

kycorn

**2019 in
Review**





2019 by the numbers

Statewide Yield: 169 Bu/A

down 6 bushels from 2018

State production: 245M Bushels

15% increase from 2018

1.45M Acres Harvested in KY

19% increase from 2018

National Crop was 13.7B bushels

down 5% from 2018

National Yield: 168 Bu/A

8.4 bushel decrease from 2018

81.5M Acres Harvested, nationally

slight increase from 2018



Strategic Plan

In 2018, KyCorn updated the strategic plan for both organizations: Kentucky Corn Growers Association and Kentucky Corn Promotion Council

Our Vision: To sustainably feed and fuel a growing world.

Our Mission: Developing and enhancing a sustainable environment for Kentucky corn farmers.

Strategic Plan



The plan identifies four strategic objectives that drive every program, every decision, and every investment:

1. Improve markets and demand.
2. Strengthen consumer trust for products and practices.
3. Invest in research for economically and environmentally sustainable production.
4. Advance leadership and membership to provide a voice for Kentucky farmers.

Strategic Objective #1: Improve Markets and Demand



- Trade Promotion for Corn and DDGs



- Ethanol Production (and exports)



- Trade Promotion for meat, poultry and eggs



- Enhanced markets for KY Beef



U.S. GRAINS COUNCIL

KY Corn Promotion Council invests heavily in the US Grains Council (USGC). USGC is a farmer-driven trade promotion organization that leverages checkoff investments with Farm Bill funding in the Market Access Program (MAP) and the Foreign Market Development Program (FMD).

We provide delegates to provide direction to USGC through their votes on the priorities and programs.

USGC has staff placed throughout the world promoting US corn and ethanol– they investigate the feasibility of potential markets, work to remove barriers to entry for our products into those markets and develop relationships. The results are organized trade deals with foreign buyers. It often hosts buyers in the United States; many of these trade missions come through Kentucky!

THE U.S. GRAINS COUNCIL IS PROMOTING ETHANOL AROUND THE WORLD



Demonstrating the environmental and human health benefits of ethanol



Working with local leaders to develop biofuels policy



Addressing trade barriers and logistical constraints to imports



Showing ethanol's value as a source of octane

BRAZIL



Our focus:

Maintaining market access and collaborating to expand global ethanol usage.

Market size:

- 499 million gallons of U.S. exports in 2016/2017

CANADA



Our focus:

Supporting provincial and national policies that expand the biofuels mandate to E10.

Market size:

- 343 million gallons of U.S. exports in 2016/2017

INDIA



Our focus:

Expanding U.S. ethanol exports for industrial use and assessing the ethanol fuel use market.

Market size:

- 118 million gallons of U.S. exports in 2016/2017

CHINA



Our focus:

Informational exchange with policy makers and industry throughout the national transition to E10.

Market potential:

- Forecast of 4.7 billion gallons at completion of transition to E10, in 2020

JAPAN



Our focus:

Demonstrating the viability of corn-based ethanol as a feedstock for ETBE through collaborative policy engagement.

Market potential:

- 217 million gallons of ethanol for ETBE production

MEXICO



Our focus:

Providing technical and educational information for policy changes that allow for nationwide ethanol use.

Market potential:

- 1.2 billion gallons with implementation of nationwide E10 mandate



Guatemalan Trade Delegation

- We hosted a team of trade officials from Guatemala in the Fall of 2019. They wanted to understand our grain grading process, our production capacity and the technology that we employ to ensure quality.
- We also showed them our strong capacity to generate a healthy corn supply. We demonstrated our logistical and shipping capacity upstream from New Orleans.



U.S. GRAINS
COUNCIL

We spotlighted our farming and logistical capacity . . .



Guatemalan Trade Delegation

We built strong friendships and a trusting relationship – by stopping by some bourbon distillery tasting rooms!



