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**NORTH CAROLINA
DAIRY TERMINATION PROGRAM
PARTICIPANTS' PLANS**

ARE REPORT NO. 2

MAY 1992

Geoffrey A. Benson



DEPARTMENT OF AGRICULTURAL AND RESOURCE ECONOMICS
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RALEIGH, NORTH CAROLINA

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**ARE Report No. 2
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NORTH CAROLINA DAIRY TERMINATION PROGRAM PARTICIPANTS' PLANS

Introduction

The 1985 Food Security Act contained two major changes in the federal dairy price support program, the adoption of a market driven mechanism to adjust the support price for milk and the Dairy Termination Program (Green). These changes sought to reduce the large national surplus that existed at that time and to achieve a closer balance between production and commercial use.¹

The Dairy Termination Program (DTP) offered dairy farmers an opportunity to dispose of their herds and cease milk production for five years in exchange for government payments. Participating dairy farmers were required to sell all their female dairy livestock for slaughter or export. Participants could not engage in milk production and their dairy facilities could not be used for milk production during the five-year contract period.

Participation was voluntary and acceptance into the program and the size of each participant's payment were determined by bids. The DTP was administered by the Agricultural Stabilization and Conservation Service (ASCS) of the U. S. Department of Agriculture. Bids were accepted for three disposal periods, April through August 1986, September 1986 through February 1987, and March through August 1987. Therefore, individual DTP contracts expire during the period April 1991 through August 1992, depending upon the exact date each contract was certified.

The 1985 Food Security Act specified a goal for the DTP of a 12.1 billion lb. reduction in milk production, approximately 8.7 percent of milk production in 1985. The lowest bids were accepted on a national basis without regard for any personal characteristics of the bidders, variations in participation rates, or variations in participation levels in the three disposal periods.

¹A brief overview of U.S. dairy policy and the U.S. dairy industry is included in the appendix.

Nationally, 13,988 bids were accepted, but participation was proportionately higher in the South and lower in the northern dairy states.² In North Carolina, 178 bids were accepted, representing 12.9 percent of 1985 production. There were participants from 54 of the 75 milk-producing counties in North Carolina.³

From the outset there were questions and concerns about whether program participants would reenter dairying once their five-year contracts expired. Anecdotal evidence suggested that some program participants were younger, skilled managers who might wish to return. Clearly, a high reentry rate would run counter to the intent of the 1985 Food Security Act, i.e., to reduce the excess production capacity in the dairy industry.

Several studies of program participants were conducted after the initial sign-up. Gale found that North Carolina and Virginia program participants were more likely to be older than nonparticipants and were less likely to be planning to transfer the dairy to another family member. Nonparticipants were more likely to have a specialized dairy farm, use more advanced management techniques and have higher milk production per cow. There were no significant differences in herd size, schooling or dairy experience. However, these factors explained a small percentage of the total variation in the sample. Gale concluded that program participants were more likely than nonparticipants to have ceased production without the DTP. His results also suggest that DTP participants may have little incentive to resume milk production once their five-year contracts end.

Carley et al. surveyed participants only, to identify the type of dairy farmers participating and their reasons for participating. Participants in Alabama, Georgia, Mississippi and Louisiana were surveyed. Thirty-three percent stated they had profitable operations but were concerned about the future or had decided to quit anyway. Retirement age was a factor for 27 percent. About 35 percent of participants reported a high debt load. These

²State participation rates are presented in the Appendix Table 1.

³North Carolina participation rates are presented in Appendix Table 2.

results also imply that participants may be unlikely to return to milk production once their contracts expire.

The market-sensitive support price adjustment mechanism introduced in the 1985 Food Security Act and continued under the 1990 Food Agriculture, Conservation and Trade Act resulted in a decline in the support price from \$11.31 to \$10.10 per 100 lb. (measured at 3.67 percent butterfat). The \$10.10 per 100 lb. support price is low by historic standards and low relative to most published cost-of-production estimates. Dairy farmers now must rely more heavily on market conditions to generate higher prices, and experience in the 1988-91 period has demonstrated the sensitivity of farm prices to small changes in the supply-demand balance. Therefore, reentry of even a significant minority of program participants is cause for concern.

