

# Kentucky

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SEPTEMBER 2011 • VOL. II, NO. 7

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**On the Cover:**

A scene from Haney's Appledale Farm in Pulaski County. Photo by Meaghan Kincer

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**Kentucky**  
FARM BUREAU NEWS

**C**ongress is back in session following the August recess and work on the 2012 Farm Bill is intensifying. This comes at a time when the market prices for many farm commodities are at historically high levels. And yet our agriculture industry also has been rocked by drought, flood and soaring input costs.



There is serious concern in farm country that Congress will use these current high prices as rationale for imposing big cuts in the economic safety nets provided through farm bill programs. It's vital that we communicate to our lawmakers that these high prices also come at a time of high costs, plus remind them of the devastating economic impact from weather disasters this year. The bottom line is that farmers need some type of protection from the high risks of their profession.

Just last year agriculture was one of the few sectors that took budget cuts in the name of deficit reduction (despite being one of the few industries with a positive balance of trade). The cuts included a whopping \$6 billion to crop insurance, which has emerged as an efficient and effective way to provide a safety net for farm families. Today, farmer participation in crop insurance is at an all-time high, with coverage on nearly 80 percent of our wheat, corn and soybean acres. With millions of acres of cropland wiped out by floods and drought this year, that tool looms large in agriculture's recovery.

Farm organizations are worried that farm policy already has been cut to a level that cannot help agriculture withstand the kinds of economic crisis that have hit farmers in the past.

A strong farm policy has become even more vital in today's tight credit market stemming from the real estate collapse in 2008. Farmers, of course, need operating loans to cash-flow their businesses. Most banks today require crop insurance coverage and make loans only with the confidence that farm policy will operate as a safety net in the event of crop disasters or depressed markets.

Numerous studies have concluded that American farmers will need to produce more food in the years ahead to meet the needs of a soaring world population. Steep cuts in farm programs would make that difficult to achieve.

Farm Bureau recognizes that agriculture will have to be part of the federal budget cuts that are so desperately needed to resolve our nation's fiscal crisis. All we're asking is that Congress proceed with caution to ensure that our farmers have the tools they need to produce our food supply.

**MARK HANEY**

**PRESIDENT**

**KENTUCKY FARM BUREAU**



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# comment

## COLUMN

“

**T**he U.S. economy has taken a hit recently. The unemployment rate stands at nine percent, our country's credit rating was downgraded, the national debt is at an all-time high and lawmakers can't seem to agree on the best way to get us out of this financial hole.

The current situation affects all Americans. No one is immune. But our country has been at the bottom of the financial barrel before and pulled itself up by the bootstraps. With some perseverance, consensus and common sense, we can again.

Like most Americans, Farm Bureau wants to see a meaningful reduction in our deficit and put the country back on track to fiscal soundness. We support the need for deficit reduction and tackling the nation's rising debt. Agriculture will do its part toward this end goal, but reductions need to be made wisely.

It is likely that any comprehensive plan to reduce deficit spending will include cuts in programs that assist farmers, ranchers and communities in rural America. But, as farm bill expenditures in this country represent less than one-half of one percent of the federal budget, balancing the budget or resolving the nation's financial woes can't be accomplished by focusing on agriculture or by disproportionately cutting agriculture funding.

When it comes to tightening the budget, U.S. farm policy has already led the way. In contrast to other programs, the cost of farm policy has sharply decreased over the past 10 years, is consistently under budget and has been the subject of three separate rounds of cuts in the past six years, totaling roughly \$15 billion in savings. Agriculture has always contributed to deficit reduction in the past when called upon.

Farm Bureau will work with the House and Senate agriculture committees as they develop a blueprint for agriculture spending. Our goal will be to retain the integrity of the farm programs. Our priority is to have enough money left when all is said and done to write a viable farm bill that ensures an effective safety net for America's farm and ranch families, furthers research, provides conservation measures and secures the nation's food supply.

Getting back on financial track will require everyone to buckle down on spending. Working together, pulling up those bootstraps, we can do this.



