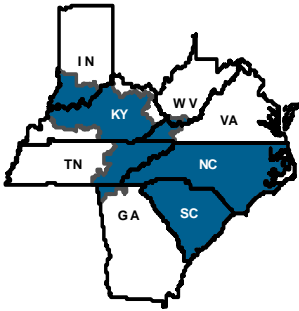




THE COURIER



Farm Bill Forum & Topics for Public Comment Announced

On June 16, 2005, Agriculture Secretary Mike Johanns announced the first Farm Bill Forum and the topics on which the U.S. Department of Agriculture will be seeking input from America's farmers, ranchers and rural residents regarding the development of the 2007 Farm Bill. The 2002 Farm Bill, which authorizes many of the programs operated by USDA, expires with the 2007 crop year.

In addition to accommodating approximately 400 in the audience, the forum also accepted calls from across the nation.

As the current Farm Bill covers a diverse array of program areas, six topics have been identified to provide a framework for the forums. The primary topics addressed at the forums will reflect various concerns affecting rural America such as commodity, conservation, and rural economic development issues. In addition, some forums will be dedicated to other important programs authorized by the farm bill such as food assistance, research and education programs.

"The next farm bill will affect America's entire agricultural community," said Johanns. "That's why I want to ask America's farmers and ranchers how our farm policy is working and how we can make it better. I believe very strongly that they deserve a voice in this process."



Mike Johanns
Secretary of
Agriculture

Johanns noted that in his remarks that he was approaching the Farm Bill Forums with an open mind. "I do not begin this process with preconceived notions about the direction future farm policy should take," said Johanns. "We will use the feedback we receive to help us determine the best course for a new Farm Bill."

USDA will be seeking public discussion on farm policy considerations regarding: the competitiveness of U.S. agriculture in global and domestic markets; challenges facing new farmers and ranchers as they enter agriculture; appropriateness and effectiveness of the distribution of farm program benefits; achievement of conservation and environmental goals; and enhancement of rural economic growth and opportunities to expand agricultural products, markets and research.

Throughout 2005, Johanns and other senior USDA officials will participate in the Farm Bill Forums that will be held across the country. The dates, locations and times of the forums will be announced as they are scheduled and be available on the USDA website at <http://www.usda.gov>. The public will be invited to attend the forums and to present oral comments.

The public will be invited to provide comments on six specific questions based on these policy considerations:

1. How should farm policy be designed to maximize U.S. competitiveness and our country's ability to effectively compete in global markets?

The first Farm Bill Forum was held in Nashville, TN, on July 7. The public was invited to attend and participate in the forum.

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Harold H. Friedly, Jr.
Market Administrator

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Appalachian Statistical Summary

| | June 2005 | May 2005 | June 2004 |
|----------------------------------|-------------------|--------------------|-------------------|
| PRICES: (Base Zone) | | | |
| Uniform Price | \$15.49 | \$15.85 | \$20.54 |
| Class I Price | 16.72 | 17.90 | 24.23 |
| Class II Price | 13.06 | 12.78 | 14.31 |
| Class III Price | 13.92 | 13.77 | 17.68 |
| Class IV Price | 12.33 | 12.20 | 13.72 |
| Uniform Skim Milk Price | \$10.31 | \$10.57 | \$12.96 |
| Class I Skim Milk Price | 11.68 | 12.24 | 16.08 |
| Class II Skim Milk Price | 7.73 | 7.61 | 6.91 |
| Class III Skim Milk Price | 8.65 | 8.66 | 10.43 |
| Class IV Skim Milk Price | 7.00 | 7.03 | 6.32 |
| Uniform Butterfat Price | \$1.5830 | \$1.6141 | \$2.2958 |
| Class I Butterfat Price | 1.5576 | 1.7402 | 2.4890 |
| Class II Butterfat Price | 1.6002 | 1.5545 | 2.1838 |
| Class III Butterfat Price | 1.5932 | 1.5475 | 2.1768 |
| Class IV Butterfat Price | 1.5932 | 1.5475 | 2.1768 |
| PRODUCER MILK: | | | |
| Class I | 335,351,218 | 345,112,832 | 333,345,268 |
| Class II | 98,365,407 | 98,392,816 | 84,522,207 |
| Class III | 44,297,114 | 51,497,578 | 35,505,395 |
| Class IV | <u>89,461,251</u> | <u>105,032,587</u> | <u>94,253,122</u> |
| Total Producer Milk | 567,474,990 | 600,035,813 | 547,625,992 |
| PERCENT PRODUCER MILK IN: | | | |
| Class I | 59.10 | 57.52 | 60.87 |
| Class II | 17.33 | 16.40 | 15.43 |
| Class III | 7.81 | 8.58 | 6.49 |
| Class IV | 15.76 | 17.50 | 17.21 |

May Milk Production Up 4.4 Percent

Milk production in the 23 major states during May totaled 14.2 billion pounds, up 4.4 percent from May 2004. April revised production, at 13.6 billion pounds, was up 3.4 percent from April 2004. The April revision represented an increase of 0.3 percent or 35 million pounds from last month's preliminary production estimate.