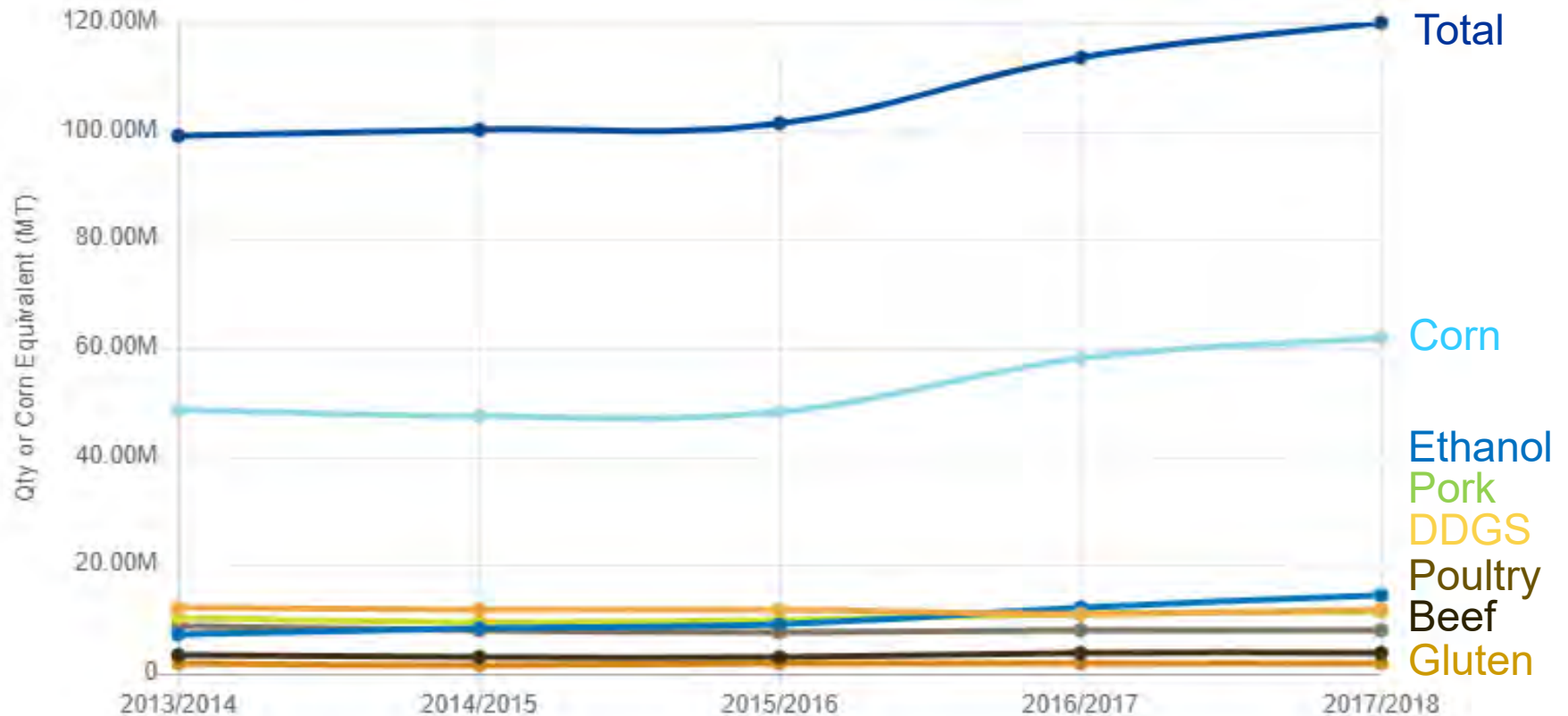
U.S. GRAINS
COUNCIL





Proof these investments in trade work!

Marketing Year Total





2018/2019 CORN HARVEST QUALITY REPORT



U.S. GRAINS
COUNCIL

- Third-largest crop
- 93.9% No. 2 or Better
- 58.4 lbs/bu test weight
- 99.5% below USDA level for aflatoxin
- 100% free from DON

Meat & Poultry Exports

Kentucky Corn Promotion Council invests corn farmer checkoff resources into the global trade efforts of Beef, Pork, Poultry and Eggs. We see it as an excellent opportunity to boost opportunity for our livestock industry partners. These efforts have proved year in, and year out to have a positive effect on corn demand.