BOB STALLMAN

PRESIDENT  
AFBF

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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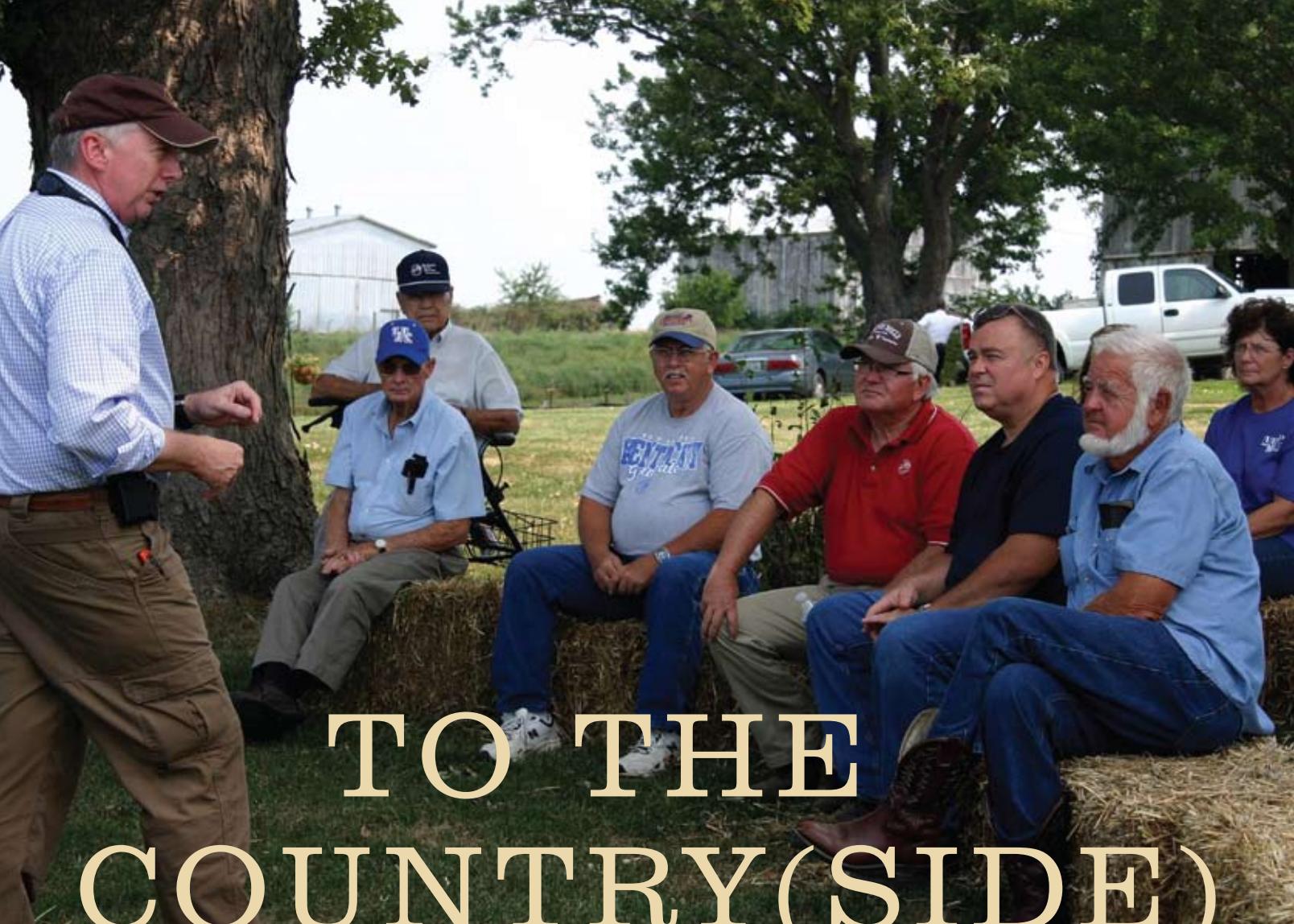
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"The Voice of Kentucky Agriculture"

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# TO THE COUNTRY(SIDE)

## CONGRESSMEN VISIT WITH COUNTY FARM BUREAUS

ABOVE: Fourth District Congressman Geoff Davis spoke to a group at the Henry County dairy farm of KFB Director Terry Rowlett.

BELOW: Senator Rand Paul (second from right) met with a group at Scott County FB in Georgetown. From left are State Representative Ryan Quarles, KFB Director David Chappell of Owen County, Scott County FB Vice President Jimmy Richardson and State Senator Damon Thayer.

**M**embers of Kentucky's Congressional delegation participated in informal meetings with county Farm Bureau leaders during their August recess. The nation's fiscal crisis was the hot topic of the wide-ranging discussions of issues concerning farm families. Farm policy and regulatory proposals also were high on the list of concerns.

KFB Director Pat Henderson played host on his Breckinridge County farm to a meeting with 2nd District Congressman Brett Guthrie. Dozens of leaders from several counties were on hand, as well as Executive Committee members Eddie Melton and Fritz Giesecke.



3rd District Congressman John Yarmuth met with a group at Jefferson County FB while Senator Rand Paul came to the Scott County FB office in Georgetown for a visit with local leaders. 4th District Congressman Geoff Davis

visited farmers at the Henry County dairy farm of KFB Director Terry Rowlett. Two days earlier, Senator Mitch McConnell met with a group at the Henry County Extension Office. That meeting was organized through Henry County FB, the Henry County Chamber of Commerce and the Eminence Rotary Club.

KFB National Affairs Director L. Joe Cain coordinated several of the meetings and described them as "great opportunities to maintain effective working relationships."

"We try to keep these meetings as informal as possible, to have a casual discussion," Cain said.

BELOW LEFT: Senator Mitch McConnell (right) sat alongside State Senator Ernie Harris (middle) and Henry County Agriculture Extension Agent Steve Moore while being introduced by KFB Director Terry Rowlett at the meeting in Henry County. The Senate Minority Leader spoke to the group for about 30 minutes and fielded several questions.

