

***Corn Marketing Program of Michigan
Michigan Corn Growers Association***

Michigan Corn Update



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Corn Marketing Program of Michigan President
National Corn Growers Association Board Member**





Agenda



- ❖ **MCGA and CPM Overview**
- ❖ **Corn Basics**
- ❖ **U.S. Corn Production & Uses**
- ❖ **Michigan Corn Production & Uses**
- ❖ **Ethanol in the U.S. and Michigan**
- ❖ **New Uses for Corn**





Michigan Corn Growers Association

- ❖ Grassroots-membership organization
- ❖ Established in 1972
- ❖ Only voice focused solely on the concerns of Michigan corn growers
- ❖ Lobby for pro-agricultural legislation





Corn Marketing Program of Michigan

- ❖ Check-Off Program
 - Voted in by state's growers
 - One penny per bushel of corn
- ❖ Invest in:
 - Research
 - Education
 - Market Development
 - New Uses





Why is Corn so Important?

- ❖ Corn is America's largest crop.
- ❖ Nearly 300,000 corn farmers in the U.S.
- ❖ More than 11,000 corn farmers in Michigan.
- ❖ Corn is Michigan's second largest commodity.
- ❖ Michigan's corn industry added more than one billion dollars to the state's economy in 2007.





2009 Corn Crop



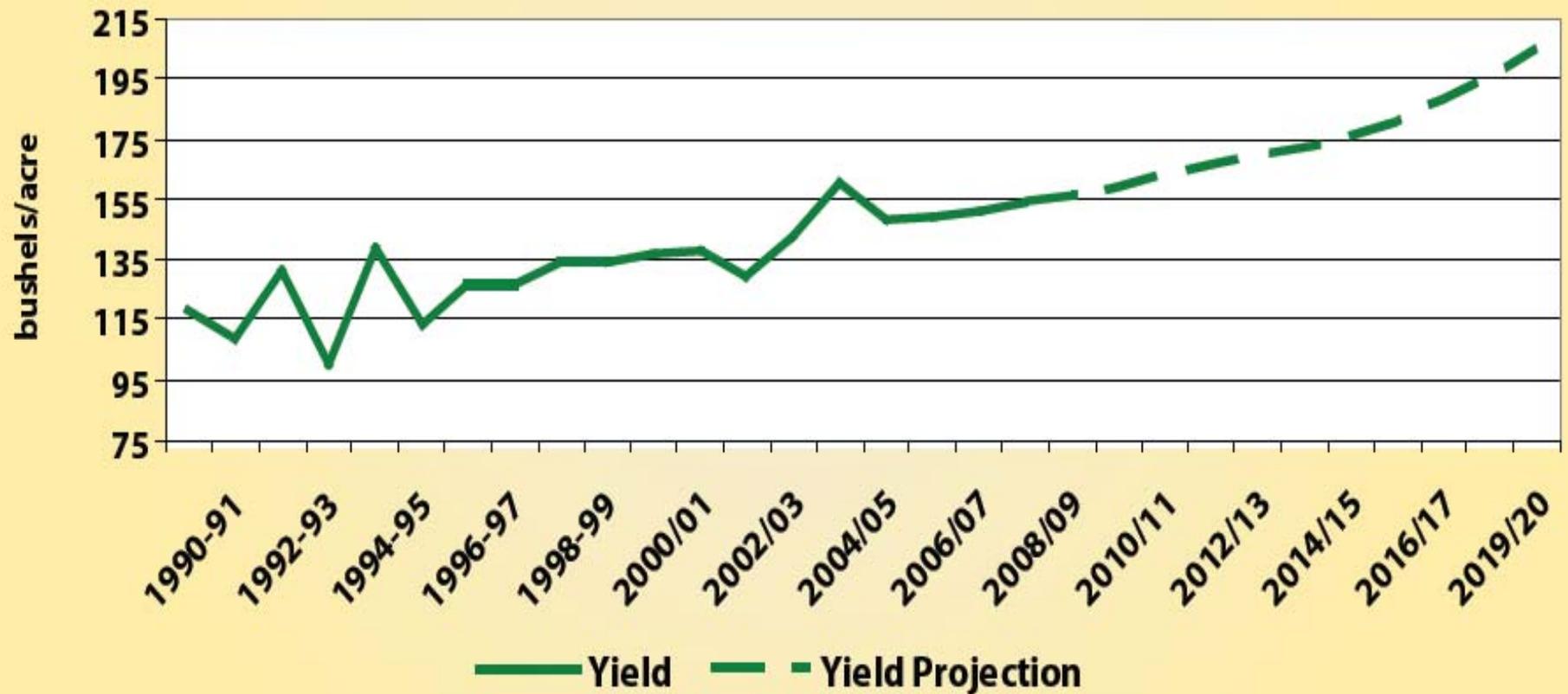
Acres Planted	86.5 million
Acres Harvested	79.6 million
Average Yield	164.9 bu/A*
Bushels Produced	13.1 billion*
Total Supply	14.8 billion*
Average Price	\$3.50 /bu
Crop Value	\$46.0 billion