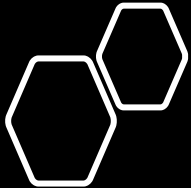
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Value of U.S. Corn Increases by Exporting Beef and Pork

- In 2018, **14.9 million tons** corn and DDGS fed vs 11.7 million tons in 2015
- Added **\$0.39** per bushel to the price of corn in that 3-year period

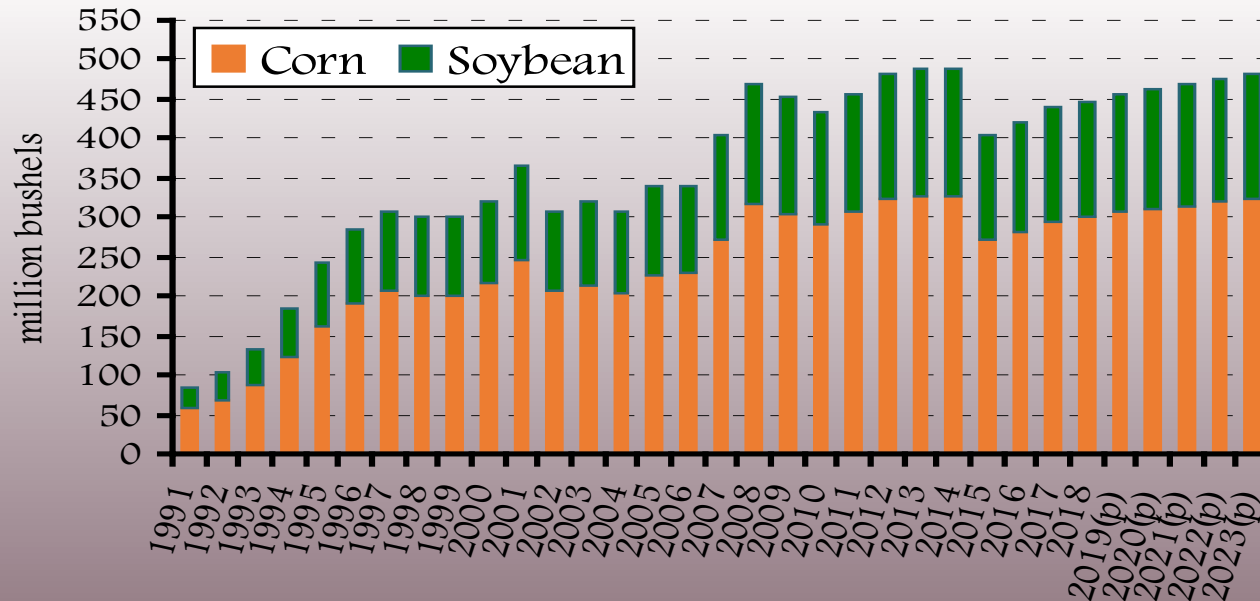




2019 USMEF Heartland Team

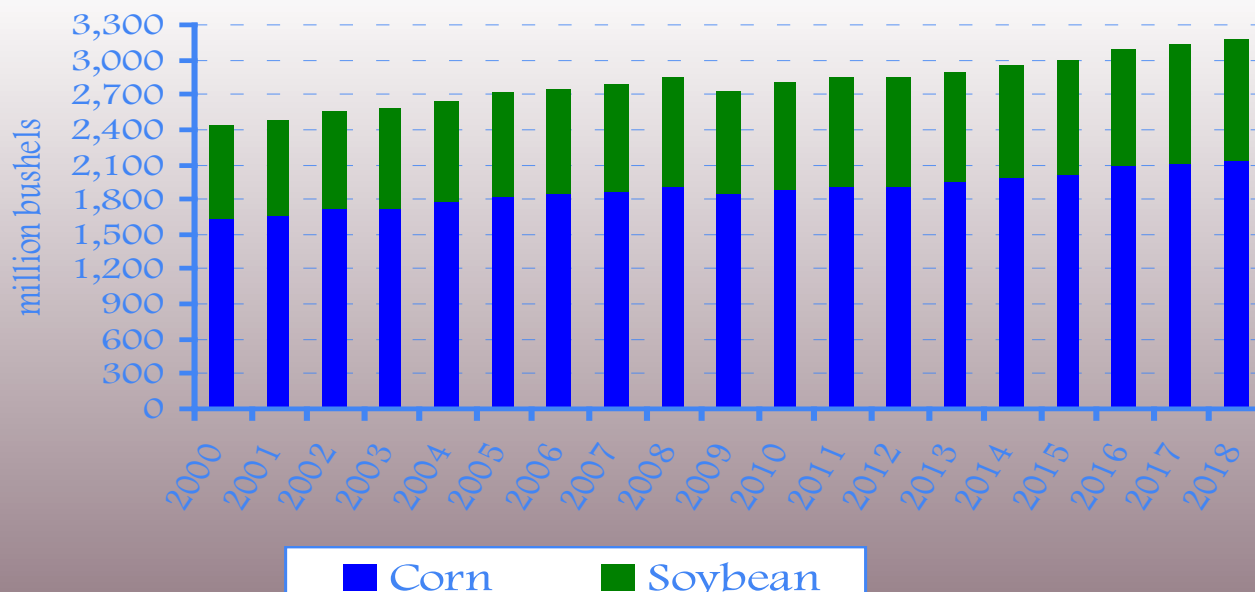
Japan eats a lot of red meat! Each year, beef and grain producers from the United States travel to Japan and partner with importers to promote our red meat offerings with retailers and chefs. It has proved to be highly successful at improving trade relationships and spotlighting the unique aspects of US Beef.

U.S. POULTRY & EGG EXPORTS IN SOYBEAN AND CORN EQUIVALENTS



About 300 million bushels of corn and 147 million bushels of soybeans were exported through U.S. poultry worth \$4.5 billion in 2018.

CORN AND SOYBEAN USED BY U.S. POULTRY AND EGG INDUSTRY



In 2018, **soybean usage reached 1.05 billion bushels** and , an equivalent of soybean production in Illinois and Indiana combined, and **corn consumed by U.S. poultry and egg industry reach 2.14 billion bushels**, an equivalent of corn production in Minnesota and South Dakota combined.

kycorn

LOCAL • NATURAL • DELICIOUS



KENTUCKY

CATTLEMEN'S

GROUND BEEF