BELOW RIGHT: Second District Congressman Brett Guthrie used a graphic display to address fiscal issues during a meeting at the Breckinridge County farm of KFB Director Pat Henderson. Several counties were represented there.

BOTTOM: Third District Congressman John Yarmuth chats with Jefferson County FB President Tommee Clark and Director Guy Raymond during a meeting at the county office.





## KFB DAY AT STATE FAIR

**F**or the sixth time in the past eight years Republic Bank purchased the Grand Champion Country Ham at KFB's State Fair breakfast, submitting a top bid of \$600,000 for the 16.9-pound ham from Broadbent B&B Foods. The winning bid amounted to about \$35,000 per pound of ham.

The money goes to the charity of the bidder's choice. As a result, the KFB breakfast has helped raise more than \$6.2 million for charities during its 48-year history.

As always, the event drew a host of political figures and news media seeking interviews in regard to political races and issues. Featured speakers included Governor Steve Beshear, U.S. Senators Mitch McConnell and Rand

Paul, Louisville Mayor Greg Fischer and Agriculture Commissioner Richie Farmer.

In other highlights of the day:

An exhibit for Woodford County was judged best in the Pride of the Counties display sponsored by KFB Insurance. More than 60 exhibits from counties and/or communities throughout the state were involved in the Pride of the Counties section which has evolved as one of the fair's top attractions.

Laurel County FB received the award for bringing the most members to the event.

The gospel quartet contest was won by Southern Harmony, from Pulaski County. The group consists of Barry Flatt, Stanley Richardson, Rex Miller and Jeremy Dickerson.

Later in the day KFB Insurance con-

Steve Trager, CEO of Republic Bank (seated holding ribbon and plate) posed with the champion ham in a large group that included Louisville Mayor Greg Fischer, Governor Steve Beshear, Agriculture Commissioner Richie Farmer, Miss Kentucky Ann-Blair Thornton and representatives from KFB, Republic Bank and Broadbent B&B Foods, which produced the ham.

tinued its tradition of support for the FFA/4H Sale of Champions by joining a partnership that purchased the grand champion steer exhibited by Sarah Ayer of McLean County FFA. Jefferson County FB was among a group that bought the reserve grand champion market lamb and former KFB President Sam Moore of Butler County was part of a group that purchased the reserve grand champion goat. The sale set an all-time record with \$139,500 raised.



TOP: Miss Kentucky Ann-Blair Thornton displayed the ham for all to see at the breakfast, which attracted about 1,700.

CENTER: Woodford County was recognized for the "top exhibit" at the Pride of the Counties display.

BOTTOM: Southern Harmony, winner of the gospel quartet contest, performed at the lunch.





# N

# ew “energy”

## GRASSES FOR BIOFUELS MIGHT TAKE ROOT

Article and Photos by Walt Reichert

ABOVE: Tom Malone checks an established stand of switchgrass on his farm in Bracken County.

RIGHT: Don Halcomb, left, and Phillip Cox stand amid the demonstration plots of miscanthus. Cox works for Mendel Bioenergy Seeds, which leases land from Halcomb to test miscanthus varieties.

**I**t is early summer in Logan County. Rains have been plentiful, and the dark green corn stands in rich contrast to the newly harvested wheat fields, crewcut and golden brown. Growing amid the corn and wheat on Don and Meredith Halcomb's farm is a patch of tall, gray-green grass that will not go into crackers or baked goods or feed for livestock but, perhaps, someday, in someone's fuel tank.

The grass, miscanthus, is a demonstration plot of several varieties of a common landscape ornamental grown on ground Halcomb leases to Mendel Bioenergy Seeds. Miscanthus, a perennial, will grow all summer, turn brown, and then be harvested sometime in early winter, baled like hay and condensed into a source of biofuel that Mendel believes will, in the very near future, compete with ethanol as a source for fuel. Halcomb, a wheat, corn, barley, soybean and canola farmer, believes that someday biofuel grasses like

miscanthus may have a place on his farm and on farms across the state.

“If the farmer’s job is to capture solar energy and turn it into food, fiber and fuel, whatever makes economic sense is what we should be looking at,” Halcomb said.

### Gas pains

While gasoline prices have done their usual roller coaster ride over the last five years, farmers, university researchers, private companies and government organizations have gotten involved in seeking alternatives to Middle Eastern Oil to power the nation’s economy. There isn’t much choice. In the face of rising energy costs, both state and federal governments have mandated moves to alternative fuels. A task force on biomass/biofuels in Kentucky appointed by Gov. Beshear released a white paper in 2009 that noted that while Kentucky produces about 90 million gallons of biofuel per year, primarily ethanol and biodiesel, an additional 700 million gallons of biofuel will be



## IN KENTUCKY

necessary to meet Kentucky's Strategy for Energy Independence, which calls for 12 percent of its transportation fuels to be renewable by 2025. That will require an additional 25 million tons of biomass to be produced from the state's fields and timberlands. Currently, only 24 percent of the biofuels consumed in the state are produced here, according to the report. Yet, with its central location, access to water and rail, hundreds of thousands of acres of marginal land and large numbers of farmers, Kentucky is poised to take advantage of the move to biomass and biofuels to produce energy, officials believe.

