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KENTUCKY

F A R M B U R E A U N E W S



Cost-share program available in response to 2007 problems

Kentucky farmers affected by severe weather conditions last year can apply for financial assistance from an \$8.15 million initiative approved by the Kentucky Agricultural Development Board. The Kentucky Agricultural Relief Effort (K.A.R.E.) will use Agricultural Development Funds to help farmers make improvements and investments related to water availability and forage to lessen the impact of future weather problems.

"Farming is a challenging way to make a living, and some years it's more stressful than others, but because of the \$8.15 million investment in the K.A.R.E. program, we will be able to reach out to farmers whose crops were devastated," Governor Steve Beshear said during a news conference to announce the program. "Farmers need help developing alternative water sources that will head off the impacts of future droughts; assistance with renovating and reestablishing pastures and hay fields; along with equipment and facilities that will help improve forage quality."

In September the Kentucky Agricultural Development Board approved minor changes to County Model Programs, making them more "drought friendly" to producers across the state. It also created a program designed to assist in the promotion of county education programs. In February, the board voted to commit Kentucky Agricultural Development Funds to develop a drought relief program.

The guidelines for K.A.R.E. are posted on the Governor's Office of Agricultural Policy's website, <http://agpolicy.ky.gov>.

The one-time cost-share program will assist with projects such as drilling for aquifers and wells, developing and piping on-farm wells, connecting to water lines, creating irrigation systems, restoring pastures, livestock feeding equipment, transportation equipment for livestock and forages, approved seed, fencing and crop insurance premiums. Project expenses from December 1, 2007, on are eligible.

Counties are required to make a min-

imum 50 percent match of a project's costs; \$5,000 is the maximum amount of state funds that can be provided.

Beshear, who with wife, Jane, operates a small farm in Clark County, noted that 2007 was "a stressful year for farmers."

Agriculture Commissioner Richie Farmer, GOAP Executive Director Roger Thomas and about a dozen state legislators joined the governor at the news conference. Thomas said County Agricultural Councils would play a significant role in administering the program and likely would have to develop scoring systems to determine farms' eligibility. Money is earmarked for all 120 counties.

"We believe there is a significant need across the state for this program," said Thomas, who as chairman of the House Agriculture Committee was the primary sponsor of legislation that established the ag development fund. A dairy farmer, Thomas said he hoped the program would meet "a great need" for pasture improvements.

House Appropriations and Revenue Committee Chairman Harry Moberly, D-Richmond, was among those who addressed the media, calling the program "a thoughtful long-term solution" to the economic setback.

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“COMMENT”

With the handful of food scares over the past several years, it seems that everyone and their brother is coming out of the woodwork to offer proposals to change the U.S. food safety system. As they say in Texas, there's more rhetoric and notions going around than you can shake a stick at. In truth, we need to cut through all these weeds and take a thoughtful look at our food safety system; where we are and where we need to be.

Is our current food inspection system perfect? No, not by any stretch. Is there room for improvement? Yes, there always is. Yet, in saying that, truth be told, Americans should feel confident that they continue to have one of the safest food supplies in the world.

There are currently 26 bills in Congress attempting to address food safety concerns, with proposals such as mandatory recall, user fees for inspections and forming a single food safety agency. While it's likely these bills will get rolled into larger pieces of legislation, the existing multitude of proposals demonstrates an increasing skepticism in public sentiment.

Problems with foodborne illness that have occurred within the past several years have been from both domestic and foreign products.

The Food and Drug Administration, which is responsible for regulating 80 percent of our food supply (the Agriculture Department is responsible for 20 percent with jurisdiction over meat, poultry and processed eggs), relies on a single entry point inspection as food products cross our borders. Unfortunately because of lack of funding and resources, two percent of all imports are actually inspected.

Because of this, the FDA has devised a food protection plan that shifts from relying on a single point of inspection to a more comprehensive plan that monitors foreign products throughout the entire production chain. The Farm Bureau-supported concept encompasses both unintentional (food-borne illness) and intentional (bioterrorism) food threats.

USDA already has in place fairly substantial regulations on overseas protections, including rules that each country whose food we import must have a safety system in place that is deemed equivalent to ours.

Domestically, we have seen an increase in food contamination threats that parallels America's drive toward modern convenience. For example, prior to pre-cut and bagged lettuce and other leafy greens, consumers cut and prepared their own produce. If there were harmful bacteria on a head of lettuce, illness was usually isolated to a single family. Now, with processing and packaging, pieces of that contaminated chopped head of lettuce could get thrown into 50 different bags and shipped to anywhere from Seattle to St. Petersburg, thus broadening the level of risk from a single household to nationwide.

Farm Bureau believes increased funding is necessary for both FDA and USDA to carry out their respective food safety missions. We also think a system needs to be in place that ensures food imports meet U.S. standards. Further, the inclusion of generally accepted agriculture practices for at-risk products within the FDA plan needs to be based on sound science.