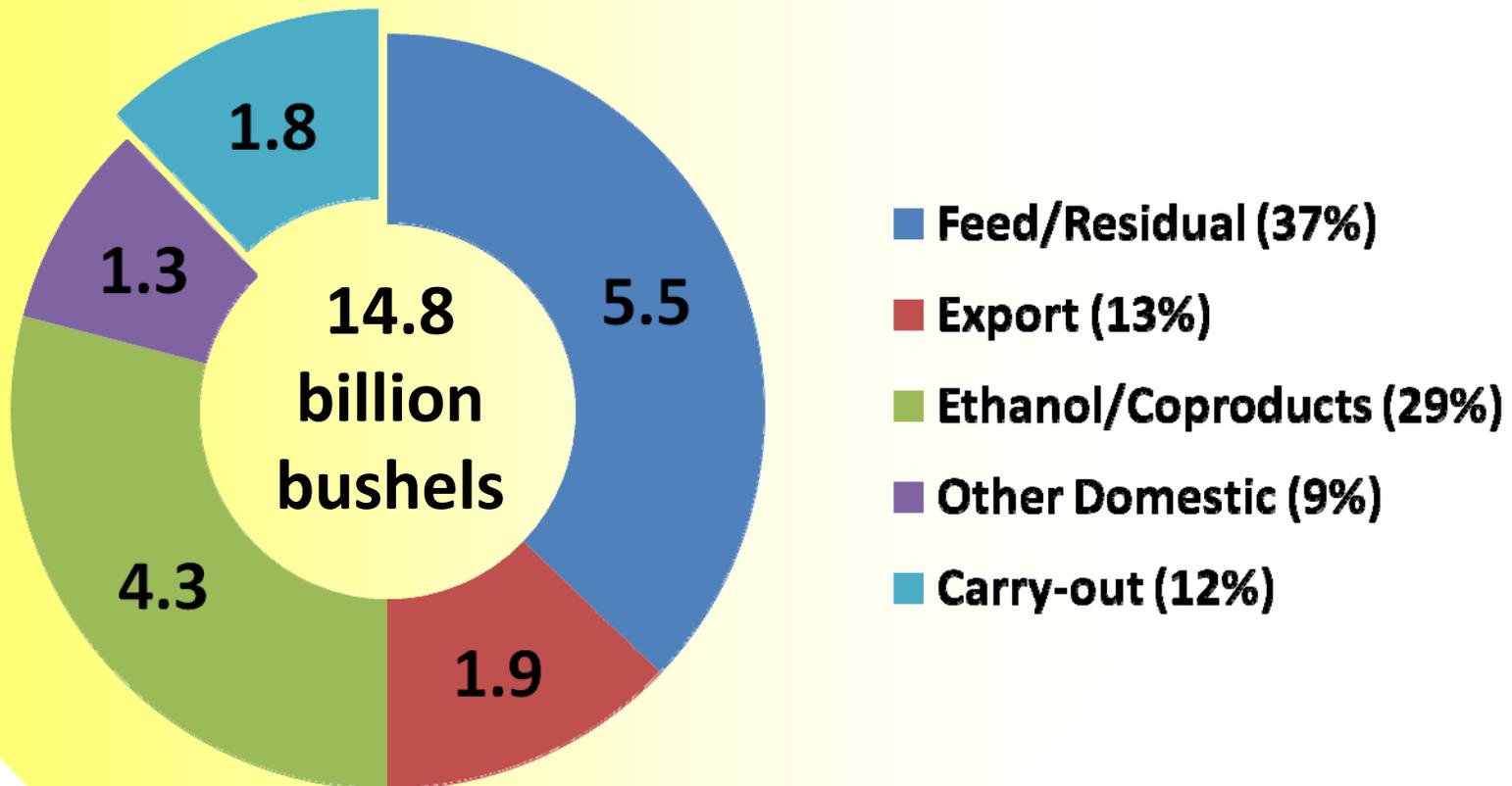
U.S. Corn Yield Projections

*Source: NCGA Estimates





Where's the Crop Going?