Production per cow in the 23 major states averaged 1,754 pounds for May, 62 pounds above May 2004.

The number of milk cows on farms in the 23 major states was 8.12 million head, 54,000 head more than May 2004, and 9,000 head more than April 2005.



First USDA Farm Bill Forum (Cont'd from page 1)

2. How should farm policy address any unintended consequences and ensure that such consequences do not discourage new farmers and the next generation of farmers from entering production agriculture?

3. How should farm policy be designed to effectively and fairly distribute assistance to producers?

4. How can farm policy best achieve conservation and environmental goals?

5. How can Federal rural and farm programs provide effective assistance in rural areas?

6. How should agricultural product development, marketing and research-related issues be addressed in the next farm bill?

Notice of these questions was published in the June 17, 2005, Federal Register. Comments will be accepted at public forums and may also be submitted electronically via the Internet at the USDA home page (<http://www.usda.gov>) by selecting "Farm Bill Forums," by e-mail to FarmBill@usda.gov or by mail to Secretary of Agriculture Mike Johanns, Farm Bill, 1400 Independence Avenue, SW., Washington, DC 20250-3355.

USDA will review the public comments received by December 30, 2005, including any analyses, reports, studies and other material submitted with the comments that address the six questions.

July is National Ice Cream Month!

Designated by late President Ronald Reagan in 1984, National Ice Cream Month is in its 21st year of celebration. National Ice Cream day falls on the third Sunday of the month and this year's official National Ice Cream day is Sunday, July 17th. It's no surprise that the U.S. leads the world in production of ice cream and related frozen desserts – in 2004, the U.S. produced around 1.6 billion gallons of frozen dairy which generated about \$20 billion in annual sales. More than 90% of American households also consume it.

What trend will ice cream and frozen desserts take in the future? Although 2004 was the year of health-conscious consumers with sugar-substitute product "Splenda®" and the carbohydrate-conscious Atkins diet, 60% of the frozen dessert market accounted for regular ice cream and 28% accounted for reduced-fat, low-fat, light and nonfat ice cream. Sales of "low-carb" and "better for you" ice cream and frozen desserts (such as reduced-fat, low-fat, no sugar added) soared in 2004, however, super-premium frozen products with innovative flavors and mix-ins remain popular.

National Small Farm Conference

The 4th National Small Farm Conference — "Enhancing Opportunities for Small Farmers and Ranchers" — will be held October 16-19, 2005, at the Sheraton Greensboro Hotel/Koury Convention Center at Four Seasons in Greensboro, NC.

National small farm conferences, held every 3 years, attract between 600 and 800 participants. They provide a venue for small farm program leaders from Federal, state, and local organizations to learn about successful programs that help small producers enhance incomes to levels comparable to other

economic sectors. Special attention is paid to programs that have the potential to be replicated elsewhere in the nation. Each conference is held in a different region of the country to ensure that a diversity of small farm specialists and producer populations can participate.

The conference is organized primarily by USDA's Cooperative State Research, Education, and Extension Service in conjunction with other USDA agencies and other public and private sector organizations.

EVERYBODY



LIKES



ICE



CREAM!



**APPALACHIAN MARKETING AREA
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Federal Milk Marketing Order Statistics - May 2005

**National
Ice Cream Month**



| Federal Order | Producer Deliveries Million Pounds | Class I Producer Receipts Million Pounds | Class I Utilization Percent | Statistical Uniform Price \$/cwt |
|-------------------------------|---------------------------------------|---|--------------------------------|-------------------------------------|
| 1 Northeast | 2,142 | 901 | 42.1 | 15.35 |
| 5 Appalachian | 600 | 345 | 57.5 | 15.85 |
| 6 Florida | 284 | 208 | 73.3 | 17.28 |
| 7 Southeast | 724 | 380 | 52.6 | 15.73 |
| 30 Upper Midwest | 2,265 | 365 | 16.1 | 14.05 |
| 32 Central | 1,360 | 351 | 25.8 | 14.21 |
| 33 Midwest | 1,745 | 527 | 30.2 | 14.40 |
| 124 Pacific Northwest | 629 | 180 | 28.7 | 13.98 |
| 126 Southwest | 846 | 336 | 39.7 | 15.10 |
| 131 Arizona-Las Vegas | 267 | 76 | 25.8 | 14.21 |
| All Orders¹ | 10,862 | 3,670 | 33.8 | 14.76 |

¹ Weighted average uniform prices at 3.5 % butterfat at announced locations.



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