

## Price-Cost Squeeze Worries Cattlemen; OSU Gives Outlook

Study of available alternatives can help Oregon beef producers and feeders compete in the national market, advises S. C. Marks, Oregon State University extension agricultural economist.

Oregon produces more feeder cattle than the state consumes, the economist points out, so the state's cattlemen must compete in the national market.

Most of the state's beef calf crop is sold to out-of-state buyers, mainly from California and Idaho. Many animals return to the state as either grain-fed dressed beef or as mature cattle in slaughter finish.

Prices of Oregon slaughter steers and heifers are competitive with prices elsewhere in the nation even though the state feeds fewer grain-fed cattle for slaughter than its people consume.

Currently, both the beef producer and feeder are caught in a cost-price squeeze, Marks notes in the current Oregon Farm and Market Outlook circular. This means it will pay

to take a close look at available alternatives, he emphasizes.

For the feeder, this may mean buying lighter calves at prices which, when coupled with feed costs, will enable him to sell the animal at a profit.

Marks believes that for choice steers to show a profit next spring, the feeder will have to have less than 28 cents of incurred cost per pound live-weight.

Another alternative open to feeders is to feed the animal to a lighter weight, considering duer, Marks expects the cost-the fact that 1,050 pounds is the optimum for average choice grading. However, he cautions, there may be no advantage to this if the animal is underfed and the grade drops below the choice mark.

A feeder can bargain for premium prices, which some packers will pay, if he has a reasonable idea of what his cattle will grade and how much red meat they will yield, the economist observes.

Turning to the beef calf price squeeze to become even more painful before relief comes with better than break-even prices. Price prospects are being influenced by an apparent expansion in the nation's beef herd as indicated by a drop in 1970 cow and calf slaughter numbers, coupled with a two per cent larger calf crop.

Each producer must determine his own break-even point based on percentage of calf crop and such management decisions as selection of a blood line, time of calving, sales weight of calves, and time of sale, Marks explains.

One of the alternatives producers may wish to consider is over-wintering thrifty calves for spring sale. This could give the producer the double advantage of having a larger beef tonnage for sale at a time when feed cattle prices usually reach a seasonal high.

Long yearlings and heavy feeders also are alternatives for increasing income of ranchers who have the physical resources and interest in doing so, he

adds. This can be a relatively profitable practice, especially in times of rising prices.

The increase in the nation's beef cattle herd has meant more feeder cattle available for feedlot placement at a time when total consumer demand is growing at a slower rate. This has meant price declines in wholesale beef markets and in slaughter steer and heifer markets.



We enjoyed a visit Tuesday with Rupe Kennedy, manager of the Port of Morrow, Recycling, Inc., of Portland has proposed to the Portland City Council that wastes be treated to become natural non-solid organics, barged to Morrow County for compost and soil conditioner for some 120,000 acres. Hopefully, this would prevent wind erosion and would enrich the soil for mostly row crop production of organic foods. Rupe believes it would be very economical for the farmer. The material is odorless, fly proof and tasteless and the entire operation would be in keeping with state and federal environmental standards. 65% of the waste material from the city is paper products. The Recycling firm suggested that probably the materials would eventually be piped to Morrow County.

It was believed that the Portland City Council planned to consider the proposal at a meeting yesterday.

Gar Swanson pointed out the possible tie-ins with nuclear power plant coolant water being used for the irrigation. Without this, he said, the plan would be a flop. Port of Morrow officials have been studying this and other proposals for an extensive period. Eddy Albert, Inc., has planned to open hundreds of health food stores in the U.S.A. and have been searching for a location such as Morrow County to raise the organic food. This type of food is raised on land without the use of chemicals. Much engineering would need to be done on these proposals, advised Mr. Swanson and Mr. Kennedy. On the face of it, possibilities seem enormous. The county taxpayers would benefit as much land would become highly valuable and provide more taxes. If food processing plants come in, there would be considerable employment. Tax-wise, tremendous benefit would come from the nuclear power plant.