- Feed/Residual (37%)
- Export (13%)
- Ethanol/Coproducts (29%)
- Other Domestic (9%)
- Carry-out (12%)



Michigan Corn Crop

	2007	2008	2009
Production (million bushels)	288	295	309
Yield (bushels/acre)	123	138	148
Acres Harvested (million)	2.34	2.14	2.10
Production Ranking	3	2	1

Three continuous years of record setting production!





Michigan Corn Statistics

- ❖ In 2008 approximately:
 - 24% of MI corn fed to livestock
 - 40% of MI corn shipped out of state
 - 19% of MI corn used to make ethanol
 - 11% of MI corn carry over for next year
 - 6% of MI corn used for miscellaneous purposes
- ❖ In the past much larger quantities of corn were shipped out of Michigan





Ethanol Quick Facts

- ❖ Ethanol is 200 proof alcohol
- ❖ High-octane motor fuel
- ❖ Made from the fermentation of starch sources
- ❖ Is blended in more than 80 percent of gasoline in the U.S.
- ❖ A bushel of corn is about 56 pounds.
 - 2.8 gallons of ethanol
 - 17.5 pounds of Dried Distillers Grains (DDGs)
 - 17 pounds of CO₂





Ethanol at a Glance



- ❖ More than 200 ethanol plants in the U.S.
 - Annual capacity of 13.1 billion gallons
- ❖ 26 states with ethanol production
- ❖ A number of existing plants are expanding to add another 626 million gallons of capacity
- ❖ 11 plants under construction





