price contract. Your monthly storage costs are over 4 cents per bushel including the cost of money.

I keep coming up with next fall’s price below $5.40, unless we suffer poor weather conditions during our growing season. Yet we have seen opportunities to price soy for delivery in the $5.80 range. The basis remains historically tight.

Watch for pricing opportunities on rallies. I am less confident than the market that we will hold the April futures above $4.00 per cwt., although the cattle information may help and pork demand has picked up a bit. Look for summer opportunities around $45 and fall opportunities in the low $40’s.

Soybeans
Weekly soybean exports have averaged 15 million bushels per week for the first 22 weeks of the 1991-92 soybean marketing year. It will need to average 11.2 million bushels per week over the remaining 30 weeks to meet the USDA projection of 655 million bushels for the year. However, the pattern will probably be heavy exports through April and then a significant slowdown as new South American crop comes into the world market.

As of the first part of February, the Brazilian crop was looking quite good and could turn out to be significantly larger than the present USDA estimate. If that happens, it will somewhat overshadow the drou ting out of part of the Argentinian crop we saw earlier. No matter which way it goes, I put the fundamentals together.

Hogs
Where are all the hogs coming from? For the last three weeks of January, hog slaughter ran 12-15 percent above year ago levels. The December Hogs and Pigs Report indicated that slaughter would be up about 5 percent. Either the report was in error or we should come back to much lower slaughter levels soon. I am very leery that the report understated the number of hogs.

Wheat
Weekly exports have averaged 24.7 million per week for the first 8 months of the marketing year and need to average 22.8 the remaining 4 months to reach the USDA projection of 1,250 million bushels for the 1991-92 wheat marketing year. Given the need by the CIS, and the short crops in India and Australia, we should reach the projection which means stocks will remain tight.

We will begin to learn in the next 6 weeks whether we have reached the price peak.

Soybeans
Weekly soybean exports have averaged 15 million bushels per week for the first 22 weeks of the 1991-92 soybean marketing year. It will need to average 11.2 million bushels per week over the remaining 30 weeks to meet the USDA projection of 655 million bushels for the year. However, the pattern will probably be heavy exports through April and then a significant slowdown as new South American crop comes into the world market.

As of the first part of February, the Brazilian crop was looking quite good and could turn out to be significantly larger than the present USDA estimate. If that happens, it will somewhat overshadow the drou ting out of part of the Argentinian crop we saw earlier. No matter which way it goes, I put the fundamentals together.

Hogs
Where are all the hogs coming from? For the last three weeks of January, hog slaughter ran 12-15 percent above year ago levels. The December Hogs and Pigs Report indicated that slaughter would be up about 5 percent. Either the report was in error or we should come back to much lower slaughter levels soon. I am very leery that the report understated the number of hogs.

Wheat
Weekly exports have averaged 24.7 million per week for the first 8 months of the marketing year and need to average 22.8 the remaining 4 months to reach the USDA projection of 1,250 million bushels for the 1991-92 wheat marketing year. Given the need by the CIS, and the short crops in India and Australia, we should reach the projection which means stocks will remain tight.

We will begin to learn in the next 6 weeks whether we have reached the price peak.

Table Eggs
Ellen Allen and Harry Larzelle

Egg prices plunged sharply at the end of October-December to be 100 percent, all eggs, 99 percent, for the last 5 months. While this means that the market wants the corn.

The USDA recently changed the CCC purchase price it uses to operate the program. As a result, the purchase price of butter by 11 cents per pound. To be sure, the USDA is required to try to keep the price support at 10.10 per cwt. Therefore, it had to lower the price of the milk marketed to $2.725 per pound. These new prices will produce the same support price, but they greatly revolve the butter and nonfat solids components of milk.

Egg markets remain historically tight. The bonuses or penalties that producers get for their butterfat average above or below 3.5 percent test milk will go down around 1.5 cents per pound. For producers who average 3.7 percent test, they could be substantially below 3 percent. The change will take about 3 cents per cwt., off of their milk checks.

The USDA is also considering ratings to implement changes in the Federal Milk Marketing Order in the Southeast. The USDA's-Wisconsin (M-W) price is calculated.

