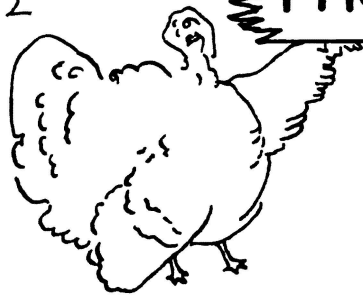


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The Market Review of



PEEP AND MOO

Virginia Polytechnic Institute and the United States Department of Agriculture Cooperating:
Extension Service, L. B. Dietrick, Director, Blacksburg, Virginia
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Dairy



May 10, 1957

Section

JUNE DAIRY MONTH Next month the dairy industry, state and nationwide, will put on another intensified promotional campaign for dairy products. Advertising and promotion are being carried on throughout the year but the month of June will be singled out for special emphasis. This program needs the support of all interested in, and concerned with, the dairy industry.

SCHOOL MILK PROGRAM University of Wisconsin economists have completed a case study entitled "Pupil Response To Experimental Pricing of Milk." The work was done in both high schools and elementary schools in Madison and Milwaukee, Wisconsin. The findings of this study provide a number of practical suggestions for improving the effectiveness of the special school milk program in schools. The most noteworthy of these are:

1. Substantial increases in milk consumption by school pupils are brought about when prices are reduced. In many instances, school boards will find that the total receipts from school milk will actually increase despite reduced prices. In all instances, any decline in receipts from lower prices will be small.
2. The (percentage) increase in consumption tends to be much greater compared with the (percentage) price reduction where the price of school milk is reduced 50% or more than where the reduction is small. In fact, school officials probably can make greater improvement in consumption by making changes in such items as improved availability, than by

small reductions in price.

3. Most of the increased consumption of milk at school is new consumption and does not replace the child's home milk consumption. This conclusion should help allay the fears that school milk is merely substitution for home consumption of milk.
 4. Even in times of substantially full employment and in relatively high income areas in Milwaukee and Madison, there are low income families who will buy little school milk. This fact argues for the need of keeping the price of school milk as low as possible.
 5. Making milk available more often would increase consumption substantially even if no change in milk prices were made. This suggests that school teachers and other officials should make milk available to students at more times and places than is now common, particularly in afternoons.
 6. The total consumption of milk will be increased where chocolate as well as white milk is served.
 7. School authorities may well give more attention to refrigeration or to timing deliveries in view of the frequency of reports that pupils drink less in the late spring months because the milk is too warm.
- Further information concerning this study can be obtained by writing to Professor H. L. Cook or Professor H. W. Halvorson, University of Wisconsin, Madison, Wisconsin.

MILK PRODUCTION

Month	Virginia			United States		
	1946-55 Average	1956	1/ 1957	1946-55 Average	1956	1/ 1957
	(Millions of Pounds)			(Millions of Pounds)		
January	130	141	153	8,446	9,603	9,697
February	122	136	140	8,284	9,657	9,464

1/ Preliminary

Source: Virginia Dairy Report, Virginia Crop Reporting Service

Virginia milk production in January was 9% higher than for the same period a year ago. February production was 3% higher in spite of the fact that February 1957

only had 28 days. United States milk production was 2% higher this January than it was last January but in February it was 2% lower than for the same period last year.

PLANT RECEIPTS AND PRICES

<u>Receipts and Prices By Distributors and Plants - Virginia</u>						
Month	Receipts			Average Price Per Hundred Pounds		
	1951-55 Average	1956	1/ 1957	1951-55 Average	1956	1/ 1957
	(Thousands of Pounds)			(Dollars)		
	<u>Milk for Fluid Consumption</u>					
January	68,050	78,040	87,400	6.14	5.90	5.75
February	63,100	75,280	79,800	6.11	5.80	5.70
	<u>Milk for Manufacture</u>					
January	16,410	16,830	17,330	3.95	3.55	3.60
February	14,600	16,300	15,510	3.78	3.40	3.55

1/ Preliminary

Source: Virginia Dairy Report, Virginia Crop Reporting Service.

The average butterfat test of the Grade A milk during February was 3.9%. The average manufacturing milk butterfat test was 4.4%. The total value of all

wholesale deliveries (both for fluid and for manufacturing) amounted to slightly more than 5 million dollars, up 2% from February a year ago.