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Kentucky Farm Bureau is a voluntary organization of farm families and their allies dedicated to serving as the voice of agriculture by identifying problems, developing solutions and taking actions which will improve net farm income, achieve better economic opportunities and enhance the quality of life for all.

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ON THE COVER:

A SPRINGTIME SCENE AT A HOME OFF U.S. 62 IN WOODFORD COUNTY, BETWEEN VERSAILLES AND MIDWAY.
PHOTO BY ROGER NESBITT

NEW PROGRAM PROMOTES RENEWABLE ENERGY

Governor Steve Beshear announced the launch of Kentucky New Energy Ventures, a state program that administers \$5 million in public funds for investment in promising renewable and alternative energy companies. The program is a result of legislation (House Bill 1) adopted during the 2007 extraordinary session. KFB supported the measure.

"With oil prices over \$100 a barrel, we are reminded of the need to pursue new technologies that promise energy independence for our nation," said Governor Beshear. "The Kentucky New Energy Ventures program and other energy initiatives across the state demonstrate that Kentucky can and will play a leading role in the areas of energy innovation, efficiency and environmental stewardship."

The program is designed to: (1) Grow Kentucky-based alternative fuel and renewable energy companies to promote statewide, innovation-driven economic growth; (2) Stimulate private

investment in Kentucky-based alternative fuel and renewable energy enterprises; (3) Expand the alternative fuel and renewable energy knowledge base, talent force and industry in Kentucky; (4) Develop an alternative fuel and renewable energy resource network to build the technical and business capacity of entrepreneurs through informal and formal strategic support; and (5) Build statewide awareness of the economic development opportunities offered by Kentucky's alternative fuel and renewable energy industry.

"The successful execution of this venture fund targeted exclusively to new and renewable energy companies is another bold step in Kentucky's quest to build a competitive and sustainable entrepreneurial economy, which the governor has been moving forward since he first took office in December," said Kris Kimel, President of The Kentucky Science and Technology Corporation.

The program's investments will target high-growth potential, early-stage

Kentucky-based companies developing and commercializing alternative fuel and/or renewable energy technologies. Funds will be provided in the form of relatively small "seed" grants and – primarily – through equity investments of varying amounts. Applications for grants and investments from the program will be accepted from Kentucky-based companies having eligible technologies through April 10.

"This program is designed for companies that have unique and competitive products and technologies that have or will have intellectual property protection," said Economic Development Cabinet Secretary John Hindman. "Companies applying for these grants and investments must demonstrate that their technologies are commercially viable and that they can lead a successful business venture."

Managed by the Kentucky Cabinet for Economic Development, through the Department of Commercialization and Innovation (DCI), the program will be administered by the Kentucky Science and Technology Corporation, an independent non-profit company. An application and guidelines are available at <http://www.startupkentucky.com>.

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LEGISLATIVE REPORT

At press time, KFB's priority issues had not been resolved in the legislative session. Prospects were good for several key budget issues, including the ag development fund and renovating the livestock disease diagnostic lab in Lexington. Other projects were under deliberation in the House-Senate conference committee.

A complete wrapup of the 2008 session will be featured in the May issue of KFB News.



KFB DIRECTOR ALEX BARNETT (RIGHT) REVIEWS POLICY POSITIONS WITH HOUSE AGRICULTURE COMMITTEE CHAIRMAN TOM MCKEE. BOTH ARE FROM HARRISON COUNTY.

YOUTH GIVE “DRIVE-IN” A NEW LOOK

The presence of dozens of FFA leaders was a new twist for a KFB staple – the annual legislative drive-in. Beyond observing KFB’s work at the legislative session, the young men and women had an expressed purpose to drum up support for renovating the FFA Leadership Training Center in Breckinridge County.

That project is among those KFB is advocating this session, but the \$2 million was not contained in the executive budget. The House, however, passed a budget plan on March 12 including bond funds for the project.

The FFA group began the day by meeting with Susie Tanner, KFB’s Director of Youth Development; and Public Affairs Director Laura Knoth. Ms. Tanner spoke to the group about KFB’s youth-oriented programs and activities while Ms. Knoth gave an overview of the legislative session and some key farm issues for the session. They also watched a video about the needs of the Leadership Center. (KFB’s Bob Shrader and Matt Hilton did the video.)

The young people then joined the morning briefing session for all attend-

ees, followed by a visit to the Capitol Annex to speak with lawmakers.

The annex was buzzing with activity as the KFB and FFA members scurried to make appointed meetings or simply to locate their respective lawmakers.



DOZENS OF FFA MEMBERS WERE ON HAND TO PRESS THE CASE FOR RENOVATING THEIR LEADERSHIP CENTER.

Senator David Boswell, who met with a group from Daviess County, was among the lawmakers welcoming the interaction with farmers.