Table Eggs
Ellen Allen and Harry Larzelle

Egg prices plunged sharply at the end of October-December to be 100 percent, all eggs, 99 percent, for the last 5 months. While this means that the market wants the corn.

The USDA recently changed the CCC purchase price it uses to operate the program. As a result, the purchase price of butter by 11 cents per pound. To be sure, the USDA is required to try to keep the price support at 10.10 per cwt. Therefore, it had to lower the price of the milk marketed to $2.725 per pound. These new prices will produce the same support price, but they greatly revolve the butter and nonfat solids components of milk.

Egg markets remain historically tight. The bonuses or penalties that producers get for their butterfat average above or below 3.5 percent test milk will go down around 1.5 cents per pound. For producers who average 3.7 percent test, they could be substantially below 3 percent. The change will take about 3 cents per cwt., off of their milk checks.

The USDA is also considering ratings to implement changes in the Federal Milk Marketing Order in the Southeast. The USDA's-Wisconsin (M-W) price is calculated.
Canadian 1992 Spring Wheat Acreage Expected to Grow

Canada's Gross Revenue Insurance Plan (GRIP) will dictate what farmers plant this spring, with early indications pointing to higher canola and wheat acreage than in 1991, according to an industry spokesman.

Meanwhile, use of production-enhancing chemicals and fertilizers is expected to record a decline because of the program, they said.

GRIP is a voluntary safety-net program, operating similar to an insurance plan. Premiums are paid into the program by producers, provincial governments and the federal government. Benefits are paid back to contributors when prices and income drop below established price levels.

The program, implemented at the beginning of the 1991-92 crop year, was established to provide price protection for grain and oilseed farmers and to stabilize farm incomes.

Charlie Pearson, a grain analyst with the Market Analysis Branch of Alberta Agriculture, told Knight-Riddler Financial News there's the potential for canola acreage in 1992 to exceed the 1989 record of 9.0 million acres because of GRIP.

Favorable GRIP pricing levels and the fact that canola works well for cash flow purposes will be behind the increase in acreage, Pearson said. In 1991, Canadian canola acreage totaled 8.075 million acres, according to figures from Statistics Canada.

Canadian all-wheat plantings this spring will match and possibly exceed the 35.83 million acres planted in 1991, Pearson said, also citing a favorable GRIP support level, as well as strong demand from major importing nations for wheat. Pearson said the biggest increase in wheat plantings will come in the spring wheat varieties.

### Michigan Farm Bureau Membership Report

<table>
<thead>
<tr>
<th>State Status</th>
<th>1991/92</th>
<th>1990/91</th>
</tr>
</thead>
<tbody>
<tr>
<td>New</td>
<td>8,924</td>
<td>9,398</td>
</tr>
<tr>
<td>Renewals</td>
<td>88,030</td>
<td>86,251</td>
</tr>
<tr>
<td>Total</td>
<td>96,954</td>
<td>95,649</td>
</tr>
<tr>
<td>Goal</td>
<td>120,000</td>
<td>114,500</td>
</tr>
<tr>
<td>% Goal</td>
<td>80.80%</td>
<td>83.54%</td>
</tr>
<tr>
<td>Need</td>
<td>23,406</td>
<td>18,851</td>
</tr>
<tr>
<td>Target</td>
<td>45,427</td>
<td>45,709</td>
</tr>
<tr>
<td>(% target in farm-member objective)</td>
<td>89.14%</td>
<td>89.23%</td>
</tr>
</tbody>
</table>

Unverferth MFWD Front Hub Extensions Permit Shorter Turns and Increase Visibility

Heavy-duty, MFWD tractor front hub extension manufactured by Unverferth Manufacturing Company, Inc., Kalida, Ohio, allows up to 40 percent tighter turns. The result is reduced crop damage, increased maneuverability and better row visibility.

With convenient bolt on installation, the hub extensions space any MFWD front tires on 120" tread settings to straddle four, 30" rows. The hub extensions increase tractor efficiency for use in row crop cultivating, spraying and other light-duty narrow row applications.

Extensions are available to convert tractors for other applications upon request.

For more information, contact Unverferth Manufacturing Co., Inc., P.O. Box 357, Kalida, OH 45853, telephone 800-322-8301, 419-532-3121. FAX 419-532-2466.

