

## The Compact and Connecticut Farmers

From the vendors viewpoint.

*Very Alive*

Hi, for you who don't know me I am Tim Slate, General Manager of Kahn Tractor & Equipment, of Franklin, CT. I run a large diverse dealership that has its roots in Eastern CT's dairy industry. I am not new to the industry having been involved in the equipment business since 1974.

A large part of our yearly volume still comes from the sale of agricultural equipment, both new and used. My organization employees 30 people full time. Since about the 1982-83 time frame there has been a dramatic erosion of small farms as the dairy buyout program signaled the beginning of consolidation. This is not to say that dairy cow numbers in my trade area declined or the number of acres cropped dropped dramatically – it was just being performed by fewer farm owners.

This action forced vendors, such as myself, to diversify greatly in order to survive, and many dealers did not. Franklin had 5 dealers at one time.

So much for the brief history; the dairy industry is alive – VERY

ALIVE, in fact. They infuse millions of dollars into the local economy through direct employment. They help sustain the local fuel dealers, the local auto dealership, tire shop, convenience store, grain dealers, milking equipment dealer, insurance agent, the local banker, and <sup>seed & fertilizer</sup> ~~auto parts~~ suppliers; the list is endless.

Today's CT dairymen are among the most efficient business operators that can be found. They are working with a sound business plan, as any business would do, the cornerstone of any plan is stability; The New England Compact has offered this stability since its inception.

New England and especially CT is a unique place to operate business, Unlike dairies in the upper mid west, CT farmers pay more, like most CT businesses, for everything from fuel – to insurance – to labor. Increased expenses can be overcome by scale and efficiencies to a point. We are at the point. Compacts make perfect sense because they take into account regional differences in associated cost of production. The New England Compact is not a line item expense to the federal government – it's self-funded without detriment to the consumer. It has been and should remain an economic stimulus that goes far beyond the dairy industry. It affects me and my 30 employees and all the other vendors mentioned.

The New England Compact is vital with the stability that it provides.

Thank you.

Questions?

~~Quip Comm Jack Blum~~