THE OUTLOOK FOR WIRE AND TWINE

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The year of confusion 1974, fraught with shortages, inflation, and rumors is behind us. Viewed from the right perspective, this period of stress has been a character building period because most of us faced a new set of problems which were solved by applying thought and creative ingenuity. Although this period allowed our adaptability to show, most of us agree we can direct our time and talents at more productive work than solving the shortage problem in the future.

From my vantage point, as I view the situation on Baler Wire and Twine on November 1, 1974, supply and demand will achieve balance in 1975 The reason for this is complex and changing, so like the weatherman, my crystal ball is still foggy and June, 1975 may prove I was standing on the wrong mountain on November 1, 1974.

My conclusions are reached by taking total demand for these items in California and applying the estimated domestic production of wire and twine, then applying a factor for imports of the same items.

CALIFORNIA HAY PRODUCTION, 1974

Alfalfa:	1,150,000 Acres	
Yield	5.7 Tons/Acre	
Total Tons		6,555,000 Tons
Other Hay:	520,000 Acres	
Yield	1.8 Tons/Acre	
Total Tons		936,000 Tons
Straw:		
Estimated Tons		100,000 Tons
Potential Baler Wire required for:	7,591,000 Tons	580,707 Boxes
Less: 7% for other processing techniques.	40,600 Boxes	
Bales with Plastic or Sisal.	50,000 Boxes	90,600 Boxes
Baler Wire required:		490,107 Boxes
Estimated Baler Wire available: Domestic Source:	540,000 Boxes	
Import:	60,000 Boxes	600,000 Boxes
Estimated Twine (Plastic & Sisal:)	50,000 Bales	650,000 Units
Estimated Production shipped outside California:	70,000 Units	
Available for California:		580,000 Units

Basic manufacturers are producing now at full capacity to meet 1975 seasonal demands for both baler wire and twine and will continue as long as the finished product moves through the distribution channel. If the pipeline plugs between now and the use season, and inventories begin to build, my estimates of available finished goods for the coming season could change dramatically.

Prices will be maintained through December, 1974 at season end levels. Inflation continues to take its toll and could force price increase subsequent to January 1, 1975. Price in effect at time of shipment applies to all items we market. This will apply to Twine and Wire through 1975.

I would recommend that you continue to take the goods offered to you from established source, thus assuring yourself an adequate supply at fair prices.