Protecting the interests of small business by understanding the interests of small business...

Health care coverage isn’t simple anymore. The bottom line, however, remains the same: everybody wants the best possible coverage at the lowest possible rates. This is where Farm Bureau has good news for small business owners.

With over 40 years of experience in providing individual health care plans, Farm Bureau is now offering six Blue Cross Blue Shield plans and two Blue Cross Blue Shield PPO plans specially designed for groups with 2 to 99 employees. All plans have no medical underwriting and carry no pre-existing condition clauses. Prescription, dental and vision coverage options are also available to qualified groups.

If you’re a small business owner who is dissatisfied with your present employee health care plan — or a small business owner who is ready to initiate your first employee health care plan — contact your local Farm Bureau office. We’ll listen to your health care coverage needs, tailor a package to suit your preferences, and then cut to the bottom line.

Farm Bureau, specialists in all business insurance needs, can be depended on to protect the interests of small business because we understand the interests of small business.

What matters to you matters to us.

For further information, call 1-800-292-2680 or contact your local Farm Bureau office.
Farmer Mac Loan Program Finally Launched — Will it Survive?

After several years of sorting through rules and regulations dealing with loan pooling, the first Farmer Mac loan pool has been launched by the John Hancock Mutual Life Insurance Company. Some of the highlights of the first pool include:

- A $112 million package with 512 loans made or held by the insurance company that meets Farmer Mac underwriting standards.
- The principal amounts of the loans range from $2,500 to $2.5 million, for an average of $30,000 with an average maturity of four years.
- Securities were issued against the pool of loans, and 90 percent were guaranteed by Farmer Mac. Lenders retained the non-guaranteed portion of 10 percent.
- The securities issued were reported to carry an average coupon rate of 9.8 percent.

According to Tom Clark, Farmer Mac Vice President of Corporate Relations, the program authorized by the 1987 Farm Credit Act is intended to allow farmers access to funds in the secondary market, that will result in a stable supply of credit with competitive rates for the agricultural industry.

Farmer Mac requires the involvement of four parties: a farmer seeking intermediate credit, an agricultural lender to originate the agricultural mortgage, a Farmer Mac "pooler," and investors willing to buy mortgage backed securities.

In simple terms, the lender sells the farmer's agricultural mortgage to a pooler that must accumulate loans from at least three of ten geographic regions across the country, with no more than 40 percent of the value coming from any one region, to minimize risk.

Farmer Mac offers funds to lenders at a wholesale price, who then add their service fees and desired profits to establish the borrower's interest rate, according to Clark. "We don't control the retail price of money; competition will do that," he said.

For example, Clark says, a 10-year fixed rate loan, fully amortized, is currently sold at wholesale through Farmer Mac at 7.6 percent. Lenders, based on their profit expectations, may add another 1/2 percent for service and another 1 percent for profit. That is, hypothetically a borrower could end up with a 9.1 percent interest rate on a fixed 10 year mortgage.

Unfortunately, first time jitters for the new program have, in Clark's opinion, delayed the program for several years and cast a shadow of doubt over a well-intentioned program.

"Every pool of loans that's formed, has to be backed by a 10 percent cash reserve, to serve as a cushion for losses," said Clark. This created a problem with credit regulators who decided they would not relieve the banks of lending limit restrictions or capital requirements on the loan that was sold.

After 10 months of trying to reason with regulators, the lending limit restrictions were resolved in October of 1990, peaking the interest of smaller banks who could originate the agricultural loans. However, it took another year of battling regulators and an act of Congress, to resolve the capital requirements debate and attract the interest of the larger banks and other institutions wanting to serve as poolers.

Representative Camp Labels Dunkel's GATT Proposal Bad for Agriculture

Michigan's representative on the House Agriculture Committee, David W. Camp, R-Midland, speaking to farm officers attending the Mid-Michigan Ag Day, expressed doubts about the latest proposal to settle the 5-year bid GATT trade problem.

"The House Agriculture Committee held hearings on the Dunkel proposal in January," announced Camp. "There are serious concerns, especially in the sugar and dairy areas because it (Dunkel proposal) essentially calls for the elimination of Section 22 import protections.

