

February 2, 2007

### **JEFFERSON CITY IS THE PLACE TO BE ON FEB. 14**

Spots are filling up for the Missouri Corn Growers Association's big day on Feb. 14. If you haven't done so already, register now for MCGA's lobby day, annual meeting and an open forum to discuss changing feed and fuel needs. The event will start and end at the Capitol Plaza Hotel in Jefferson City, with a lobby trip in the morning to the State Capitol. Growers will enjoy breakfast starting at 7:30 a.m. and a briefing on this legislative session's hot issues. At 8:30 a.m., we will make our way to the Capitol to talk one-on-one with our legislators.

After connecting with our representatives and senators, we will return to the Capitol Plaza Hotel by 11 a.m. for a complimentary lunch and MCGA's annual meeting. In addition to comments from our grower-leaders, Gov. Matt Blunt, Senate Pro Tem Michael Gibbons, and Speaker of the House Rod Jetton will be giving keynote speeches. MCGA will also take this opportunity to show our appreciation for individuals who have gone above and beyond in 2006.

Afterwards, corn growers and livestock producers will participate in a dynamic discussion focusing on MCGA's top priority for this year – the success and continued growth of animal agriculture. Given the importance of our #1 customer, the forum following our luncheon is titled "Profiting in the New Paradigm: Feed and Fuel Security in the Booming Ethanol Age." Starting at 1 p.m., a renowned panel of national experts will be looking ahead to the projected growth and opportunities in corn, ethanol and distillers grains. The day's events will conclude with a brief reception at 5 p.m. Seating is limited. Please contact Diane Lindsay today at (800) 827-4181 to RSVP. You can also send an e-mail to [mcga@mocorn.org](mailto:mcga@mocorn.org). We look forward to seeing you then!

### **NATIONAL LEADERS ECHO MISSOURI'S STRONG SUPPORT OF BIOFUELS**

Governor Matt Blunt reaffirmed his longstanding commitment to Missouri's renewable fuels industry in his State of the State address on Jan. 24. His comments and continued support were applauded by the Missouri Renewable Fuels Association (MoRFA), an organization representing the state's farmer-owned ethanol plants. "Missouri's ethanol industry plays a crucial role in local economies and this nation's energy security," said John Eggleston, MoRFA president and president of Northeast Missouri Grain Processors, LLC, an ethanol plant in Macon, Mo. "It is extremely rewarding to receive this ringing endorsement of our homegrown renewable fuel."

In his comments, Gov. Blunt called for full funding of the Missouri Qualified Fuel Ethanol Producer Incentive Fund as well as commitments left unfulfilled from previous years. There are also plans for \$35.7 million to be directed to the Missouri Life Sciences Research Fund to further study biofuels and plant sciences. On the federal level, President Bush has called for an increase in the use of renewable fuels as well. In his State of the Union address, the president outlined an aggressive goal of 35 billion gallons of renewable fuel use by 2017. The current federal Renewable Fuel Standard is set at 7.5 billion gallons of use by 2012. Industry experts now predict the nation's ethanol production will surpass this standard by 2009 – three years earlier than originally slated. The MoRFA is comprised of the state's four farmer-owned ethanol plants currently in production and the Missouri Corn Growers Association. To read more, visit the newsroom located on MCGA/MCMC's Web site: [www.mocorn.org](http://www.mocorn.org).

### **MISSOURI GROWER LEADERS TRAVEL TO CAPITOL HILL**

On Jan. 29, two MCGA/MCMC board members joined producers from a dozen states to complete the National Corn Growers Association (NCGA) Leadership Academy in Washington, D.C. Billy Thiel from Marshall, Mo., and Jim Stuever from Dexter, Mo., attended the three-day event designed to enhance leadership and communications skills on the issues directly affecting corn farmers. Capitol Hill visits with senators and congressmen highlighted the program. Before those meetings the leaders heard issue updates from NCGA staff, a presentation on the importance of grassroots advocacy, a panel discussion on understanding how Capitol Hill operates and the impact of the 2006 elections on the future of farm programs. The Leadership Academy is a two-part program sponsored by the seed brands of Syngenta — Garst, Golden Harvest and NK Brand — and Syngenta Agrisure traits.

### **WHO'S IN CHARGE HERE?**

On Jan. 25, the U.S. Environmental Protection Agency (EPA) charged four feedlots in western Iowa with violating the Clean Water Act. The kicker for three of the feedlots was that there was absolutely no physical evidence of wrongdoing. EPA's allegations were based on a model they ran in Kansas City. The Brownfield Network spoke with officials at EPA's Region 7 headquarters in Kansas City. Regional Administrator John Askew confirmed the EPA doesn't know if a discharge had actually occurred. The feedlots have less than 30 days to reach a deal with the EPA, de-populate herds or face an administrative law judge who could assess tens of thousands of dollars in fines.

The next day, Virginia-based Smithfield Foods announced it would stop using gestation crates by 2017. All 187 Smithfield-owned pig farms in eight states will be converted to group pens, the company said. Contract farmers will later be expected to follow the practice. "This is perhaps the most important moment in animal welfare in the agribusiness sector in 50 years," Humane Society of the United States President Wayne Pacelle told *The New York Times*. Smithfield had been hammered by a damning, unsubstantiated article in *Rolling Stone Magazine* which was a vicious attack not only on Smithfield, but the pork industry as a whole. There have been two states that have voted on the use of gestation stalls. Both times, agriculture lost the vote (Florida in 2002, Arizona in 2006).