Objectives of the Study

The primary objective of the study was to identify the plans of DTP participants for the period after their contracts expire. Secondary objectives were to identify the influential factors and sources of information for these plans, and to identify the business activities of the participants during the contract period.

Data and Methodology

A survey instrument was developed and mailed to all North Carolina DTP participants early in 1991.⁴ Two additional mailings were made to non-respondents at three-week intervals. One hundred and seventy six North Carolina dairy farms participated in the DTP, but the mailing list contained 195 names because of multiple owners or operators. A total of 108 usable responses were received, a response rate of 55 percent. A copy of the survey instrument, including the responses, is presented in the Appendix.

⁴The survey instrument was developed by the Southern Regional Dairy Marketing Research Committee (S-117) for use in all states in the region. The North Carolina state office of ASCS, USDA provided the names and addresses of the program participants.

Results

The results are presented in four sections: the participants' plans, factors influencing participants' plans, sources of information, and participants' business activities during the contract period.

Participants' Plans

One hundred and six respondents identified their future plans from the options listed in the questionnaire. Eighty-three, 78 percent of the respondents, stated they definitely would not reenter dairy farming, and an additional 12, 11 percent, said they probably would not reenter (Table 1). Only one person definitely planned to reenter dairying and one more stated he probably would resume milk production. Apparently, most people had made up their minds one way or the other because only nine, 8 percent, were not sure what they would do.

Table 1. Reentry plans of North Carolina participants in the dairy termination program

Plans	Respondents	
	No.	%
1. Definitely plan to resume milk production	1	1
2. Probably will resume milk production	1	1
3. Not Sure	9	8
4. Probably will not resume production	12	11
5. Definitely will not resume production	<u>83</u>	<u>78</u>
Total	106	100 ^a

^aIndividual items may not add to total because of rounding.

Factors Affecting Participants' Plans

Those respondents who stated that they either definitely would not or probably would not reenter dairy farming were asked to give their reasons. The reasons they gave, ranked according to frequency, are presented in Table 2. Respondents were permitted to give multiple answers.

Table 2. Reasons cited for not reentering dairy farming

Reason	Number of responses	Frequency (% of respondents) ^a
1. Too inconvenient to return to milking cows	27	33
2. Age or health	19	23
3. Alternative type of farm work is more satisfying or enjoyable	19	23
4. Retirement	16	20
5. Income from nonfarm alternatives is better	16	20
6. Alternative type of <u>non</u> farm work is more satisfying or enjoyable	14	17
7. Income from other farming alternatives is better	13	16
8. Other	16	20

^aEighty-one participants responded with one or more reasons given.

The most commonly cited reason was that it was "too inconvenient to return to milking cows," given by one-third of the respondents. Two reasons, "age or health" and "alternative type of farm work is more satisfying or enjoyable" tied for second, each with a response rate of 23 percent. "Retirement" and "income from nonfarm alternatives is better" both were cited by 20 percent of the respondents. The least often cited reasons were "alternative type of nonfarm work is more satisfying and enjoyable," given by 17 percent of respondents and "income from other farming alternatives is better" was mentioned by 13 percent. Clearly, the respondents were dissatisfied with dairy farming, but few believed that other types of farming could generate higher levels of income. Overall, these responses illustrate the importance of nonfinancial factors in the decision to stay out of dairy farming. The importance of age, health and retirement bears out the results of the earlier studies.

Respondents who said they were either unsure about reentering dairy farming or probably would not reenter were asked if the current low price

for milk was the reason. Of 20 respondents, 14 answered yes and 6 answered no. Fourteen respondents reported the current local blend price and the average was \$11.60 per cwt. Only 10 respondents volunteered an estimate of what the price would need to be before they would reenter dairy farming, and the average of these estimates was \$17.50 per 100 lb. Milk prices are unlikely to reach this level under current dairy policy and expected supply and demand conditions.