International trade is vital to a healthy ag economy. We work hard to boost our local markets as well. For several years, KyCorn partnered with KY Cattleman's Association to purchase locally raised cattle from individual KY farms, then harvest and process them locally, and get them on retail shelves in those regions, as well. The program has grown immensely over the past few years. Check out the next couple of slides to see just how big of an impact this program has made!



BEEF
Solutions *LLC*



March 2018 – December 2019

Total Number of Cows	1347
Total Pounds Packaged	606,693 lbs.
Avg. Hot Carcass Weight Price	\$1.17/ lb.
Total Farm Gate Sales	\$1,029,996.88
Total Farms Impacted	113
Total Counties Impacted	43



Kentucky Farm Family Impact

- Beef Solutions has purchased cows from **113** individual farms
- Across **43** counties in Kentucky.
- Sales have placed **\$1,029,996.88** back on Kentucky farms.



**Strategic
Objective
#2:**

**Strengthen
Consumer
Trust**



Education Programs in schools



Consumer Education on Biotech, Ethanol, Family Farming



Consumer Awareness for Environmental Stewardship



Scholarship Programs to Reach the Next Generation of Influencers



Ethanol Myth- Busting

We do a lot of Myth-Busting for Ethanol within our consumer education programs. Many ethanol opponents want to plant seeds of doubt and misunderstanding about the benefits and perceived problems that are associated with ethanol. If you follow the money on these efforts to confuse consumers, it almost always leads back to the petroleum industry and their quest to preserve market share.