“It’s always interesting and enjoyable

to hear from farm families,” said Boswell, a former Commissioner of Agriculture. “There’s always a lot going on in agriculture. I know my Farm Bureau members will be up to speed on the issues.”

Budget issues dominated the discussions between KFB leaders and their lawmakers. While meeting with a group from Daviess County FB, Representative Tommy Thompson of Owensboro drew laughter when he quipped: “Farm Bureau is more liquid than we (state government) are; maybe we can borrow some money.”

Senator Damon Thayer of Georgetown was among those confirming interest in KFB’s policy positions. To begin his meeting with Farm Bureau visitors, Senator Thayer mentioned several priority issues, then remarked: “I’m on board with you.”

CONGRESSIONAL TOUR



AFBF PRESIDENT BOB STALLMAN, FLANKED BY SENATOR MITCH McCONNELL AND KFB PRESIDENT MARSHALL COYLE, SPOKE AT THE BREAKFAST.

More than 200 KFB members participated in this year's Congressional Tour. The farm bill, labor, tax policies and trade topped the issues under discussion with the state's Congressional delegation, federal officials and AFBF staff.

As always, the three-day event included tours of popular sites like Mount Vernon, Arlington Cemetery and the U.S. Capitol Building.

Senators Mitch McConnell and Jim Bunning and Representatives Hal Rogers, John Yarmuth and Geoff Davis attended the signature breakfast with the KFB contingent. AFBF President Bob Stallman also was present. Following the breakfast members met with their respective congressman, either at the hotel or on capitol hill.

That afternoon the group assembled for a photo on the capitol steps, followed by the traditional meeting with Senators McConnell and Bunning at a Senate office building.

"As always, it was a very informative event," said KFB President Marshall Coyle. "Our county leaders were afforded the opportunity to get updates on where our key issues stand from people close to the situation. And of course it's always helpful to visit with our delegation. Not only to voice our concerns but to hear their points of view."





ABOVE: KFB PRESIDENT MARSHALL COYLE INTRODUCED SENATORS JIM BUNNING AND MITCH McCONNELL DURING THE TRADITIONAL GATHERING WITH TOUR PARTICIPANTS.

LEFT: HAL ROGERS, THE DEAN OF KENTUCKY'S CONGRESSIONAL DELEGATION, TOOK HIS TURN AT THE MICROPHONE DURING THE TRADITIONAL BREAKFAST. ROGERS ALWAYS DEVOTES MUCH OF HIS TIME THAT MORNING TO HIS CONSTITUENTS.

A GROUP OF KFB LEADERS DISCUSSED THE FARM LABOR SITUATION WITH LEON SEQUEIRA, ASSISTANT SECRETARY FOR POLICY AT THE U.S. DEPARTMENT OF LABOR. CLOCKWISE FROM LEFT ARE EXECUTIVE COMMITTEE MEMBERS MARSHALL COYLE, DAVID S. BECK, MARK HANEY AND JOHN HENDRICKS, FOLLOWED BY SEQUEIRA, KFB FARM LABOR ADVISORY COMMITTEE CHAIRMAN PAUL HORNBACK AND PUBLIC AFFAIRS DIRECTOR LAURA KNOTH. ALSO PRESENT WAS NATIONAL AFFAIRS DIRECTOR L. JOE CAIN, WHO TOOK THIS PHOTO.





FARM PRODUCTION NEWS

NOT A GOOD DAY FOR HAY

BY LAURA SKILLMAN
UK COLLEGE OF AGRICULTURE

A spring freeze followed by drought made producing an abundance of hay in 2007 difficult, and because of drought conditions in other parts of the United States in 2006, much of Kentucky's excess hay that year was sold to other locations. This set the stage for low supplies.

"Certainly, when all is said and done we will see the lowest carryover we've seen in many, many years," said Tom Keene, hay marketing specialist with the University of Kentucky

College of Agriculture. "It's going to put a lot of pressure on the 2008 crop."

In some instances, high prices for wheat, corn and soybeans could also play a role in the 2008 hay crop as farmers consider hayfields for these crops instead. Keene said he was aware of one hay producer who said he will have to have the same prices for his hay in 2008 as he received in 2007, or he'll switch his fields. This may not be a big factor, but for livestock owners that have used that hay supplier in the past it could mean finding other sources.

What Keene expects to see in Kentucky is farmers working furiously to bale as much hay as possible to meet their needs as either livestock producers or hay sellers. For livestock producers, he said, they need to figure out how many cattle they will be feeding and how much hay they will need to feed their herd from November until April 2009 and shoot for that target.

It is recommended that farmers

keep some extra hay as a cushion, in case they need more than anticipated or they face another year of short supplies. Once they meet that, then they can market the remainder.

"It's going to be interesting," Keene said. "Producers learned some tough lessons this year. Many will be better cattle managers and forage managers in 2008 than they were in 2007."