Ethanol & the Economy

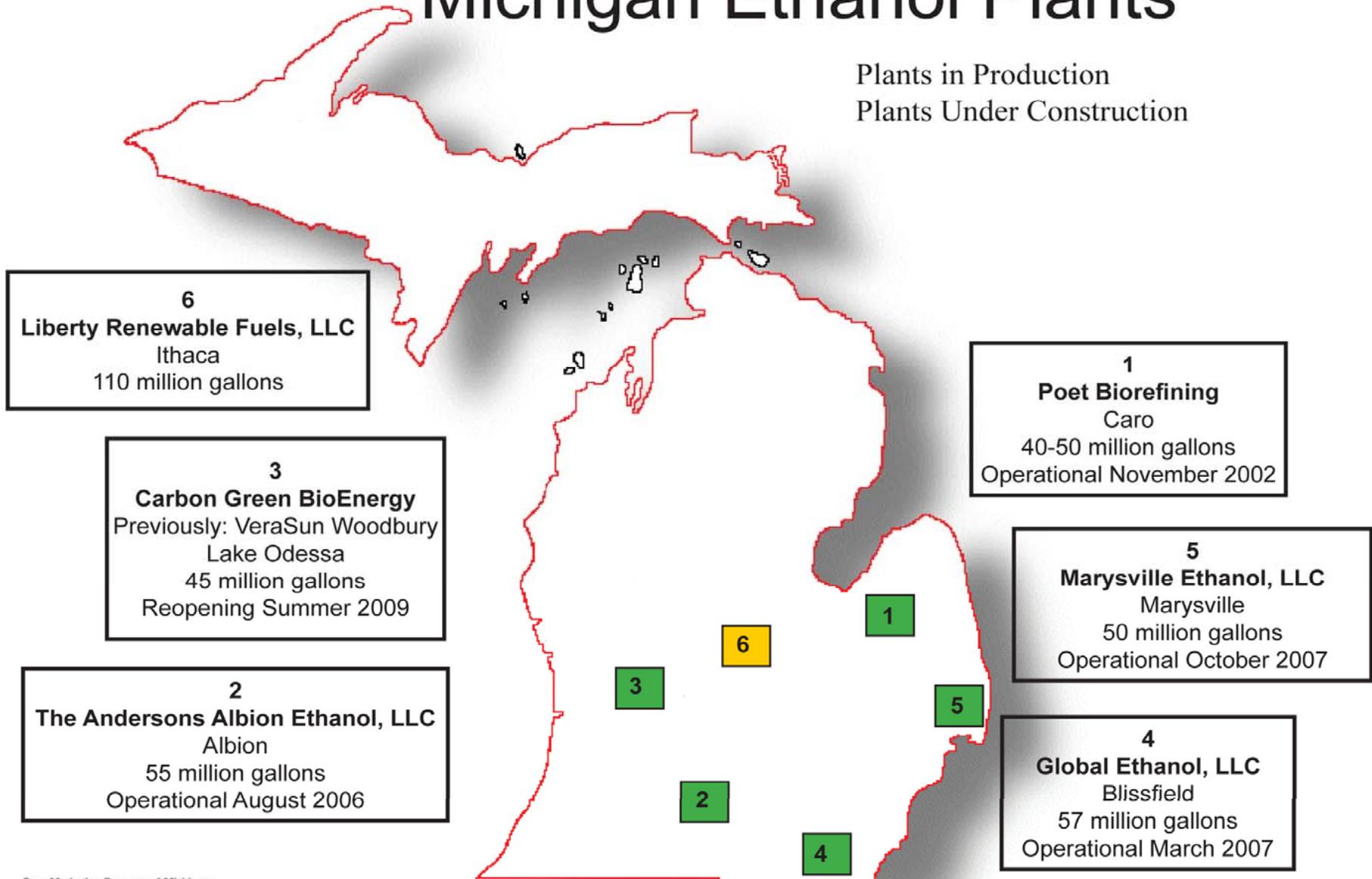


- ❖ The ethanol industry supports 400,000 jobs and contributes to every level of government.
- ❖ The 10.6 billion gallons of ethanol produced in 2009:
 - Provided \$16 billion to American consumers
 - Added \$53.3 billion to the nation's GDP
 - Reduced U.S. oil imports by 364 million barrels amounting to a value of \$21.3 billion.
- ❖ Michigan's ethanol industry adds nearly \$600 million to the state's economy each year



Michigan Ethanol Plants

Plants in Production
Plants Under Construction



Current annual production capacity:
265 million gallons/year

Corn Marketing Program of Michigan





Michigan Ethanol Consumption



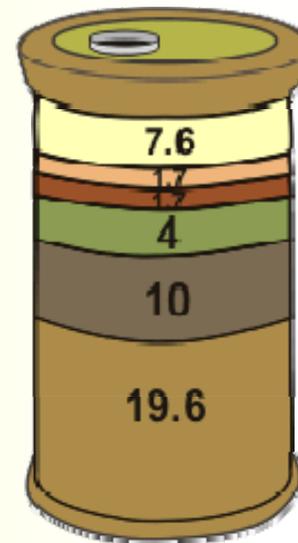
- ❖ In-state gasoline consumption: 4.87 bgy
- ❖ In-state ethanol production capacity: 265 mgy
- ❖ Current E10 market saturation estimated at 90%: 438 mgy
- ❖ **Room for growth: 173 mgy**
- ❖ Potential ethanol use of E10 at 100% saturation: 487 mgy
- ❖ **Room for growth: 222 mgy**
- ❖ Potential in-state ethanol use of E15: 731mgy
- ❖ **Room for growth: 466 mgy**





Corn's Other Uses

**Anything that can
be made from a
barrel of oil can be
made from corn!**



- Other Products
- Liquefied Petroleum Gas (LPG)
- Heavy Fuel Oil
- Jet Fuel
- Diesel Fuel & Heating Oil
- Gasoline





Benefits of Corn-Based Products

- ❖ Biodegradable or compostable
- ❖ Competitively priced
- ❖ Environmentally-friendly
- ❖ Equivalent function or better
- ❖ Helps lessen U.S. dependence on foreign oil
- ❖ Made from a 100% renewable resource





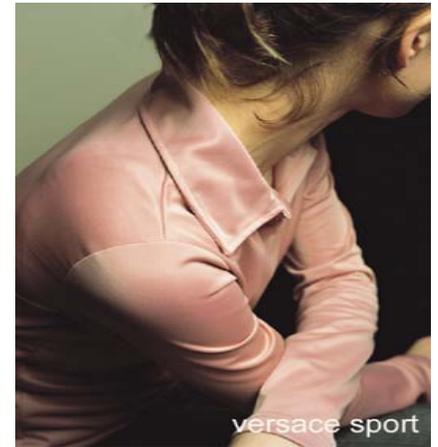
Products Made From Corn-Based Polymers

❖ Fabric

- Clothing and Bedding

❖ Plastics

- Coffee Mugs
- Golf Tees
- Flatware
- Cups
- Deli Containers
- Films
- Plates
- Bowls



Other New Uses of Corn



- ❖ Cleaners and Sanitizers
- ❖ Corn for Heat
- ❖ Carpet & Tile
- ❖ Cat Litter
- ❖ Clothing Hangers
- ❖ Cornstarch Bags





More Products Made From Corn

- ❖ AlsoSalt
 - CPMF funded research
 - Developed at MSU
- ❖ Packing Materials
- ❖ Magic Nuudles
- ❖ Pharmaceutical Chemistry
- ❖ Succinic Acid
 - Food uses
 - De-icer
 - Platform chemical





For More Info



- ❖ Contact the Michigan Corn Office
 - 1-888-323-6601
 - www.micorn.org
- ❖ Visit the CORNER store
 - www.ncga.com