All respondents were asked to identify dairy policy and marketing factors that affected their reentry plans. Sixty-three participants, responded and, as shown in Table 3, the most frequent reason was "unknown dairy policy in the future," cited by 38 (60 percent). The support price level was the second most common reason, given by 33 respondents (52 percent). Lack of a supply management policy for milk was close behind, with 27 responses (43 percent). Only 16 respondents (25 percent) said their decisions were unaffected by dairy policy. These responses indicate the importance participants attach to dairy policy and the concerns created by the almost continuous policy debate and frequent policy changes that have occurred in the last decade.

Table 3. Dairy policy and marketing factors affecting reentry plans

Factor	Number of responses	Frequency (% of respondents) ^a
1. Unknown dairy policy in the future	38	60
2. Level of federal price support for milk	33	52
3. Lack of supply management policy for milk	27	43
4. The federal milk market order system	23	37
5. Milk marketing cooperatives	17	27
6. Decision not affected by any federal policy	16	25

^aSixty-three participants responded by citing one or more factors.

Twenty-three respondents (37 percent) cited the federal milk market order system as a factor. Here it should be noted that North Carolina became regulated under a new federal milk market order on September 1, 1990, replacing state regulation that began in 1953. Therefore, the respondents may not fully understand the role federal orders play in milk pricing and milk marketing.

Sources of Information

Table 4 summarizes the sources of information on which the respondents drew in making their plans. Dairy farmers (44 percent) and dairy publications (35 percent) were the top two sources cited by the 54 respondents. Cooperative Extension Service publications (24 percent) ranked third. Extension Service personnel tied for fourth; dairy cooperative personnel and USDA personnel each were mentioned by 13 percent of the respondents.

Table 4. Sources of information for reentry decisions

Source	Number of responses	Frequency (% of respondents) ^a
1. Dairy farmers	24	44
2. Dairy publications	19	35
3. Cooperative Extension Service publications	13	24
4. Cooperative Extension Service personnel	7	13
5. Dairy cooperative personnel	7	13
6. USDA personnel	7	13
7. Other dairy organizations	2	4
8. Independent milk handlers	1	2
9. Non-dairy farm organizations	1	2
10. Other	3	6

^aFifty four participants responded, with one or more reasons given.

Business Activities during the Contract Period

More respondents reported they were retired during the contract period, 35 out of 103, than any other single activity (Table 5). However, farming was the most commonly reported activity, with 34 respondents farming full time and an equal number farming part-time. Sixteen reported working full-time in a non-farm job and eight had similar work on a part-time basis. Seven respondents engaged in part-time farm work for other people and three reported full-time work of this type. These results reflect a form of program slippage in that some of these participants may have retired without the DTP, as discussed by Dixon, et al.

The significant number of retirees tends to support the findings of Carley et al. and Gale's earlier conclusions. The high incidence of non-dairy-farming activities illustrates the impact of the DTP on other farm commodities. However, it was beyond the scope of this study to identify the nature of these impacts.

Table 5. Business activities of North Carolina participants in the dairy termination program

Business activity	Number of responses	Frequency (% of respondents) ^a
1. Retired	35	34
2. Farming full-time	34	33
3. Farming part-time	34	33
4. Full-time off-farm work, non-farm labor	16	33
5. Part-time off-farm work, non farm labor	8	8
6. Part-time off-farm work, farm labor	7	7
7. Full-time off-farm work, farm labor	3	3
8. Other	9	9

^aA total of 103 participants responded, citing one or more activities.

Summary

The 1985 Food Security Act adopted a market-driven mechanism to adjust the federal support price for milk and created the Dairy Termination Program (DTP) to reduce excess milk production capacity and achieve a closer balance between production and commercial use. Dairy farmers were invited to submit bids which, if accepted, required them to dispose of their dairy herds, keep their dairy facilities idle, and have no involvement with milk production for five years. Individual contracts expire during the April 1991 through September 1992 period. Nationally total enrollment was equivalent to 8.7 percent of 1985 production.

From the outset, questions were raised about the long-term impact of the program from national and regional perspectives. Early studies of the characteristics of DTP participants by Carley et al. and Gale implied that a significant proportion of participants were unlikely to reenter dairying, but specific projections were not made.