Hay prices will likely remain higher than they were prior to 2007. Strong demand for other commodities limits the likelihood of additional acres being seeded in forages. Couple that with higher costs for fertilizer and fuel along with seed shortages, and farmers will need to get more for their product to be profitable.

"Hay producers need to know what they have in it in terms of expenses," he said.

Keene cautions farmers about cutting hay on fields that they've not used in the past, especially if they are extremely weedy. These fields may produce low quality hay. He encourages farmers who may go this route to have their hay tested for quality, as should all producers. Knowing the quality of the hay allows a producer to know what nutrient levels will be available for his livestock or allows the hay seller to price his supply accordingly.

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PHIL, PAT AND JOE THOMPSON OF DAVIESS COUNTY WON THE 2007 NATIONAL CORN GROWERS ASSOCIATION YIELD CONTEST IN THE NO-TILL/STRIP TILL, NON-IRRIGATED CATEGORY WITH A YIELD OF 297 BUSHELS. HERE THEY RECEIVE THE CASH AWARD FROM KERRY GROSSWEILER, A "PONCHO" PRODUCT MANAGER FOR BAYER CROPSCIENCE.



SURVEY: FARMERS EMBRACING “BEST MANAGEMENT PRACTICES”

Farmers are adopting best management practices in record numbers, according to a survey by the Conservation Technology Information Center (CTIC) and The Fertilizer Institute (TFI). The survey reached slightly less than 2,000 farmers nationwide to gain a better understanding of environmental management measures on U.S. farms and barriers to adoption. The respondents represent 2.5 million acres of farmed cropland.

“The results of this survey have provided us with knowledge of producer practices that will help us best identify how we can continue to increase adoption rates of best management practices and conservation practices,” said TFI President Ford B. West. “It is satisfying to know that 60 percent of those surveyed have fully-adopted nutrient management plans and indicators are positive that farmers are using the right nutrient product at the right time, right place and right rate.”

Survey respondents had an average of 29 years of farming experience and were typically 52-year-old males. Seventy-five percent of those answering the survey have a corn-soybean rotation or a corn-soybean-wheat rotation. Seventy-nine percent had at least some college education.

“These survey results show that many farmers are actively engaged in conservation – in fact, conservation tillage was the most adopted practice among row crop producers,” said CTIC Executive Director Karen A. Scanlon. “We also have a clear picture about why some producers are not choosing conservation practices. That’s important because now we can better address their concerns and work to overcome those barriers.”

The top messages taken from the survey were:

- **Having a conservation plan is a key predictor of additional conservation behavior. More than half of row crop producers who responded to the survey have fully adopted:**

- Conservation Tillage
- Nutrient Management
- Grassed Waterways
- Integrated Pest, Disease and Weed Management

- **Farmers indicated that financial assistance is mostly preferred over education and technical assistance, as related to best management practice adoption. In six of the 12 categories, including conservation buffers, GPS yield monitor, irrigation water management, precision agriculture, terraces, and water and sediment control basins, financial assistance was most-preferred.**

- **The top four respected information sources cited are Cooperative Extension, certified crop advisers, agribusiness, and Natural Resources Conservation Service. Family members and local farming leaders rated amongst the lowest as preferred information sources.**

- **A positive correlation exists between large scale farms and adoption of conservation tillage and no-till. The survey also showed that large**

landowners are more conservation-oriented than small landowners.

- **About half of farmer-respondents soil test according to state recommendations. Economic concerns and time were primary obstacles to not testing. Twenty-four percent of corn growers, 23 percent of soybean growers and 23 percent of wheat growers cited test costs as a reason they don’t soil test.**

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NATIONAL AG DAY

A SALUTE TO FARMERS

KFB joined with other farm groups last month to promote agricultural education as part of the annual recognition of National Agriculture Day. The following article from the Agriculture Council of America contains many of the key "talking points" about the industry's importance and achievements:

From a team of horses in the early 1900s to tractors with the power of 40 to 300 horses today, American farmers provide consumers with more and better quality food than ever before. In fact, one farmer now supplies food for about 144 people in the United States and abroad, compared with just 25.8 people in 1960.

The efficiency of American farmers also pays off in the price consumers pay for food. U.S. consumers spend roughly nine percent of their income on food compared with 11 percent in the United Kingdom, 17 percent in Japan,

27 percent in South Africa and 53 percent in India. This great value is due in large part to improved equipment efficiency, enhanced crop and livestock genetics through biotechnology and conventional breeding, plus advances in information management.

Today's farmers work nearly three-and-one-half times more land than their predecessors from 1900. Their needs are different, the crops are different and the rules governing their production are more stringent.

Biotechnology is another factor in the efficiency of American farmers. Biotechnology provides benefits similar to traditional plant and livestock breeding, but does so in a more controlled environment and with faster results.