Camp said other countries are having problems with the Dunkel proposal as well, making its passage and successful completion to GATT questionable. The agricultural aspect of GATT, says Camp, is a stumbling block since the European Community is opposed to reducing their subsidies.

Camp predicted the U.S. will continue helping the new Commonwealth of Independent States continue their food efforts, but that a form of barter should be developed. "I'd like to see them pay for food items with their abundant raw materials, as opposed to always having the food aid tied to a credit guarantee," he said. "We need to work hard on that.

Camp predicted that in 1992 a capital gains tax cut, would be implemented, the 25 percent health care premium tax deduction for self-employed individuals be maintained if not increased to 100 percent, and if dairy prices hit 1991 levels, legislation will be ready forthcoming in an election year.

In terms of new projects for Michigan, Camp has high hopes for the recently unveiled "Going Global" computer markeing program based out of the Clinton and Saginaw County Cooperative Extension offices. The program is part of a USDA and Department of Agriculture initiative to develop market outlets for agricultural and industrial goods.

Camp discussed his Farm and Forestry Conservation Act, a national version of the successful Michigan Energy Conservation Program. "We have 26 co-sponsors, and I'd like to see it be a part of the President's National Energy Program," he said.
Weed-cutting, weed-burning, or weed-chopping electric fence controllers are a valuable tool for controlling livestock, but they can cause fires if improperly installed. Weed controllers are designed to deliver a spark with enough energy to destroy weeds that come in contact with the wire—and if the wire is too close to a farm building, a fire may result.

You can reduce the risk of fire by locating an electric fence controller on a wooden post at least 16 feet from a farm building. Electric fences can be safe and efficient if you follow these guidelines:

- Use a fence controller approved by Underwriters’ Laboratories. Look for the UL information on the nameplate near the model number on the controller.
- Install all fence controllers away from farm buildings. Lightning striking a fence frequently follows the wire to the controller, resulting in a fire.
- High-voltage plastic insulated wire must be used whenever the wire from an approved electric fence controller comes within one foot of a building. A resistor or a grounded insulation wire is good for such an application.
- Never install a weed chopper or weed burner electric fence controller in a building. These types of controllers and the fence wires they charge should at least be 16 feet from any building. Use only approved electric fence controllers.
- Make sure the fence controller is well grounded so it functions properly. Make the ground connection according to the manufacturer’s instructions. Attach the ground cable to a 1/2" copper-clad or 5/8" galvanized steel rod driven at least eight feet into the soil.

Michigan Agricultural Stewardship Association - It’s Official

With the election of officers and the approval of organizational bylaws, the Michigan Agricultural Stewardship Association (MASA) was officially created, appropriately enough, in MSU’s relatively new Crops and Soil Sciences Building, on Jan. 26, just a year after the concept was created.

According to the bylaws, MASA is considered a statewide non-profit educational organization committed to the development of agricultural systems that are economically feasible, agronomically sound and environmentally safe, according to newly elected MASA President Jerry Wirbel, a Midland County cash crop farmer.

“We’re going to try, as farmers, to show other farmers through the use of demonstration projects, that they can make changes in their farm operation that are better for the environment as well as their income, while also trying to educate consumers about what the agricultural industry is doing to protect the environment and provide a safe food supply,” explained Wirbel.

Dr. Oran Hesterman, an MSU professor in Crop and Soil Sciences and a CES specialist, agreed with Wirbel’s analysis, adding that the quick formation of MASA is proof positive that it was desperately needed.

“We knew from the contacts that we were getting at MSU and through CES that there were people who were interested in exploring opportunities to farm in a more economically feasible, agronomically sound manner,” said Hesterman. “We now have a constituency group that we can listen to as we start contemplating what kinds of programs we need to put together, so that we can really respond to the needs of those farmers in this state.”

Newly elected MASA officers include President Jerry Wirbel, of Hope, in Midland County; Vice President Gary Hoyt, of St. Louis, in Midland County; a dairyman and potato grower; Secretary Tom Guthrie, of Delton, in Barry County, a diversified crops farmer (Guthrie was also nominated to represent MASA on the regional sustainable agriculture council headquartered in Lincoln, Nebraska); and Paul Luttenbacher, an integrated agriculture council headquartered in Lincoln, Nebraska; Treasurer Christopher Lufkin of Grand Rapids, who works for Trans-National Agromony.