Ethanol
Myth-Busting
for Marine Engines





Ethanol Myth-Busting for Motorcycles

Ethanol Myth-Busting on Television

- Title Sponsor of the “Hauk Machines” TV Show (History Channel).
- Building a custom off-road vehicle to promote ethanol - in 12 mini-episodes.
- Episodes are dedicated to educating the viewers about ethanol.
- 3-month social media campaign (Facebook, Instagram & YouTube).
- After social media campaign is complete, up to four full episodes will then air on Amazon Prime.
- Build debuted at 2019 SEMA Show in November 2019 in Las Vegas (attendance exceeded 150,000).
- Hauk Designs arranged photoshoots for magazines (guaranteed a cover).
- Plan is for Hauk Designs to tour to at least 9 other events in the 2020.
- 2021 NFMS??



RFA

RENEWABLE FUELS ASSOCIATION





Spreading Accurate Information with a “Teaching Car”

Ensuring the next generation of auto mechanics know the role ethanol will play in liquid fuels throughout their career.

ETHANOL POWER Lower Price & Better Performance

About the Car:

- Replica of a 1965 AC Cobra, Factory 5 kit
- “Teaching Car” built by students in the Advanced Fuels Program
- 302 Engine, 10.5:1 Compression Ratio
- Dedicated E35 Fuel (85% Ethanol), 265 HP at Rear Wheels
- 1800 pounds Gross Vehicle Weight

About American Ethanol:

- 97% of all gasoline sold in the US is a 10% ethanol blend.
- Ethanol is cheaper, cleaner and better performing than gasoline.
- Generates 2.1-2.3 BTU of energy output from 1 BTU of input.
- Is the lowest cost, cleanest and safest Octane source in the world.
- Octane is the anti-knock properties of fuel. Ethanol is 114 octane.
- Automakers look to octane to make engines give more HP but are also more fuel efficient. Ethanol blends between 25 and 30 percent provide the balance of octane vs BTU for about a 5% increase in BOTH HP and fuel economy.
- The American Lung Association endorses American Ethanol use because greenhouse gas emissions of corn based ethanol are 43% lower than gasoline.
- Once the starch from corn is used for ethanol, the remaining protein, oil, and fiber from each kernel is used to feed livestock. Corn to ethanol is dual-purpose.
- Learn more at www.EthanolNews.com.

About the MyCorn and OCTC Partnership:

- MyCorn is a farmer-run organization committed to creating opportunity for corn farmers. More than 6,000 Kentucky corn farmers provide food, feed and fuel for a growing world.
- Ethanol is vital to the rural economy, but it's important to consumers as well. House hold spending on fuel has fallen 20% since the 2007 BEF.
- OCTC created the Advanced Fuels Program to prepare the next generation of mechanics for the vehicles of the future. The program educates on all fuels.
- The program won the 2014 WIX Filters/O'Reilly Auto Parts Technical School of the Year award. The car was a joint project of MyCorn and OCTC.





Exciting Future Generations about Products from Corn





**OCTC Student
Scholarships
Automotive
Technology**

KyCorn has partnered with Owensboro Community and Technical School for almost a decade. You can see another Teaching Cobra, this one is red, in the background. The student in this photo is Michaela Turner from Henderson, who received the KyCorn auto tech scholarship for 2019.

A close-up photograph of a person's hands holding a bright yellow corn cob. The background is slightly blurred, showing what appears to be a laboratory or industrial setting with various pieces of equipment. The lighting is bright, highlighting the texture of the corn and the skin of the hands.

kycorn

ETHANOL

Opportunity is still growing

Familiarizing Farmers with the Potential of their Products



Britney Cox, UK



Victoria Sisk, Centre



Abbey Dickerson, UK



Rebecca Caldbeck, UK

College Scholarships

- Two \$1,000 scholarships for High School Seniors.
- Two \$2,000 scholarships for current College/Trade School students
- Application and rules available at www.kycorn.org.