"Kentucky can be a very competitive producer of biomass, which can be turned into fuel," said Tim Hughes, director of the Division of Biofuels, part of the state's Energy and Environment Cabinet.

Hughes keeps tabs on a number of efforts across the state, most still experimental, to produce fuel from crops such as grasses, sugar beets, sweet sorghum,

forest byproducts, even pond scum and algae. At the same time, ethanol and biodiesel production in the state is a maturing industry, Hughes said, with a farmer-owned plant in Hopkinsville that produces 34 million gallons of ethanol from 12 million bushels of corn as well as a biodiesel plant in Owensboro that turns soybeans into fuel.

While ethanol is competitive with gasoline at today's prices, the state still lacks the infrastructure to pump more ethanol into automobiles, Hughes said.

"While the infrastructure is not yet in place, there is still the potential to grow the ethanol market in Kentucky," Hughes said.

### Grass to gas

Meanwhile researchers at the University of Kentucky, Murray State and private institutions are experimenting with perennial grasses, sugar beets, and sorghum, looking for crops farmers can profitably grow and turn into biofuels. They are learning which crops best work in Kentucky's soils and climate, the best ways to harvest, transport and market the production.

From 2007 to 2010, the University of Kentucky worked with 20 farmers in the Buffalo Trace area of northern Kentucky who contracted to grow a total of 100 acres of switchgrass for a biofuel production experiment. Farmers were paid for the use of their land set aside for the switchgrass. That area of the state was chosen because it has considerable marginal land, was historically dependent upon tobacco, is close to river transportation and is near the East Kentucky Power plant, which agreed to mix the biomass produced with coal to burn for electricity.

UK agronomist Tom Keene, who worked on the Buffalo Trace project, said switchgrass was chosen because it is a native perennial, known to produce well on marginal land.

"Switchgrass was growing here when Daniel Boone came to Kentucky, so we

knew it would grow," Keene said.

Bracken County cattle farmer Tom Malone was one of those participating in the experiment. He said the switchgrass, a warm-season perennial, was tricky to establish, but once established, grew well and produced 5-6 tons per acre. The grass is turned into pellets, which are mixed with coal and fed into the furnaces for electricity production.

Malone said advantages of switchgrass production include the need for minimal inputs and harvesting during the "off" season – in January or February. Because the biomass is so heavy, Malone said he had difficulty raking the crop before baling.

"A ground-driven rake just doesn't work very well," Malone said. "A farmer definitely needs a PTO driven rake."

While the UK experiment is over, some farmers in the area, including Malone, will continue to produce switchgrass for East Kentucky Power. Instead of leasing the land to UK, however, farmers will be paid for the crop by the power company.

"It'll bring \$60 per ton, so at that price there won't be a groundswell of farmers rushing to plant it," Malone said. "What may end up working better for farmers is managing it for forage as well as biomass production."

One of the issues identified in the UK experiment is the need to reduce the mass of the biofuel crop to cut transportation costs. The Governor's Office of

**"Switchgrass was growing here when Daniel Boone came to Kentucky, so we knew it would grow."**

— UK AGRONOMIST TOM KEENE

Agricultural Policy in July approved a \$7,500 grant that will be added to county funds to study the feasibility of operating a biofuel pellet mill in the industrial park in Bracken County. A pelletizer would reduce the mass of the product, cutting transportation costs for farmers in the region, and produce a product easily blended with coal at the power plant.

The University of Kentucky is also experimenting with the possibility of on-farm production of butanol from grasses and other crops grown on farms.

Dr. Mike Montross said butanol production from biomass is trickier than ethanol production but produces a higher quality fuel that doesn't have the blending issues of ethanol. He said a byproduct of butanol production could also be valuable chemicals.

"In fact, the chemical byproducts may actually be the future of butanol production in Kentucky," Montross said.

While the biofuel-into-butanol is still in the laboratory stage, Montross said it appears that farmers may be able to set up on-farm production of butanol that may not be much more difficult than silage production while the final, refined product may be produced at a central location. Montross predicts that butanol production may require a co-op of farmers, both to do the refining and to buy the large square balers he believes will be the most effective way of harvesting crops for efficient fuel production.

"A lot of people don't want me to say this because everybody has round balers, but it looks like if we're going to be efficient, we're going to need to make large, square bales," Montross said. "But I'm confident we can get this to work."

While researchers believe biofuel production in Kentucky will be most suitable for marginal lands and pastures where it doesn't compete with corn and soybeans, Mendel Bioenergy Seeds leased good cropland in Logan County, on the Halcomb's Walnut Grove Farm, to demonstrate the potential of growing miscanthus, said Rasto Ivanic, director of business development for the company.