According to Hesterman, Michigan’s diverse agriculture requires that MASA go beyond the traditional mindset of corn and soybeans. “We have a vital livestock industry, we have a diverse fruit and vegetable industry, we have nursery crops and the people involved in this organization really span the gambit geographically and in terms of agricultural enterprises,” he said.

Hesterman said the lack of a direct farmer/researcher link was the push behind the shove in the creation of the new organization, adding that the quick formation of MASA is proof positive that it was desperately needed.

“We knew from the contacts that we were getting at MSU and through CES that there were people who were interested in exploring opportunities to farm in a more economically feasible, agronomically sound manner,” said Hesterman. “We now have a constituency group that we can listen to as we start contemplating what kinds of programs we need to put together, so that we can really respond to the needs of those farmers in this state.”

Newly elected MASA officers include President Jerry Wirbel, of Hope, in Midland County; Vice President Gary Hoyt, of St. Louis, in Midland County, a dairyman and potato grower; Secretary Tom Guthrie, of Delton, in Barry County, a diversified crops farmer (Guthrie was also nominated to represent MASA on the regional sustainable agriculture council headquartered in Lincoln, Nebraska); and Paul Luttenbacher, an integrated agriculture council headquartered in Lincoln, Nebraska; Treasurer Christopher Lufkin of Grand Rapids, who works for Trans-National Agromony.

Other elected directors include Larry Mowby, a fruit grower from Suttons Bay in Leelanau County; Russ LaRowe, a Soil and Water Conservation District employee from Kalkaska; Roger France, a dairyman from Kalamazoo; Greg Mund, a Soil Conservation Service employee from Muskegon; and Paul Luttenbacher, an integrated pest management consultant and greenhouse operator from Clio in Genesee County.

Membership dues for farmer members are $25 per year, $100 for institutional membership, and $150 for charter members, and $5 for students. For membership information, write Tom Guthrie, 7301 Milo Rd., Delton, MI 49046, or call (616) 623-2261.

Be sure to use a lightning arrestor on every hot wire coming to the controler.

- Be aware of the hazards of a poorly maintained electric fence system on dairy farms. Stray voltage from an electric fence can reduce herd productivity. Some cases of stray voltage have been traced to a leaking insulator or accidental ground on an electric fence or cow trainer system. Check the condition of insulators frequently.

- Warn children and visitors of the danger of contact with an electric fence. Avoid locating charged wires within five feet of a stock waterer, pump, pipe, or other good ground sources.

From Farm Bureau Insurance

HOW A DROUGHT SET SEEDS OF EXPANSION FOR THE TRAVIS FAMILY.

“We’ve just completed the second phase of a dairy expansion that includes a free-stall, center-feed barn and double-8 milking parlour. The expansion began in 1988 after a severe drought forced us to make some serious decisions. As brothers, we knew we wanted to farm together with our folks but a cash-crop business was too risky for all of us to depend on.

“Looking back, 1988 wasn’t a pretty year to begin an expansion, but Farm Credit had confidence in us and stood behind our decision. Our loan officer has been a tremendous planning resource and helped us work through countless ‘what if’ situations on the computer.

‘A lot of lenders wouldn’t have been able to grasp our vision for this family dairy business but Farm Credit not only grasped it, they helped us figure out a better way to make it happen. If it hadn’t been for the facilities expansion loan and other help from Farm Credit, there’s no question that several of us couldn’t be in this operation today.’

FARM CREDIT SERVICES
Deep roots, good people, and a will to serve.
Raising holstein steers primarily on corn and pelleted supplement has emerged throughout smaller Michigan cattle feeding operations as an efficient means of raising feeder calves. According to MSU Beef Cattle Feeding and Management Professor Dr. Steven Rust, the corn feed beef program carries many different names depending upon the feed company from which you buy the seven to 12 percent pelleted supplement, but it's Michigan's fastest growing program in the cattle feeding sector.