The market-driven support price mechanism introduced by the 1985 Act caused the support price to decline and supply and demand factors started to exert a greater impact on prices. A closer overall balance between production and sales caused wide price fluctuations because of seasonal patterns in production and sales. The experience of the late 1980s illustrated the sensitivity of prices to small changes in production, further reinforcing concerns about the reentry decisions of DTP participants.

A survey of North Carolina DTP participants was conducted as part of a regional study. The primary objective was to identify participants' reentry plans at the end of the contract period. One hundred and ninety-five participants were contacted and 108 responded, a response rate of 55 percent. Only one person definitely planned to reenter dairying, and one other stated he or she probably would reenter, a very small percentage. Eighty-three of the 108 said they definitely would not return to milk production.

Nonfinancial factors seem to have been important in these planning decisions. The most commonly cited reason was the inconvenience of milking cows. Age or health ranked second and retirement ranked fourth, bearing out the results of earlier studies. Dairy policy concerns also were

important, including uncertainty about future dairy policy, the low support price and lack of a supply management program. Dairy farmers and dairy publications were cited most frequently as sources of information.

Retirement was the single most often reported activity during the contract period, supporting the findings of earlier studies. However, farming was the most frequently mentioned business activity, with 34 respondents farming full time and another 34 respondents farming part-time during the contract period. Clearly the DTP had an impact on other types of farming in North Carolina, but it was beyond the scope of this study to identify these effects.

These results show that the DTP achieved its stated objective in North Carolina, i.e., reducing the production capacity of the dairy industry. However, part of this reduction likely would have occurred anyway through retirement. Although nonfinancial factors were important, it seems reasonable to conclude that dairy policy and economic conditions also contributed significantly to the reentry decisions of the program participants.

References

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- Gale, H. Frederick, Jr. "Econometric Analysis of Farmer Participation in the Dairy Termination Program in North Carolina and Virginia. S.J.A.E. 22:1 (1990): 123-131.
- Green, Robert C., "Program Provisions for Rye Dry Edible Beans, Oil Crops, Tobacco, Sugar, Honey, Wool, Mohair, Gum Naval Stores, and Dairy Products: A Database for 1961-90," U. S. Department of Agriculture, Economics Research Service, Agriculture and Trade Analysis Division, June 1991.

APPENDIXOverview of U. S. Dairy Policy and the U. S. Dairy Industry

The U. S. dairy industry is isolated from the world market for dairy products to a large extent. For many years the U. S. dairy price support program has resulted in U. S. prices that have exceeded world prices by a substantial margin, although it should be noted that world prices have been artificially low because of subsidized exports from Europe. These high U. S. prices have been protected by strict quotas on imports. Therefore, the federal dairy price support program has been a dominant factor in the domestic dairy industry.

The federal dairy price support program was created by the Agriculture Act of 1949. The dairy program places a floor under wholesale prices for major storable dairy products by offering to purchase these products at their announced support prices. Therefore, when production exceeds commercial demand these support prices become the effective prices, whereas market forces determine prices when there are no government purchases. Seasonal surpluses occur almost every spring, when a spring flush in production occurs that is not matched by a comparable increase in the commercial demand for dairy products. Production and commercial sales are in closer balance in the fall, but fall surpluses also may occur. Sizeable government purchases of dairy products have occurred almost every year since 1949 (Green).

This mechanism provides indirect support to dairy farmers producing milk for manufacturing purposes by affecting the value of their milk for use in dairy products. These price effects extend to the prices for Grade A milk used for fluid (non-storable) milk products. For most producers, the links between manufactured milk prices and fluid milk prices have been formalized through federal milk marketing orders.

There are several important long-term trends in the dairy industry. There has been a steady increase in milk production per cow as a result of genetic improvements, nutrition and a whole host of other management factors. Milk production per cow has increased at a faster rate than commercial demand for dairy products, thus fewer and fewer cows are needed

to supply the market. Improvements in labor efficiency and other factors have led to a steady increase in the average herd size, thus fewer and fewer dairy farms are needed to supply the market. Although these long-term trends are very pronounced, there is variation from year to year in response to fluctuations in the economic conditions in the dairy industry.