"We've identified Kentucky as one of the areas where the grass will produce well and we have grown as much as 10 tons per acre on good land there," Ivanic said. "We believe that miscanthus will produce as good a source of biomass as wood energy or crop residue. It's always hard to predict, but I think if you give it five years, it will compete with ethanol."

Ivanic said another advantage of the

miscanthus hybrids, besides heavy production, is that it is sterile and will not produce seeds that can become the next invasive crop, like Johnsongrass.

## Sugar

While UK and Mendel are experimenting with grasses for biofuel in northern, eastern and southern Kentucky, Murray State University is studying the potential of a number of crops, including sugar beets and sweet sorghum, to produce energy. One of the goals is to find alternative crops for farmers who want to get out of growing dark-fired tobacco, said Dr.



Corn and miscanthus grow side-by-side on Don and Meredith Halcomb's Walnut Grove Farm in Logan County.

Tony Brannon, dean of the Murray's College of Agriculture.

Brannon said Murray's colleges of Agriculture, Business and Science have teamed up to coordinate a 20-county effort in western Kentucky to experiment with growing and analyzing the potential of bioenergy crops. The effort includes a network of 12 farmers committed to growing 50 to 60 acres of energy crops including switchgrass, sugar beets and sorghum, and a demonstration plot of energy crops on the Murray campus. The effort is also looking at ways to market the energy crops, Brannon said.

"We don't want to produce something if it doesn't have a market," Brannon said. "And we don't want to create a market for something that we can't produce. We just don't know the economics of it yet. But it's like the poultry industry that came here. If somebody hadn't taken a risk, it would have gone to another state."

Brannon said while much of the land in the region is high quality corn and soybean ground, the counties in the region

have thousands of acres of marginal cropland suitable to growing biofuels. Brannon also said that so far the university's experiments have pointed to sugar crops, such as sorghum, as having the best potential for producing biofuels in the region.

"It may be energy not on a biscuit but in the gas tank," Brannon said.

## The future

Hughes, director of the Division of Biofuels and a former Farm Bureau leader in Logan County, believes that the state and federal governments will have to play a role in the development of biofuels for some time into the future if the technology, markets and infrastructure are going to become viable enough to someday reduce the country's dependence upon foreign oil. But noting the current cost-cutting mode in Frankfort and Washington, he said the biofuels industries will someday have to become self-supporting.

"We don't want to create industries that have to remain on life support indefinitely," Hughes said.

Hughes noted that while efforts to gain energy independence collapsed in the late 1970s and early 1980s, this time even petroleum companies have gotten involved in the search for alternative fuels.

"In the 80s, we knew we still had the traditional energy sources available so the effort for alternative fuels collapsed with the price," Hughes said. "But today we know we don't have those alternatives available."

Logan County farmer Halcomb said he envisions a future where biofuels are but one option for energy creation, that will include oil, coal, solar and wind.

"I think they (biofuels) will be a supplement rather than a replacement in the near term," Halcomb said.

UK's Professor Montross said he firmly believes biofuels produced in Kentucky will someday compete with foreign oil.

"With gasoline at \$3-4 per gallon, biofuels can be competitive," Montross said. "It can't compete with gasoline at \$1.50 a gallon, but I don't think there's anybody that thinks that's going to happen again."



# M

## arkets tour

### GOES TO CALIFORNIA

Over forty participants from farms across the Commonwealth visited farms and agribusinesses in California during the annual KFB Summer Roadside Market tour.

After arriving in San Francisco the group headed south to kick off the tour with a visit to George Chiala Farms in Santa Clara County. Tim Chiala, the director of Fresh Market Sales and Procurement for the company, gave the group a tour of both vegetable and garlic production fields. He explained that the company specializes in the production of prepared vegetable ingredients, and processes over 60 million pounds of vegetable ingredients each year, which requires approximately 90 million pounds of raw vegetables.

B&R Farms was the second stop. Mari and Jim Rossi welcomed the group to their family farm that has been in operation since 1929. Mari explained that in 1981 the family began selling their dried apricots from the trunk of a car, and a few short years later the dried apricots were being shipped nationwide.

The second day began at Color Spot Nurseries in Salinas. Color Spot was founded over 30 years ago and today caters to more than 2,000 retail and commercial customers throughout the United States. The nursery specializes in the distribution of high quality bedding plants, vegetables, herbs, shrubs, premium blooming plants, ground cover, ornamentals & more. Monterey County vegetable grower Benny Jefferson was the host at Martin Jefferson & Sons for the second stop of the day. Benny and his farming family grow a dizzying array of vegetables —from artichokes and broccoli to garlic, beans and lettuce — more than 20 crops in all.

California FB President Paul Wenger joined the group at Jefferson Farms.

A scenic coastal drive along the famous 17 Mile Drive kicked off the third day of the tour. After a short stop at Pebble Beach the group enjoyed a visit to the Monterey Bay Certified Farmers Market. The 35 year old market had an amazing selection of produce, specialty items, flowers, meats, and tasty berries. Next stop was Gizdich Ranch in Watsonville.