"The issue is if you take a holstein calf between 200 and 400 pounds and put it on the program, it will have feed conversions of less than six pounds of dry matter to put on one pound of gain," explained Rust. "If you take that same calf, and go through a more conventional program, which may include a high silage diet or grass until he's larger, the diet will be approximately eight and one-half pounds of gain per pound of gain," added Rust. "If you're still getting paid $63 to $64 a hundredweight, states Eifert, who purchases all of his holstein steers as calves.

According to Kent Feeds, the NRB program works best by feeding a 90 percent high-moisture corn diet to 10 percent Kent NRB ration. The total amount of corn used in the ration will differ depending upon the moisture content of the corn.

But according to Gerald Eifert, an Okemos area farmer who raised 240 steers primarily on corn and pelleted supplement from Purina last year, the program does have its limitations.

"Packers and livestock buyers are just starting to realize that it's an easier way to feed out steers," according to Kent Feeds. The NRB program works best by feeding a 90 percent high-moisture corn diet to 10 percent Kent NRB ration. The total amount of corn used in the ration will differ depending upon the moisture content of the corn.

"We're making money, but it's tight all the time," adds Eifert, who participated in the dairy buyout program in the mid-'80s and is raising another 300 holstein steers for market this year. Rust also admits that there are problems to the program. The cattle have a tendency to feed more cyclically in their intake patterns.

"Some producers find it's a little easier to keep cattle on a consistent intake pattern by just giving them a pound of roughage one time a day," he explains. "Those cattle are always going to have a minor stomach upset, called acidosis. Any small deviation in weather or other, unless you try to manage for that, could cause you some problems."

"We recommend a buffer to reduce acidosis," said Wheeler. "The buffer would be a cheaper way to eliminate acidosis than feeding hay or roughage, especially if you don't have the hay available.

Kent Feeds NRB
Efficiency Figures

<table>
<thead>
<tr>
<th>Body Weight</th>
<th>Daily</th>
<th>Avg.</th>
<th>Daily Feed</th>
</tr>
</thead>
<tbody>
<tr>
<td>600</td>
<td>17.5</td>
<td>3.11</td>
<td>5.62</td>
</tr>
<tr>
<td>700</td>
<td>19.7</td>
<td>3.28</td>
<td>6.01</td>
</tr>
<tr>
<td>800</td>
<td>21.0</td>
<td>3.15</td>
<td>6.06</td>
</tr>
<tr>
<td>900</td>
<td>22.4</td>
<td>3.08</td>
<td>7.27</td>
</tr>
<tr>
<td>1,000</td>
<td>23.7</td>
<td>2.99</td>
<td>7.59</td>
</tr>
<tr>
<td>1,100</td>
<td>25.9</td>
<td>3.06</td>
<td>8.43</td>
</tr>
</tbody>
</table>

Alaska
July 16-27, 1992
Experience the ultimate in service, cuisine, and hospitality as you tour Alaska on the Pacific Prince - the Love Boat, Alaska, U.S.A. offers you glittering fjords, bustling ports, incredible glaciers, and the American dream. Optional special passage creates, also the Kwai and house of the Edzine culture on our Prince land park, featuring the luxury full scale rail transportation of the Midnight Sun Express. This five-day passage takes you through the interior wilderness of Alaska at Anchorage, Denali Park and Fairbanks.

Our package includes round trip air service, deluxe motor coach transportation, hotel accommodations, European-style buffet breakfast, and a welcome dinner, all for $1,255 per person.

The Alps of Switzerland & Austria
October 1-9, 1992
Gain new to us, we visit two of the prettiest and most picturesque countries in Central Europe. Experience the charm and beauty of Austria, Switzerland, and Queen Capri. We travel upon the Golden Odyssey - large enough and luxurious enough to be a cruise liner, yet renowned for its friendly lifestyle and genuine hospitality of her people staff.

Our cruise package includes 25% discount on all cabins, all meals and entertainment, free transportation from the U.S. Port of Miami and round trip air transportation, hotel accommodations, European-style buffet breakfast, and a welcome dinner, all for $1,255 per person.

Dear Farm Bureau Traveler:
Welcome to our world of travel! We invite you to join us on any one of the exciting and unique tours provided on this page. We will provide you with the best just for you in 1992. Our tours will provide you with the best just for you and you will enjoy the best and most attractive tours as you travel. You will experience the best and most attractive tours you will experience the best and most attractive tours as you travel.