It should be underlined and emphasized that no one is going to haul raw garbage up to our Morrow County and dump it here and there. The entire operation would be carefully planned and engineered and very tightly controlled. The suggestion as we see it appears to be a good answer to problems of the Portland area and an opportunity for Morrow County and perhaps other parts of Eastern Oregon.

A Happy New Year to one and all. We have lived in Morrow County for a wee bit over a year and we like it. No matter what comes to our county, the most valuable asset will always be its fine people. God Bless You All, from all of us here at this little newspaper.

Mr. and Mrs. Charles Becker. Mike, Gard and Chris were here from Gold Beach to have Christmas here with her folks. Mr. and Mrs. Charles Heard. They left Saturday to go to Vale to visit his folks. Mr. and Mrs. Cotton Becker.

Although families cannot always be together on Christmas, the modern convenience of long distance telephone calls can still let parents, children, and children's children wish each other a Merry Christmas.

Bruce and Bernice Thomson were home for the holidays and along with their parents, Mr. and Mrs. Jim Thomson, enjoyed a call from their sister Meredith and her family in California on Christmas Eve.

## LOCAL NEWS

Christmas visitors at the home of Mr. and Mrs. Tom Harris included their daughter and son-in-law, Mr. and Mrs. Harold Hill and their grandson and his wife, Mr. and Mrs. Clayton Hill, all of Coos Bay.

Mrs. Hill is a graduate of Heppner High School. Her husband works for the state in the apprenticeship program and will soon retire.

Don Majeske is here for a holiday visit with his parents, Mr. and Mrs. Gene Majeske of Lexington. Don lives at Deer Island and teaches school at St. Helens.

Christmas guests at the Randy Lott home were Mrs. Lott's parents, Mr. and Mrs. William Kennedy of Walla Walla who arrived on Wednesday, the 23rd. Coming Christmas day from College Place was Mrs. Lott's sister and family, Mr. and Mrs. Gilbert Manuel, Jim, Anita, and Janice.

A brother and his family, Mr. and Mrs. Bob Kennedy, Tim, Becky, and Tommy of Pendleton, and Mrs. Elizabeth Herman of Walla Walla, mother of Mrs. Bob Kennedy, were also Christmas guests at the Lott home. Mr. and Mrs. William Kennedy and the Manuel family spent the night.

Christmas day callers at the home of Mr. and Mrs. John Hopper included their son Robert Hopper and his son Loren of Hermiston, and their granddaughter, Mr. and Mrs. Lyle Potter and family, also of Hermiston. Visitors for dinner after Christmas were Mr. and Mrs. Burke Gentry of Hardman.

Jeannie Shuman received a pretty plaque from Vietnam which she opened before Christmas. It is a wooden plaque with a metal map of Vietnam showing the July 22, 1954 Demarcation line. On either side at the top is an American flag and Vietnam flag. Centered are the flags of nine nations. Lower right is a sweet message on a metal valentine heart. This came from Bill Sobinke, a boy she had met who was in her brother's platoon in Boot Camp. Jeannie was pretty thrilled.

## 1970 in Review

### MARRIAGES

Jan. 1, 1970

Single ring ceremony in Kinzua united Charlotte Hatter to Larry Larson.

Carolyn Burg and Paul Allen McArthur are married at Boardman Community Church on Dec. 27.

Jan. 15

Bernice Lamb marries Leo Lehrman in Pasco on Jan. 8.

Jan. 22

Anna Rose Obermeier of Boardman became the bride of Donald Earlywine at Warren.

Jan. 29

Nonda Clark and Hal Sunday were married at snowy Sunday afternoon on Dec. 28.

Feb. 19

Brenda Pourier and Clarence Proctor, both of Irrigon were married Feb. 7 by Justice of the Peace Ernest Jorgensen.