Advancements made in plant biotechnology provide consumers with better quality products in many areas. And those benefits are just beginning. There are many products in the biotechnology

research pipeline that will provide better livestock feed resulting in leaner meat for consumers. Many of these same products will lessen the environmental impact of livestock production by reducing waste and/or the chemicals found in animal waste.

Pharmaceutical companies are working with farmers to develop crops that can go directly from the field to pharmaceutical production - eliminating some of the processing steps that occur in today's operations. This research will significantly reduce the costs required to produce many life-saving drugs.

Research and technology advancements have also resulted in new uses for commodity crops like corn, soybeans and various grains. Use of products like ethanol and soy-diesel will reduce American independence on fossil fuels and improve air quality throughout the United States and the world. Ethanol is the largest industrial use of these commodity crops, but soy-diesel and other uses are emerging every year.

American agriculture can also be celebrated for its efforts in environmental conservation. Farmers provide food and habitat for approximately 75 percent of the nation's wildlife. The current farm bill has provisions for farmers to create environmental habitats that will ensure protection of the land and water resources of this country.

With today's technology, farmers are better able to match seed characteristics and production practices to soil type and climate conditions. The result is higher yields with lower input costs from more efficient use of chemicals, fertilizers and tillage. Ultimately, that results in more food at a lower cost for consumers.

Today's farmers understand the importance of improving the quality and quantity of food available to the world. According to the U.S. Census Bureau, it is estimated that there will be 7.5 billion people in the world by the year 2020 (we're currently at 6.2 billion). It's agriculture's job to find a way to feed those people.

Advancements in crop technology, equipment technology and information management will make that possible.



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A sunny outlook

{ Young farmers optimistic about future }

The availability of land and farm facilities and overall profitability remain the top challenges of America's young farmers and ranchers. However, they also believe they are better off today than five years ago, and they are more optimistic about the future of farming.

These are just a few of the key findings of an informal survey of young U.S. farmers and ranchers, ages 18-35, conducted by AFBF. Overall, the 16th annual survey of participants in AFBF's Young Farmer & Rancher Program, conducted during the 2008 YF&R conference held in Baltimore, Md., recently, shows the future of U.S. agriculture is in caring and competent hands.

"Despite facing some significant challenges, young farmers and ranchers are enthusiastic about the future of agriculture," AFBF YF&R Chair Townsend Kyser said.

Following land and facility availability (36 percent) and overall profitability (20 percent) as the two top concerns, young farmers and ranchers cite increasing urbanization and loss of farmland (14 percent), government regu-

lations (11 percent), and the availability and costs of health care (10 percent) as the next most-pressing challenges. Land and facility availability and overall profitability have ranked high in most previous surveys.

Once again, the vast majority (83 percent) said they are more optimistic about farming than five years earlier. In 2007, 79 percent of those surveyed said they were more optimistic, and the percentage of respondents feeling more optimistic has hovered around 80 percent since 2004. In 2003, 61 percent said they were more optimistic.

When young farmers and ranchers were asked if they feel better off now than five years ago, 90 percent indicated they are better off now. Back in 2000, 70 percent said they were better off than five years previously, the lowest percentage since the survey's inception in 1993.

In addition, 92 percent of today's young farmers and ranchers see themselves remaining in farming for the rest of their lives, and 95 percent would like to see their children follow in their footsteps. Eighty-four percent believe their children will be able to follow them if they choose to do so.

Most (43 percent) of the individuals surveyed said they got started as a result of a family partnership, but 30 percent said they started in agriculture on their own, without benefit of family ties.

When asked what steps the federal government could take to help them continue farming and ranching, the measure cited most often was greater financial help for beginning farmers (22 percent), followed by maintaining a viable farm income safety net and strengthening private property rights (17 percent each), boosting U.S. agricultural exports and trade (15 percent) and reforming or cutting federal taxes (13 percent).

Two-thirds of survey participants said they believe farm income should come totally from domestic and international markets, while 33 percent said farm income should be supplemented by federal farm program payments. Last year, 63 percent said farm income should come totally from the marketplace, and 79 percent said so in 2006.

For the first time, respondents were asked if state and local issues, such as property taxes, concern them more than federal issues, and 75 percent responded in the affirmative.



KFB YOUTH DEVELOPMENT DIRECTOR SUSIE SHOUSE (CENTER) PRESENTED BRIEFCASES TO THE OFFICERS OF THE KENTUCKY ASSOCIATION FOR FAMILY, CAREER AND COMMUNITY LEADERS DURING THE GROUP'S 63RD ANNUAL CONVENTION LAST MONTH. THE OFFICERS ARE (BACK ROW FROM LEFT) MARY HOLLAMON, PRESIDENT, OF CRITTENDEN COUNTY; ASHLEY PYLE, VP OF FINANCE, OF MERCER COUNTY; TIFFANY DAVIS, VP OF STAR EVENTS, OF BARREN COUNTY; CAITLYN HERRINGTON, VP OF PUBLIC RELATIONS, OF MURRAY; KENTON MURPHY, VP OF PEER EDUCATION, OF MASON COUNTY; HEATHER HELTON, VP OF PARLIAMENTARY LAW, OF SPENCER COUNTY; DANIEL ZEVOOTEK, VP OF MEMBERSHIP, OF WASHINGTON COUNTY; AND BRITTANY STAUB, VP OF INDIVIDUAL PROGRAMS, OF PENDLETON COUNTY. FRONT ROW, FROM LEFT, ARE ALLI GRANT, FIRST VICE PRESIDENT, OF MERCER COUNTY; AND HUNTER RAIKES, VP OF COMMUNITY SERVICE, OF MARION COUNTY.