The group paused for a photo during a visit to the Chateau Julian Winery in Carmel.

Owner Anita Gizdich explained how the family's choice to focus on community relationships and retail has helped the 80-year old apple orchard flourish through the generations.

Final stop of the day was nearby Driscoll's research greenhouses and fields.

After taste testing strawberry, blackberry, and blueberry varieties at Driscoll's the group headed north to San Francisco for an evening of sightseeing. The city's Ferry Plaza Farmers Market was the final stop Saturday morning. This state certified farmers market is widely acclaimed for the quality and diversity of its fresh farm products and artisan and prepared foods.

"I thought the entire tour was great," said Sharon Spencer, Farmers' Market Director with the Kentucky Department of Agriculture and the President of Franklin County FB. "It is always good to have an opportunity to visit with producers, and I really enjoyed the chance to see other farmers' markets and get ideas to take back to share with our markets in Kentucky."

# DOLLAR DRIVEN

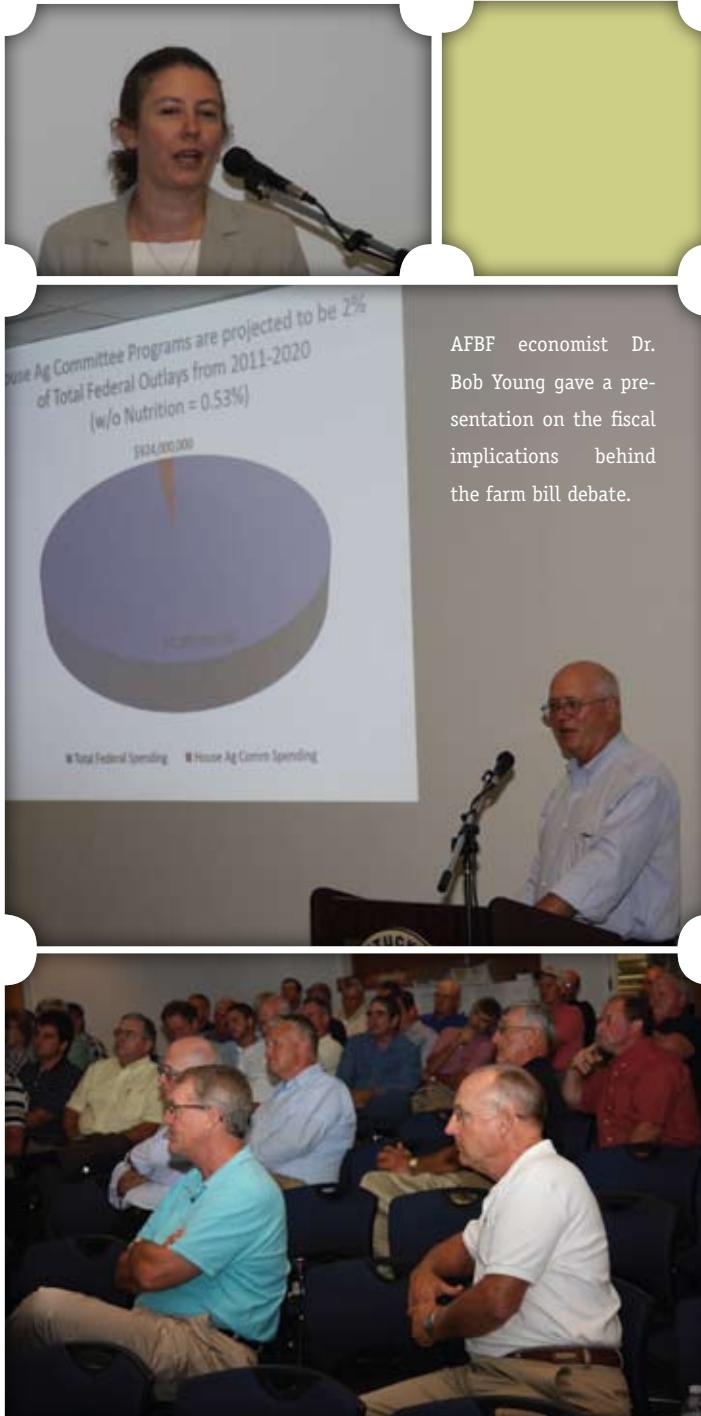
## POLICY EXPERTS TELL KFB LEADERS THAT FISCAL CRISIS WILL PROMPT CUTS IN FARM BILL SPENDING

**B**ecause of the nation's fiscal crisis, the 2012 Farm Bill almost certainly will be driven by the cost, rather than by the policy itself.