Results of Survey of Dairy Farmers Who Participated in the 1986-87
Dairy Herd Buyout in North Carolina

FARM LOCATION: State _____ County or Parish _____

1. First, we would like to know information about the person filling out this questionnaire. Please answer all questions that apply.
 - a. Are you the person who signed the buyout contract? YES 105 NO 4
(N = 109)
 - b. Are you the current owner of the dairy farm that was committed not to produce milk under the buyout agreement? YES 91 NO 17 (N = 108)
 - c. Do you currently operate the farm that was committed under the buyout? YES 91 NO 18 (N = 109)

If you answered YES to question 1(a), please answer questions 2, 3.

If you answered NO to question 1(a), please skip to question 4.

2. What have you been doing since you sold your dairy herd in the buyout?
(Check all that apply) (N = 103)

34 Farming full time*
(own operation)

34 Farming part time**
(own operation)

3 Working off farm full time,*
farm labor

7 Working off farm part time**
farm labor

16 Working off farm full time*
nonfarm labor

8 Working off farm part time,**
nonfarm labor

35 Retired

9 Other

*Full time = 40 or more hours a week

**Part time = 39 or less hours a week

3.
 - a. How much total milk was your buyout contract based on 1,115,042 pounds?
(N = 58)
 - b. How many cows, milking and dry, were in your herd on average 108 cows?
(N = 92)
 - c. What was your annual production per cow for the herd you sold in the buyout? 13,092 lbs. (N = 75)

NOW, PLEASE SKIP TO QUESTION 5.

4. How did you acquire the farm or the use of the farm that was entered in the buyout? (Check appropriate answer). (N = 59)

Bought it 37 By gift or inheritance 15
 Leased it 6 Share rent 1

5. Do you plan to bring the herd buyout farm back into milk production? Please check (✓) ONE answer only. (N = 107)

- a. YES, I definitely plan to begin milk production 1.
 b. YES, I probably will go back into milk production 1.
 c. I am not sure 9.
 d. I probably will not go back into milk production 12.
 e. NO, I definitely will not produce milk again 83.

If you answered that you will not go back into milk production, please check (✓) all the reasons why. (N = 81)

Income from other farming alternatives is better 13.
 Income from nonfarming alternative is better 16.
 Alternative type of farm work is more satisfying or enjoyable 19.
 Alternative type of nonfarm work is more satisfying or enjoyable 14.
 Too inconvenient to return to milking cows 27.
 Other (specify) Age/Health 19.
 Retirement 16.
 Other 16.

6. Where did you obtain information to help you decide whether or not you should go back into milk production? (Check all that apply). (N = 54)

- a. 19 Dairy publications f. 1 Non-dairy farm organizations
 b. 7 Cooperative Extension Service g. 7 USDA agencies
 c. 7 Dairy cooperative personnel h. 13 Extension Service publications
 d. 2 Other dairy organizations i. 24 Dairy farmers
 e. 1 Independent milk handlers j. 3 Other (specify)

IF YOU ANSWERED 5A or 5B, PLEASE GO TO QUESTION 8.

IF YOU ANSWERED 5E, PLEASE GO TO QUESTION 18.

7. If you answered 5C, or 5D, please answer the following:

- a. Is the current low milk price your reason? YES 14 NO 6 (N = 20)
 b. What is the blend milk price in your area now? \$11.60 per 100 pounds.
 (N = 14)
 c. At what milk price would you consider going back into dairy farming?
 \$17.50 per 100 pounds. (N = 10)

NOW, PLEASE GO TO QUESTION 18.

8. If you answered YES to question 5(A) or (B), please give your reasons for going back into dairy farming (check all that apply). (N = 2)
- a. It was always my intention to return the farm to dairy production 1.
 - b. Income from dairying is better than my other alternatives 1.
 - c. Income from dairying is no better (or worse) than my other alternatives, but I want to be a dairy farmer 2.
 - d. Other (Please list) 1.