NITROGEN & POTASH IMPORTS VITAL

U.S. nitrogen and potash supplies largely depend on imports. About 62 percent of nitrogen and 88 percent of potash consumed in the U.S. in 2006 was imported, according to a USDA fertilizer report. Because of limited domestic production capacity, increased fertilizer demand will have to be met largely by imports.

In 2007, U.S. nitrogen net imports increased 27 percent, to 10.2 million tons, 2.2 million tons above 2006 net imports. From July to December of 2007, net imports of nitrogen increased 34 percent to 4.8 million tons, which is 1.2 million tons above net imports for the same time period in 2006. Nitrogen imports in these six months are expected to be used on 2008 crops.

U.S. potash net imports increased 22 percent, to 7.1 million tons, 1.3 million tons above 2006. From July to December of 2007, net imports increased 15 percent to 3.2 million tons.

BROILER PRICES/PRODUCTION RISING

Broiler meat production for January 2008 was reported by USDA at 3.22 billion pounds, up 6.4 percent from the previous year. Compared to January 2007, the total number of birds slaughtered was 784 million, up 4.5 percent, and the average liveweight was up 1.2 percent, to 5.56 pounds per bird. In March, USDA raised its estimate for first-quarter 2008 broiler production by 125 million pounds to 9.08 billion, 5.2 percent higher than in the same period in 2007. The total estimate for 2008 is 37.1 billion pounds, up 2.8 percent from last year.

Most of the growth in broiler production has come from more large birds. Since December 1, the average weekly increase in the number of birds in the 6.26 to 7.75 pound weight category has been 23 percent, compared with the same weeks a year ago.

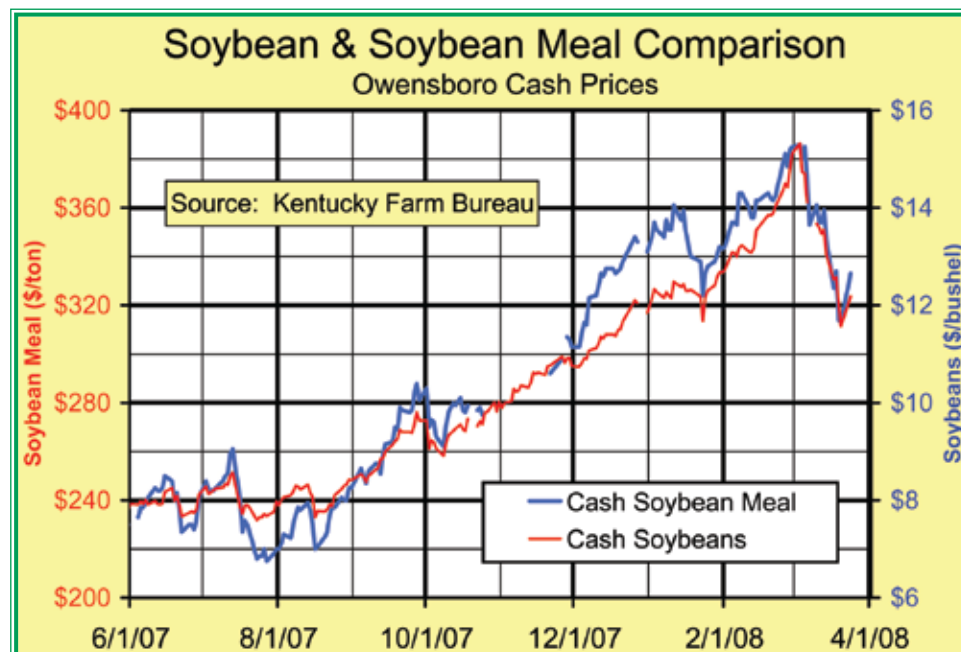
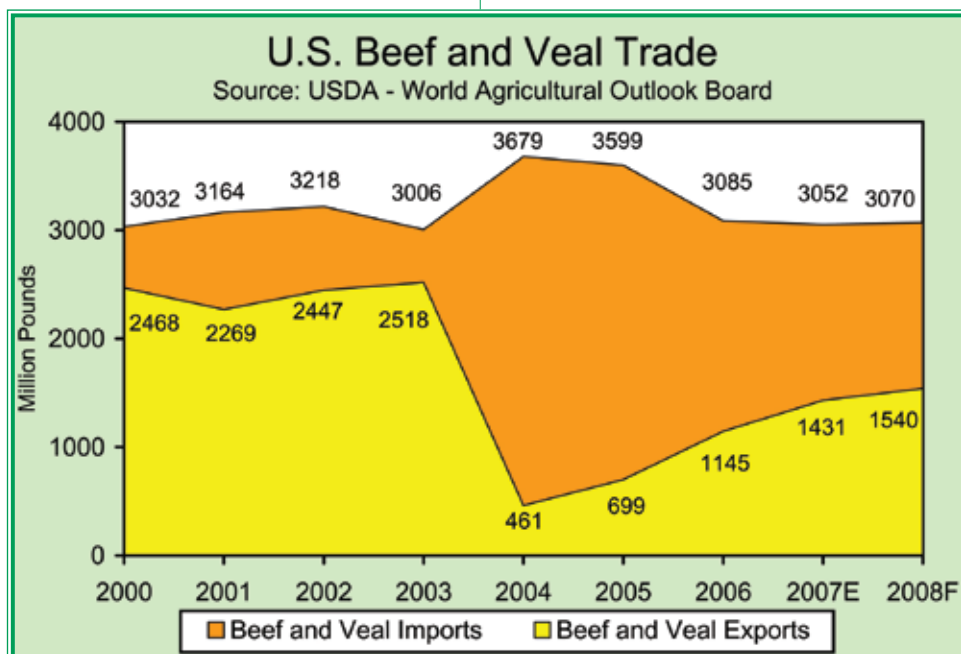
Over the first 2 months of 2008, the 12-city whole broiler price averaged 77 cents per pound, up 6 percent from the same period in 2007. Prices for most breast meat products are about even with the previous year or have fallen.