Thank you for your consideration! We are a Farm Bureau World Travel Tour For 1992. Please mail us your request for a brochure to learn more about the best travel values available. Happy Travels!

Sincerely,
James E. Schmidt, Illinois Agricultural Association Director
IFB Travel Program

Canadian Rockies/Calgary Stampede
July 13-22, 1992
This unforgettable, 12-day tour of the Canadian Rockies will not only visit the great and growing cities of the northwest and majestic beauty of the Rockies, but also includes unique features designed to give it special appeal. Special attractions include the Lethbridge Stampede Celebration - rodeo, chuckwagon races, state show spectacular, a ride on a giant snowmobile at Athabasca Glacier, a gondola ride to the top of Sulphur Mountain, and overnight stays at the beautiful Lake Louise Chateaux and Banff Springs Hotel.

Our package includes round trip jet transportation from Chicago, first class or deluxe hotel accommodations, 20 meals, all sightseeing and admissions, and a professional guide. Minimum price is $2,414 and conference price is $2,849.

the Farm Bureau Travel Series
Best of Italy, France & Greece Cruise
September 15-27, 1992
Sail the brilliant Mediterranean, studded with lovely cities and palatial coastal hamlets. Our cruise combines the French and Italian Riviera with voyage Albania, the dramatic Greek islands, the westerly beauty of Venice & Pisa, and the world's most alluring islands: Mykonos, Santorini, Corfu, Rhodes, Koskina and quaint Capri. We travel upon the Golden Odyssey - large enough and luxurious enough to be a cruise liner, yet renowned for its friendly lifestyle and genuine hospitality of its people.

Our cruise package includes 25% discount on all cabins, all meals and entertainment, free transportation from the U.S. Port of Miami and round trip air transportation, hotel accommodations, European-style buffet breakfast, and a welcome dinner, all for $1,255 per person.
A study of farmers cooperating in the Illinois Farm Business Farm Management (FBFM) association, suggests that an orientation to financial planning and discipline spending are two important criteria that distinguish profitable farm operations from others for cash grain farmers in Illinois. The study also suggests that virtues, often held in high esteem in the agricultural community, such as working hard physically, rated in high esteem in the agricultural community, such as working hard physically, rated highly by the top producers considered most profitable. For purposes of the study, the top 34 farms were surveyed compared to the bottom 37 farms. Table 1 shows the measurement of farm characteristics in financial performance of the two groups. The ranking of the management orientation is shown in Table 2.

The study included data on the performance of 135 cash grain farms from 1976 to 1985. The study utilized real operating figures rather than government averages. The study attempted to identify what particular characteristics or emphasis was used by top producers considered most profitable. For purposes of the study, the top 34 farms were surveyed compared to the bottom 37 farms. Table 1 shows the measurement of farm characteristics in financial performance of the two groups. The ranking of the management orientation is shown in Table 2.

The study attempted to identify what particular characteristics or emphasis was used by top producers considered most profitable. For purposes of the study, the top 34 farms were surveyed compared to the bottom 37 farms. Table 1 shows the measurement of farm characteristics in financial performance of the two groups. The ranking of the management orientation is shown in Table 2.

### Table 1

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Average Values</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Top Group</td>
</tr>
<tr>
<td><strong>Net Farm Income ($/acre)</strong></td>
<td>53.2</td>
</tr>
<tr>
<td><strong>Income Expense ($/Acre)</strong></td>
<td>2.96</td>
</tr>
<tr>
<td><strong>Soybean Yields (Bushel/Acre)</strong></td>
<td>7.75</td>
</tr>
<tr>
<td><strong>Corn Prices Received ($/Bushel)</strong></td>
<td>5.00</td>
</tr>
<tr>
<td><strong>Number of Tillable Acres</strong></td>
<td>465</td>
</tr>
<tr>
<td><strong>Soil Rating Index</strong></td>
<td>55</td>
</tr>
<tr>
<td><strong>Percentage of Farm Acreage in Corn</strong></td>
<td>50%</td>
</tr>
<tr>
<td><strong>Soybeans</strong></td>
<td>44</td>
</tr>
<tr>
<td><strong>Divided Acres</strong></td>
<td>2</td>
</tr>
</tbody>
</table>

### Table 2

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Rank*</th>
<th>Rank*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximizing Yields</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Financial Planning</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Practicing Disciplined</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Spending</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Marketing</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Completing Details</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Reducing Operating Costs</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Reducing Overhead Costs</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Searching for New Techniques</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Working Hard Physically</td>
<td>9</td>
<td>3</td>
</tr>
</tbody>
</table>

*All values are averages over the period of 1976 to 1985 inflation adjusted to real 1982 dollars.