It is only a matter of time when other states will be targeted. Make no mistake, there are well-funded and well-organized forces that are working hard to shut down animal agriculture – large and small – in the U.S. If there is no livestock to consume our corn or distillers grains, just imagine what the market will look like then. My question is this: *Why are we letting people who aren't in agriculture use emotion to regulate our industry? Who's calling the shots?*

## **COALITION LENDS SUPPORT TO THE MISSOURI FARM AND FOOD PRESERVATION ACT**

A coalition of 15 Missouri farm organizations has joined Governor Matt Blunt in support of state legislation to protect Missouri farmers and ranchers from nuisance suits and to preserve their opportunity to expand and modernize their farming operations. The legislation, known as the Missouri Farm and Food Preservation Act, is sponsored by Senator Chris Koster from Harrisonville and Representative Brian Munzlinger from Williamstown.

In 1982 the Missouri legislature approved a "right to farm" law, which provided protection to agricultural producers from nuisance suits if the farm or ranch was in existence for at least one year and was not operated negligently. Regardless of the "right to farm" protection and agriculture's compliance with increased state and federal laws and regulations, Missouri family farmers are exposed to outside forces threatening the economic viability and existence of their operations. "If this trend continues, the future of agriculture in our state is indeed bleak," said Charles Kruse, Missouri Farm Bureau president.

"Missouri's growing biofuels industry depends on a strong, vibrant grain and livestock base," says Gary Marshall, Missouri Corn Growers Association CEO. "Today these industries are being threatened by overly restrictive regulations. Unless we are successful in our efforts, we will witness the crumbling of our agricultural foundation, leaving our food supply exposed to the same vulnerabilities as our nation's energy supply. The idea of importing our food is unacceptable."

Members of the Coalition for Missouri Farm and Food Preservation include the Missouri Farm Bureau Federation, Missouri Corn Growers Association, Missouri Soybean Association, Missouri Cattlemen's Association, Missouri Pork Association, Missouri Dairy Association, MFA Incorporated, Missouri Agribusiness Association, Missouri Egg Council, Missouri Poultry Federation, FSC Financial, Progressive Farm Credit, Macon County Ag Alliance and Friends of Agriculture in Marion County, and the newest member, the Missouri Forest Products Association. To read this press release in its entirety, click on [www.mocorn.org](http://www.mocorn.org). We understand this is an emotional topic, but agriculture must be regulated by science. Otherwise we are on a slippery slope. To help, please call (800) 827-4181 for a comprehensive information kit or send an e-mail to [mcga@mocorn.org](mailto:mcga@mocorn.org).

## **ETHANOL BASHING BACK IN VOGUE**

Ethanol is everywhere and is creating a buzz of discussion positive and negative in regard to its future prospects. The most recent negative media comes from the *Wall Street Journal* and the *Washington Post*. For a rebuttal of these stories from National Corn Growers Association go to: <http://ncga.com/.../news/OurView/2007/013007.asp>. These kinds of sleazy assaults probably won't go away any time soon. If anything, they will likely get worse as ethanol's market share grows. The industry has captured public attention in a way here-to-fore unseen. Ethanol has gone mainstream. Rather than get your blood pressure up, just pause, take a deep breath, and plant some more acres to corn. To get the facts on Missouri's ethanol industry, call us toll free at (800) 827-4181.

## **AMERICANS WANT ALTERNATIVE FUELS**

According to a nationwide poll by the Renewable Fuels Association, 85 percent of American voters think the government should be involved in the development of alternative fuels. Also, the poll found 84 percent of voters think the government should provide incentives for the production of alternative fuels like ethanol to reduce dependence on imported oil. When you think government incentives, think what it's done for the oil industry. ExxonMobil recently reported its 2006 net income (excluding special items) reached a record \$39.1 billion – that's billion with a "B." And people are taking pot shots at the ethanol industry?

## **THE SKY IS NOT FALLING**

While we are talking about profits, an article in Sara Wyant's *Agri-Pulse* newsletter stated that despite recent comments about high corn prices hurting its profitability, Tyson Foods Inc. reported a 46 percent increase in profits on earnings of \$57 million during its fiscal first quarter, which ended Dec. 30. Increased chicken sales and reduced costs helped the company emerge from three consecutive quarterly losses. President and CEO Richard Bond said the company expects to remain profitable throughout the year, but signaled that it will likely raise prices to do so. "We remain on track to meet our earnings guidance for the year, but emphasize the dramatic rise in corn prices has become a major issue for us and for others in the food industry. Companies will be forced to pass along rising costs to their customers, meaning consumers will pay significantly more for food."

Wouldn't it be nice if growers could have increased the price of corn when it wasn't profitable? Today major media outlets are focusing on how the higher corn prices will automatically lead to higher prices at the grocery store. Let's get something straight. Retail food prices are almost totally insulated from the price of corn. When corn is \$4 a bushel, the value of corn in a box of corn flakes is less than 10 cents. Call me crazy, but I don't think that the world is going to go hungry because of a nickel increase.

## **MESSAGE TO STUDENTS: STOP PROCRASTINATING!**

Applications for the 2007 Missouri Corn Scholarships are due in less than two weeks. A total of ten \$750 scholarships will be awarded to graduating high school seniors and college juniors interested in pursuing a career in agronomy or ag-related field. Applications can be downloaded from Missouri Corn Online at [www.mocorn.org](http://www.mocorn.org). Interested students can also call the Missouri Corn office toll free at (800) 827-4181 to request an application. These scholarships are sponsored by the Missouri Corn Growers Association and Missouri Corn Merchandising Council. Be sure to tell that deserving ag student not to put this off any longer.