2019 Kentucky State Fair

- AgLand – Corn Maze sponsored by Ky Corn, Ky Poultry and Ky Pork
- Ky Corn Booth under the Great Commodity Cookout Tent – staffed by Gallrein Farms





Frazier History Museum

- The Frazier is the “starting gate” for the KY Bourbon Trail
- RESPONSIBLY and ACCURATELY teaches history and culture of corn farming, and explains modern practices
- Exhibit receives 70,000 visitors per year - 30,000 of those impressions are during school field trips



**Strategic
Objective #3:
Research
Investments
Enable
Production**



Benefactor Membership Program



Investment in Land



Investment in Equipment



Collaboration on Ideas and Research Priorities



Farmer Cooperators for Replicated Information



KyCorn is a major investor in UK agronomic research and field days



The UK Grain and Forage Center of Excellence in Princeton

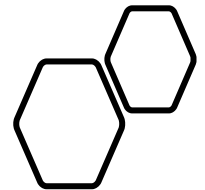
KyCorn was excited to participate in the ribbon-cutting ceremony for the UK Grain and Forage Center of Excellence. We worked tirelessly with the KY legislature to make this project possible and were one of its earliest financial partners.





Our Investment Enables Research by Providing Equipment, Land and Cooperators on investigations of:

- **Variety Trials**
- **Nutrient Management**
- **Irrigation**
- **Cover Crops**
- **Fungicides**





UNIVERSITY OF KENTUCKY COLLEGE OF AGRICULTURE, FOOD AND ENVIRONMENT
Grain and Forage Center of Excellence
 Envisioned and built through the generous donations and support of the agricultural community.

Kentucky Agricultural Development Fund

Eli Clowson, Clowson Ag Supply Inc. Mr. and Mrs. Florian M. Cook III David Reed Lane Credit Mkt. Assoc. H&R Agri Power Independence Bank Kentucky Association of County Agricultural Agents Kentucky Cattlemen's Association Kentucky Corn Growers Association Kentucky Corn Growers UK Ag Benefactor Program Kentucky Corn Promoters Council Kentucky Department of Agriculture - Ag Tag Program Kentucky Farm Bureau Federation Kentucky Farm Bureau Seedstock Kentucky Forage and Grassland Council Kentucky Small Grain Promoters Council	Kentucky Soybean Promoters Board Jeff Madala Howard Martin Sam Moore Lloyd Martico Mary Rattick W. O. Payne Jr. Patricia Perry Eugene Perry Ezekiel Powell Agave Holdings Spaww Milling Company Wright M. Wilson, Foundation, Inc. Willie Will Robert G. Woodward
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Kentucky Corn Growers Association
 UK Ag Benefactor Program