### Table 1

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Average Values</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Top Group</td>
</tr>
<tr>
<td><strong>Net Farm Income ($/acre)</strong></td>
<td>53.2</td>
</tr>
<tr>
<td><strong>Income Expense ($/Acre)</strong></td>
<td>2.96</td>
</tr>
<tr>
<td><strong>Soybean Yields (Bushel/Acre)</strong></td>
<td>7.75</td>
</tr>
<tr>
<td><strong>Corn Prices Received ($/Bushel)</strong></td>
<td>5.00</td>
</tr>
<tr>
<td><strong>Number of Tillable Acres</strong></td>
<td>465</td>
</tr>
<tr>
<td><strong>Soil Rating Index</strong></td>
<td>55</td>
</tr>
<tr>
<td><strong>Percentage of Farm Acreage in Corn</strong></td>
<td>50%</td>
</tr>
<tr>
<td><strong>Soybeans</strong></td>
<td>44</td>
</tr>
<tr>
<td><strong>Divided Acres</strong></td>
<td>2</td>
</tr>
</tbody>
</table>

**Table 2**

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Rank*</th>
<th>Rank*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximizing Yields</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Financial Planning</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Practicing Disciplined</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Spending</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Marketing</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Completing Details</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Reducing Operating Costs</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Reducing Overhead Costs</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Searching for New Techniques</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Working Hard Physically</td>
<td>9</td>
<td>3</td>
</tr>
</tbody>
</table>

*All values are averages over the period of 1976 to 1985 inflation adjusted to real 1982 dollars.

**Statistically significant at the 1 percent level.**
Out of sight, out of mind, is not a phrase which should apply to pesticide storage. The health of the environment, your family and employees, and even your bottom line are all dependent on a responsible approach to the on-farm storage of pesticides.

Any storage area you choose should be highly visible and readily accessible to prevent vandalism. That may sound contradictory, but you are less likely to have unwanted visitors if they know they can be easily detected. And, if the site is readily accessible, you're more likely to regularly check it and the condition of your stored pesticides. Once a day isn't too often.

Locate your storage facility with an eye to preventing feed, food and water contamination during regular storage or in the event of a fire or storm destruction. Don't store pesticides near livestock and their feed, close to your well, dugout or any water course, or in a drainage channel or low spot.

Pesticide spills inside the storage area can be contained if the building has a cement floor with a lip around its perimeter. It's also a good idea to have a low earth embankment around the building to contain water and pesticides in the event of a fire.

Your building should be well ventilated to prevent fume build-up. It should also be kept locked and well-signed, indicating only authorized personnel are permitted.

Petroleum products and pesticides should not be stored together, particularly if the pesticides are in plastic containers. Keep some absorbent material handy, like kitty litter to clean up spills.

Keep your safety equipment and protective clothing handy. Inside the storage area is fine as long as you can keep your equipment and clothing clean.

Be prepared for an emergency. Keep the emergency ‘800’ numbers of pesticide manufacturers and the local phone numbers of fire, police and poison control center within quick reach.

Make a list of all your stored pesticides including their trade and chemical names. Keep that list where it's accessible -- definitely not in the same building as your pesticides.

Remember, the basement of your house, garage, or barns are not the place for pesticide storage. Safe storage, it's in your hands!

The power in protein!

Top-protein bulls are nothing new at 21st Century Genetics. We've emphasized protein longer than pounds of protein. any other A.I. organization. You already know all about our breed-leading sires like Holiday and Target. And we continue to add protein power to your herd, with new bulls such as Festus. He makes a bold entrance into the lineup at 70 pounds of protein.

Your local 21st Century Genetics representative to find out how our sires can give you more of both.