9. If you answered YES in question 5(a), or 5(b) what month and year do you expect to begin producing milk on your farm?

MONTH _____ YEAR _____

10. How many cows, milking and dry, do you plan to have?

- a. When you start up _____ cows.
- b. After two years _____ cows.
- c. What is your expected annual production per cow?
_____ lbs/cow

11. a. What blend price do you expect to receive for your milk (before any deductions), on average?

AVERAGE PRICE \$ _____ per 100 lbs.

- b. How much do you expect prices to vary over the next two years?

LOW PRICE \$ _____ per 100 lbs; HIGH PRICE \$ _____ per 100 lbs.

12. What do you need or plan to do to the dairy facility?

Please identify the specific parts of the facility you plan to restore, improve, or purchase used or new. Identify all that apply with a check or X.

	SPEND MINIMUM TO RESTORE	IMPROVE OR MODIFY	PURCHASE USED, NEW, OR BUILD
Milking parlor	_____	_____	_____
Milking equipment (not tank)	_____	_____	_____
Bulk milk tank	_____	_____	_____
Cow holding area	_____	_____	_____
Cow housing	_____	_____	_____
Add cooling to cow housing	_____	_____	_____
Feed storage	_____	_____	_____
Feed mechanization	_____	_____	_____
Manuare handling	_____	_____	_____
Calf housing and feeding	_____	_____	_____

13. About how much money will you need to spend on facilities to do the following?
- To restore \$_____.
 - Improvements and modifications? \$_____
 - Purchase used or new \$_____
 - What percent of the above total will be financed with borrowed capital? ____%
14. In selling your milk . . . (please answer)
- To whom did you sell your milk before the buyout? _____
- To whom do you expect to sell your milk? _____
15. What will be the ownership arrangement of the dairy farm operation? (Check one)
- Individual owner _____
 - Father-son(s) partnership _____
 - Family corporation _____
 - Other type of corporation _____
 - Other (list) _____
16. About how many acres of land do you expect to use in your dairy operation?
- ACRES of cultivated cropland _____
 - ACRES of improved permanent pasture _____
 - ACRES of permanent pasture _____
 - ACRES for loafing area and farmstead _____
17. Please answer the following questions about the person who will be the principal operator/decision maker for the dairy farm once it is in operation.
- Age _____
 - Years of dairy experience _____
 - Years of school and college (1-18) _____
18. Which, if any, of the following policies or entities have affected your decision to return or not return to dairy farming? (Check all that apply) (N = 63)
- | | |
|--|----|
| a. Level of federal price support for milk | 33 |
| b. Milk marketing cooperatives | 17 |
| c. The federal milk marketing order system | 23 |
| d. Lack of supply management policy for milk | 27 |
| e. Unknown dairy policy in the future | 38 |
| f. Not affected by any federal policy | 16 |

19. If you have other comments, please use this space. Continue on back if necessary.

20. Would you like a copy of the final report? Yes _____ or No _____

THANK YOU. PLEASE RETURN SURVEY IN ENCLOSED ADDRESSED AND STAMPED ENVELOPE.

Appendix Table 1. Participation in the dairy termination program by state

State	Number of bids accepted	Participant production (% of 1985 state total)
Alabama	91	23.53
Arizona	15	10.29
Arkansas	221	20.70
California	325	10.67
Colorado	69	10.95
Connecticut	53	11.97
Delaware	9	4.83
Florida	48	13.98
Georgia	179	21.60
Idaho	315	21.79
Illinois	307	5.96
Indiana	282	7.35
Iowa	803	8.82
Kansas	274	12.54
Kentucky	399	9.31
Louisiana	90	9.34
Maine	86	11.08
Maryland	115	7.43
Massachusetts	66	19.13
Michigan	846	11.67
Minnesota	2,150	8.99
Mississippi	173	17.19
Missouri	645	14.34
Montana	31	12.35
Nebraska	309	12.06
Nevada	2	1.53
New Hampshire	58	14.89
New Jersey	34	6.68
New Mexico	25	14.94
New York	542	4.09
North Carolina	178	12.88
North Dakota	294	12.50
Ohio	484	5.48
Oklahoma	194	14.05
Oregon	122	12.61
Pennsylvania	418	2.75
Rhode Island	3	5.24
South Carolina	58	12.94
South Dakota	452	11.72
Tennessee	260	8.83
Texas	376	16.25
Utah	177	16.53
Vermont	195	7.18
Virginia	199	9.46
Washington	258	14.50
West Virginia	53	12.10
Wisconsin	1,681	3.20
Wyoming	24	17.32
United States	13,988	8.70