Sharyl Mabe and Carol E. Sizemore were married at the Kinzua Community Church Feb. 7.

April 9

Sheila Kay Luciani and Robert Dykes Cozad were married March 22 in Hermiston.

April 30

Rita Pettyjohn and Roger Britt were married April 3 at the Christian Church.

Rebecca and Sp4 Edwin McCorkle married April 21 to make their first home at Fort Knox.

More students home from Blue Mountain include Linda Cooper, Sue Melby, Tim Bellamy, Lee Huson, and Bob Dobbs.

We accidentally omitted the name of Joyce Jackson of Irrigon. Joyce is on the current Dean's List being honored at Blue Mountain Community College.

Christmas guests of Mrs. Etta Parker were her brother-in-law and sister, Mr. and Mrs. Adolph Hayden of Stanfield and her nephew Harlan Hayden of Spokane.

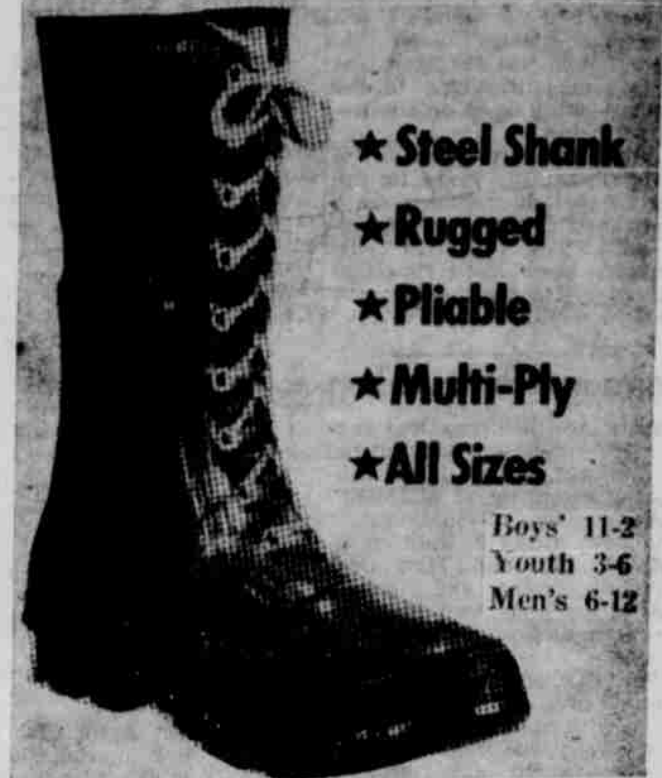
The Earl Ayres had a letter from son, Phil, serving in the Marine Corps in Vietnam. He expects to be with a group of about a dozen Marines and 20 or 30 Vietnamese troops stationed in a native village.

Dave Matheny graduated from Oregon State at the end of fall term. His field is Animal Science. He is the son of Mr. and Mrs. Orval Matheny.

Paul Hiesler started calving early in October. He says he is nearly through. While he likes early calving, he says it requires lots of feeding.

TYPEWRITER RIBBONS for most makes on sale at The Gazette-Times—98c each.

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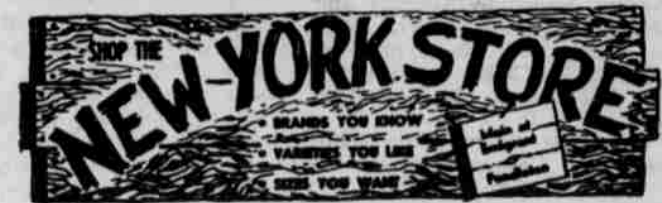
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## Greetings



We welcome the New Year with appreciation for many valued friendships and associations.

We will be closed at noon

Dec. 31 — Jan. 1 & 2

**Morrow County**  
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### MOVING??

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## Happy New Year

Our wish is for a year of gentleness and peace.

# KINZUA CORPORATION