So said two farm policy specialists who spoke last month to a group of about 60 KFB leaders at a meeting in Elizabethtown. Aleta Botts, an agriculture policy specialist at the UK College of Agriculture, and AFBF Chief Economist Dr. Bob Young said the general thinking is that at least \$10 billion -- and perhaps as much as \$30 billion -- will be cut from farm bill programs as part of the budget reduction process. They predicted that direct payments (crop subsidies) would suffer the largest cut, and perhaps more emphasis will be placed on crop insurance as the economic "safety net" for farmers.

KFB President Mark Haney emceed the meeting, telling the group in his welcoming remarks: "This is a night to focus on the future .. we want to have our members up to speed on where the farm bill stands. We need to talk about what programs are most important .. what can provide agriculture with a true safety net."

Late in the program when asked for his recommendations to Farm Bureau leaders, Dr. Young replied: "You need to decide what you want to protect more than anything else."



AFBF economist Dr. Bob Young gave a presentation on the fiscal implications behind the farm bill debate.

A Menifee County native, Ms. Botts helped write the 2008 Farm Bill as a senior staff member for the House Agriculture Committee. She remarked that "this is arguably the worst budgetary and fiscal situation for a writing of a farm bill in history. While we might have had a bad situation before, today we have a drastic situation. We're looking at a really unsupportable situation when it comes to the budget."

She said Congress likely will do one of three things: (1) extend the existing farm bill, (2) completely rewrite it to achieve desired spending cuts, or (3) a partial rewrite to achieve cuts with a comprehensive bill coming later.

Dr. Young noted the irony that agriculture currently is one of the few bright spots in the nation's economy. He said he couldn't recall "a greater juxtaposition" between the farm economy and the overall economy during his 30-year career with farm policy. Farm income for this year will either set or come close to setting a historical high, he said.

Top Left: Farm policy specialist Aleta Botts of the UK College of Agriculture said "this is arguably the worst budgetary and fiscal situation for a writing of a farm bill in history."

Bottom: KFB Vice Presidents Eddie Melton (left) and Fritz Giesecke were among those who attended the meeting in Elizabethtown.