KENTUCKY CROPS TOP \$1.8 BILLION

Crops produced by Kentucky farmers during 2007 were valued at \$1.8 billion in preliminary estimates by the Kentucky office of USDA-NASS. This is down slightly from the 2006 crop valued at \$1.81 billion. Crop yields for 2007 were hurt by a spring freeze and the hot, dry summer. Corn yields fared better than other crops. Corn, valued at \$719.3 million, was Kentucky's number one cash crop, accounting for 39.9 per-

cent of the total crop value. The second-most valuable crop in 2007 was baled hay at \$376.4 million, followed by tobacco at \$331.8 million, soybeans at \$300.5 million and wheat at \$70.4 million. Kentucky ranked 26th among all states in value of crop production.

All crops produced in the U.S. for 2007 were valued at \$162.8 billion, up 33 percent from 2006. The nation's top three crops in value of production were corn at \$52.1 billion, soybeans at \$26.8 billion and all baled hay at \$17 billion.





KFB PLEASED & WITH BEEF EXPO

THE JUNIOR SHOW INCLUDED SOME HIGH-QUALITY CHAROLAIS HEIFERS.

KFB assumed sponsorship this year of the Kentucky Beef Expo, which held its 22nd annual show and sale last month at the Kentucky Exposition Center. Three cattle breeds surpassed the \$100,000 sales milestone for the second consecutive year while total gross sales were \$799,270 on 543 lots from 16 states, an average of \$1,471.95 per head.

The Kentucky Angus Sweepstakes sale had the highest gross, \$133,525, followed by the Simmental breed, \$131,950, and the 10th annual pen heifer sale, \$101,175. All told there were 11 breed shows and sales in addition to the all breeds pen heifer event.

The top money-earner was a Limousin female, consigned by Englewood Farms of Lancaster, which sold for \$14,000. Other Kentucky-consigned sale-toppers included:

- The Grand Champion Angus female, consigned by Anne Patton Schubert of Taylorsville, sold for

\$4,100.

- The Grand Champion Chiangus female, consigned by B&L Farm of Hardyville, sold for \$4,000.

- The Grand Champion Angus bull, consigned by Kacie Martin of Hardyville, sold for \$3,500.

- The Grand Champion Hereford

Sarah Ayer of Calhoun and Cody Emmons of Flemingsburg. Top four Kentucky heifers were shown by Taylor Stevenson Tolle of Taylorsville (who took home both the first- and second-place ribbons), Ally Jo Schneider of Georgetown and Ashley Quiggins of Horse Cave.

KFB leaders participated in the awards programs and the organization had an exhibit in the trade show. Second Vice President John Hendricks, who also is chairman of KFB's Beef Cattle Advisory Committee, said it was well worth the efforts.

"This show has established a good tradition and we certainly didn't want it to digress due to a lack of sufficient resources," said

Hendricks, who raises cattle in Clark County. "This showcases some excellent cattle. And it's gratifying to see how this brings farm families together to prepare these animals for the show. It's not uncommon to see three generations sitting around the stalls."



bull, consigned by Howell's Polled Hereford of Hodgenville, sold for \$2,500.