David Johnson, Jody's Ag Service Alan Johnson Dr. G. Robert Jones, W & F Farm Alan Kasper, Kasper Farm Dr. Mervyn of Lexington, Kentucky J. C. Pritchard, C. Pritchard Alan R. Rouse, Rouse Farms Ryan Rouse, Rouse Farm Bill Rouse, Rouse Farm Wanda Rouse, Rouse Farm	Chuck King, King Farm W. C. King, King Farm Jeff Lark, Jeff and Susan Lark Farm Charles Lewis, Lewis Farm J. M. Lewis, Lewis Farm Christopher Lott, Lott Farm Newell Lott, Lott Farm Mark Lott, Lott Farm Mark Lott, Lott Farm	Dr. Mervyn of Boyd County, Kentucky Dr. Mervyn of Boone County, Kentucky Dr. Mervyn of Boone County, Kentucky Dr. Mervyn of Boone County, Kentucky Dr. Mervyn of Boone County, Kentucky Dr. Mervyn of Boone County, Kentucky Dr. Mervyn of Boone County, Kentucky Dr. Mervyn of Boone County, Kentucky Dr. Mervyn of Boone County, Kentucky Dr. Mervyn of Boone County, Kentucky
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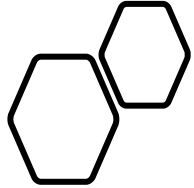
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Bill Brinson, Brinson Farm David Brinson, Brinson Farm David Brinson, Brinson Farm David Brinson, Brinson Farm David Brinson, Brinson Farm David Brinson, Brinson Farm David Brinson, Brinson Farm David Brinson, Brinson Farm David Brinson, Brinson Farm David Brinson, Brinson Farm	Bruce Baker, Baker Farm Bruce Baker, Baker Farm Bruce Baker, Baker Farm Bruce Baker, Baker Farm Bruce Baker, Baker Farm Bruce Baker, Baker Farm Bruce Baker, Baker Farm Bruce Baker, Baker Farm Bruce Baker, Baker Farm Bruce Baker, Baker Farm	Mark Allen, Allen Farm Mark Allen, Allen Farm Mark Allen, Allen Farm Mark Allen, Allen Farm Mark Allen, Allen Farm Mark Allen, Allen Farm Mark Allen, Allen Farm Mark Allen, Allen Farm Mark Allen, Allen Farm Mark Allen, Allen Farm
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UK Benefactor Membership

KyCorn created a matching funds membership program to allow farmers to invest individually.





**Over \$155,000 farmer
dollars invested**

**More than 100 farmers choosing to participate
with their money!**

CORE

Farmer Program



We were excited to begin Class 5 of the CORE Program in 2019!

- Graduated 4 classes since 2008
- More than 75 young farmers
- Active alumni program
- Full enrollment in Class 5
- Profitability via Agronomy & Farm Management
- Networking / Learning from Peers

Strategic Objective #4:

**Provide a
Voice for
KY Corn
Farmers**



Advance Pro-Ethanol
Policy



Protect from
Overburdensome
Environmental Regulations



Farm Programs
Implementation



Build Membership
Numbers and Engagement



KY farmers and staff are highly engaged in NCGA's development of policy and priorities.



Supporting Leaders who Support Us



- Joint Political Event with KSA and KySGGA
- Honored Guests: Congressman Comer and Congressman Guthrie
- Over 50 Farmers Attended
- Presented checks from CORN PAC, WHEAT PAC and SOY PAC





KyCorn leaders
are active in
Washington D.C.

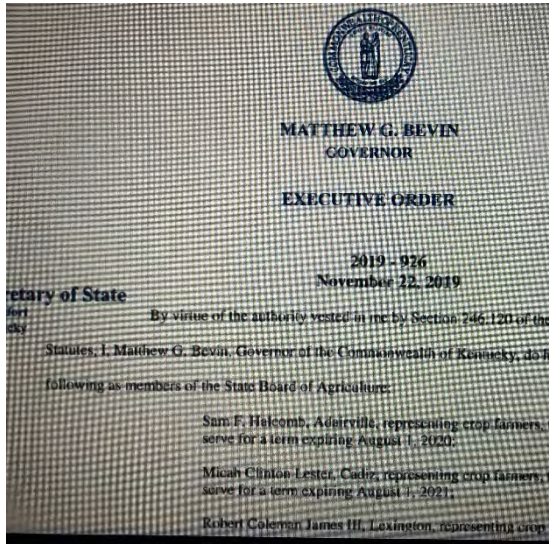


Joseph Sisk hosting and touring
USDA Undersecretary for Farm
Programs Bill Northey on his farm

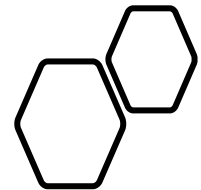


**Hosting
DC
Officials
At Home**





KY Corn Leaders and Staff are active in Frankfort





We are Active in the Regulatory Process





**Thank You for
Your Support!**

Your comments or questions are welcome:

(800) 326-0906

www.kycorn.org