Source: ASCS, U.S. Department of Agriculture, unpublished data.

Appendix Table 2. North Carolina participation in the dairy termination program by county

County	Number of herds January 1986	Number of of bids	Participation rate (%)
Alamance	50	6	12
Alexander	44	5	11
Alleghany	102	15	15
Anson	6	2	33
Ashe	35	3	9
Avery	0	-	-
Beaufort	3	2	67
Bertie	0	-	-
Bladen	7	4	57
Brunswick	1	0	0
Buncombe	64	7	11
Burke	4	0	0
Cabarrus	22	5	23
Caldwell	12	3	25
Camden	0	-	-
Carteret	0	-	-
Caswell	9	1	11
Catawba	28	1	4
Chatham	35	6	17
Cherokee	4	-	0
Chowan	0	-	-
Clay	10	2	20
Cleveland	24	10	42
Columbus	4	1	25
Craven	3	1	33
Cumberland	3	1	33
Currituck	0	-	-
Dare	0	-	-
Davidson	35	3	9
Davie	58	1	2
Duplin	2	0	0
Durham	2	0	0
Edgecombe	2	1	50
Forsyth	12	1	8
Franklin	3	1	33
Gaston	24	2	8
Gates	0	-	-
Graham	0	-	-
Granville	21	4	19
Greene	0	-	-
Guilford	29	1	3
Halifax	4	0	0
Harnett	4	0	0
Haywood	22	1	5
Henderson	27	3	11
Hertford	0	-	-
Hoke	0	-	-
Hyde	3	3	100

Appendix Table 2 (continued)

County	Number of herds January 1986	Number of of bids	Participation rate (%)
Iredell	148	11	7
Jackson	1	0	0
Johnston	3	0	0
Jones	0	-	-
Lee	0	-	-
Lenoir	3	0	0
Lincoln	26	2	8
McDowell	9	1	11
Macon	9	1	11
Madison	5	1	20
Martin	0	-	-
Mecklenburg	23	5	22
Mitchell	2	1	50
Montgomery	4	0	0
Moore	1	0	0
Nash	1	0	0
New Hanover	0	-	-
Northampton	0	-	-
Onslow	1	0	0
Orange	48	3	6
Pamlico	0	-	-
Pasquotank	0	-	-
Pender	1	0	0
Perquimans	0	-	-
Person	4	0	0
Pitt	1	1	100
Polk	5	0	0
Randolph	39	8	21
Richmond	0	-	-
Robeson	0	-	-
Rockingham	12	4	33
Rowan	67	8	12
Rutherford	7	1	14
Sampson	6	3	50
Scotland	0	-	-
Stanly	15	3	20
Stokes	3	0	0
Surry	29	2	7
Swain	1	0	0
Transylvania	0	-	-
Tyrrell	0	-	-
Union	22	6	27
Vance	5	0	0
Wake	18	8	44
Warren	7	1	14
Washington	2	2	100
Watauga	19	0	0
Wayne	6	1	17

Appendix Table 2 (continued)

County	Number of herds January 1986	Number of of bids	Participation rate (%)
Wilkes	50	2	4
Wilson	1	1	100
Yadkin	42	5	12
Yancey	7	1	14
Total	1,371	178	13

^aSource: Reported by county agricultural agents on survey conducted by Extension Dairy Husbandry, Animal Science Department, North Carolina State University, Raleigh.

^bSource: North Carolina State Office, ASCS, U. S. Department of Agriculture, unpublished data.

Agricultural Research Service

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