Youth exhibitors showed 182 steers and 291 heifers at the Junior Show. The top five Kentucky steers were shown by Haylee Hammond and Kendall Corbin of Flemingsburg, Zach Hart of Waddy,

KENTUCKY AND MEXICO SIGN EQUINE AGREEMENT

A formal agreement will enable horsemen from Kentucky and Mexico to share knowledge and resources and set up commercial and technical exchanges to improve both equine industries. Agriculture Commissioner Richie Farmer and José Manuel Alavez, president of the Mexican Association for Equine Development and Promotion, signed a Memorandum of Understanding to establish a public-private equine partnership. Commissioner Farmer explained that equine interests for the two nations will work together on genetics, nutrition, health, breeding and other aspects of the horse industry.

Keeneland President Nick Nicholson said the partnership will build on the success Kentucky's horse industry has enjoyed in selling horses to Mexico.

"Over the last few years we have sold to Mexico a total of about \$17-18 million [worth of horses] already," Nicholson said. "The average they are buying is increasing each year. And they are having wonderful success. If you follow their classic races in Mexico, more and more you will see horses that were born and raised in Kentucky and that were sold here."

Kentucky exports to Mexico totaled approximately \$1.4 billion in 2007, making Mexico the Commonwealth's third-largest trading partner behind Canada and France.

GROWERS SHOULD USE LOCAL TOBACCO PLANTS

Kentucky tobacco producers are being encouraged to use Kentucky-grown plants to minimize the possibility of blue mold infection. Blue mold has been confirmed on tobacco in Florida.

Kenny Seebold Jr., extension professor with the University of Kentucky College of Agriculture, said any transplants from Florida could carry blue mold spores. Plants grown in Georgia and Tennessee pose less of a threat, but Seebold recommends avoiding them.

NEAVEILL NAMED TO GOAP POST

Roger Thomas, Executive Director of the Governor's Office of Agricultural Policy (GOAP), announced the appointment of Joel Neaveill as chief of staff for the office. Neaveill was originally appointed to the GOAP in 1999, where he has served in program development and administrative roles.

"I am pleased to have Joel as the new chief of staff where his experience and knowledge will play a major role in the development of GOAP and the programs administered," said Thomas. "He was an integral team member in the creation of a program structure for the Kentucky Agricultural Development Fund, which

has invested more than \$256 million in agricultural diversification projects across the Commonwealth."

As director of operations, Neaveill maintained day-to-day functions of the GOAP, including budget development and implementation. Concurrent to this role, Neaveill also served as coordinator for the Phase II tobacco settlement program which provided over \$732 million in direct payments to Kentucky tobacco farmers. He also served as a project analyst, assisting applicants of the KADF through critical evaluation of applications and business plans.

KCARD RECEIVES FINANCIAL SUPPORT

The Kentucky Agricultural Development Board approved \$410,000 in state funds to the Kentucky Center for Agriculture and Rural Development (KCARD), a statewide organization that works with agribusinesses to provide specialized assistance for running a successful business. KCARD has a support network, including KFB, the University of Kentucky, Kentucky Department of Agriculture, CoBank, USDA, Governor's Office of Agricultural Policy, and the Kentucky Agricultural Development Board, to help provide agribusinesses with support services.

KCARD provides a range of services such as business management and operations analysis, strategic planning,

manager and staff training, business recordkeeping development, feasibility development, cost analysis and on-site business consultations. KCARD has five staff persons and is managed by a board of directors, consisting of 13 members, including KFB First Vice President Mark Haney.

Kentucky has invested more than \$257 million to an array of county, regional and state projects designed to increase net farm income and create sustainable new farm-based business enterprises. The diversification programs represent more than 3,157 projects that have been funded through the Agricultural Development Fund since the inception of the program in January 2001.

FARM BUREAU STEPS UP FOR FOOD BANK

Farm Bureau families last year raised more than \$130,000 and donated 4.6 million pounds of food to hungry Americans through the organization's "Harvest for All" program. Combined, the monetary and food donations provided 5.7 million meals through America's Second Harvest food banks around the country.

State Farm Bureaus were recognized at AFBF's annual Young Farmers & Ranchers conference for donating food, funds and volunteer hours to the farmer-driven, hunger-relief effort. In the recognition program, state YF&R com-

mittees compete in three categories: funds raised, pounds of food donated and number of volunteer hours. YF&R committees honored by AFBF for contributions in these categories earn monetary awards to donate to America's Second Harvest food banks in their communities.

The Illinois Farm Bureau YF&R Committee took top honors for raising the most money, just over \$54,000. New York Farm Bureau's YF&R Committee donated the most food (3.7 million pounds) and Kansas Farm Bureau's YF&R Committee donated the highest number of volunteer hours (1,700).

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