# C O U N T Y A N N U A L M E E T I N G S



## ADAIR COUNTY

Date: September 20, 7:00 p.m.  
Place: Lindsey Wilson College

## ANDERSON COUNTY

Date: October 10, 5:30 p.m.  
Place: Eagle Lake Convention Center

## BATH COUNTY

Date: September 17, 6:00 p.m.  
Place: Ag Meeting Center

## BELL COUNTY

Date: September 29, 6:00 p.m.  
Place: FB Office

## BOONE COUNTY

Date: September 13, 6:00 p.m.  
Place: Extension Office

## BOURBON COUNTY

Date: October 6, 6:30 p.m.  
Place: County Park

## BOYD COUNTY

Date: October 10, 6:30 p.m.  
Place: Extension Office

## BRACKEN COUNTY

Date: October 11, 7:30 p.m.  
Place: Extension Office

## BREATHITT COUNTY

Date: October 6, 6:00 p.m.  
Place: High School

## BRECKINRIDGE COUNTY

Date: September 27, 6:00 p.m.  
Place: High School

## BULLITT COUNTY

Date: September 17, 6:00 p.m.  
Place: Extension Office

## CAMPBELL COUNTY

Date: October 8, 6:00 p.m.  
Place: St. Peter & Paul Church

## CARROLL COUNTY

Date: September 12, 7:00 p.m.  
Place: FB Office

## CARTER COUNTY

Date: September 20, 6:00 p.m.  
Place: FB Office

## CASEY COUNTY

Date: October 13, 6:30 p.m.  
Place: Ag Expo Center

## CLAY COUNTY

Date: October 13, 6:00 p.m.  
Place: Farm Bureau Building

## CLINTON COUNTY

Date: September 8, 6:00 p.m.  
Place: Fairgrounds

## ELLIOTT COUNTY

Date: September 24, 4:00 p.m.  
Place: High School Cafeteria

## FAYETTE COUNTY

Date: October 18, 6:30 p.m.  
Place: Masterson Station Park

## FRANKLIN COUNTY

Date: October 4, 6:30 p.m.  
Place: Extension Office

## GALLATIN COUNTY

Date: October 3, 10:00 a.m.  
Place: FB Office

## GARRARD COUNTY

Date: September 29, 6:30 p.m.  
Place: Falls of Dix River Baptist Church

## GRANT COUNTY

Date: September 10, 6:30 p.m.  
Place: Farm Bureau Building

## GREEN COUNTY

Date: October 6, 6:00 p.m.  
Place: High School

## GREENUP COUNTY

Date: November 7, 6:00 p.m.  
Place: Farm Bureau Meeting Hall

## HARLAN COUNTY

Date: September 17, Noon  
Place: FB Office

## HARRISON COUNTY

Date: September 22, 6:00 p.m.  
Place: Extension Office

## HART COUNTY

Date: September 30, 6:00 p.m.  
Place: Fairgrounds

## HENRY COUNTY

Date: October 13, 7:00 p.m.  
Place: FB Office

## JACKSON COUNTY

Date: September 19, 6:00 p.m.  
Place: Energy Center

## KENTON COUNTY

Date: September 20, 6:30 p.m.  
Place: Simon Kenton HS

## KNOX COUNTY

Date: September 16, 5:30 p.m.  
Place: Barbourville City Park

## LaRUE COUNTY

Date: September 24, 5:30 p.m.  
Place: Hodgenville Creekfront

## LAUREL COUNTY

Date: October 11, 5:45 p.m.  
Place: FB Office

## LAWRENCE COUNTY

Date: October 18, 6:00 p.m.  
Place: FB Office

## LETCHER COUNTY

Date: September 12, 6:00 p.m.  
Place: Extension Office

## LOGAN COUNTY

Date: September 10, 6:00 p.m.  
Place: Extension Office

## MAGOFFIN COUNTY

Date: September 19, 6:00 p.m.  
Place: Extension Office

## MASON COUNTY

Date: October 10, 7:00 p.m.  
Place: Extension Office

## McCREARY COUNTY

Date: September 15, 6:00 p.m.  
Place: Ole Country Café

## MCLEAN COUNTY

Date: September 10, 5:00 p.m.  
Place: High School

## MEADE COUNTY

Date: September 29, 6:00 p.m.  
Place: FB Community Bldg.

## MERCER COUNTY

Date: September 12, 6:00 p.m.  
Place: Extension Office

## METCALFE COUNTY

Date: September 29, 6:00 p.m.  
Place: Extension Office

## MONTGOMERY COUNTY

Date: October 6, 6:30 p.m.  
Place: High School

## OWEN COUNTY

Date: October 3, 7:00 p.m.  
Place: Extension Office

## PENDLETON COUNTY

Date: September 24, 6:00 p.m.  
Place: FB Office

## PIKE COUNTY

Date: September 15, 6:00 p.m.  
Place: E. Ky. Expo Center

## PULASKI COUNTY

Date: October 11, 6:30 p.m.  
Place: Southwestern HS

## ROBERTSON COUNTY

Date: September 17, 6:00 p.m.  
Place: Deming HS

## ROCKCASTLE COUNTY

Date: September 16, 7:00 p.m.  
Place: Round Stone Elementary School

## ROWAN COUNTY

Date: October 4, 6:30 p.m.  
Place: FB Office

## SCOTT COUNTY

Date: September 27, 6:30 p.m.  
Place: Extension Office

## SHELBY COUNTY

Date: October 1, 6:30 p.m.  
Place: Extension Office

## TAYLOR COUNTY

Date: October 10, 6:00 p.m.  
Place: Taylor County Middle School

## WARREN COUNTY

Date: September 17, 5:30 p.m.  
Place: Warren Central HS

## WASHINGTON COUNTY

Date: September 15, 6:30 p.m.  
Place: Extension Office

## WAYNE COUNTY

Date: September 26, 6:00 p.m.  
Place: Aspire Center

## WHITLEY COUNTY

Date: September 13, 6:30 p.m.  
Place: FB Office

# Meade County Farm Bureau celebrates county fair with a special breakfast



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County  
F a r m  
Bureau  
j o i n s

the celebration of agriculture at its county fair by holding an annual "Fair" breakfast. This year's event at the Farm Bureau Community Building at the fairgrounds attracted several hundred people for a meal of scrambled eggs, sausage, biscuits, gravy and baked apples. The food was good and the price - a mere dollar - - was a great deal..

State Senator Dennis Parrett of neighboring Hardin County was the featured speaker. A long-time operator of a farm supply store in Cecilia, Parrett is a freshman legislator and, he said, a proud member of the Senate Agriculture Committee.

He acknowledged to the audience that "times are good right now" for agriculture because of high commodity prices. However, the rising costs of inputs like fertilizer and fuel are cutting deeply into profits, he added, and the high price of feed is a big concern among livestock and poultry producers.

"Can we get the corn price to where it's too high? Yes, we can," he said.

"When livestock feeders can't afford to buy feed and when the price of a box of cornflakes goes up three times in a year, public sentiment will go against us."

Parrett said that among the many things he learned from his first legislative session was that the lawmakers are indeed influenced by constituent contacts.

"Make your voice be heard," he advised the audience.

Parrett had high praise for Farm Bureau, saying: "We in agriculture are blessed to have Farm Bureau as our leading



Top & Bottom: The crowd enjoyed a hearty breakfast at the Farm Bureau Community Center in Brandenburg.

Inset: State Senator Dennis Parrett praised KFB for being agriculture's "leading voice."

voice. Kentucky agriculture is far better off because of the work Farm Bureau does."

Meade County FB Director Leslie Stith introduced Parrett and County President Tom Benock gave the welcome. Several other organizations were involved with the breakfast, including extension, FFA, 4-A, the Soil Conservation District, Fair Board, and Homemakers.

The Community Building is only a stone's throw from the Meade County FB office on the west side of Brandenburg.



## LEAD CLASS HAS THIRD MEETING

KFB Public Relations Director Dan Smaldone gave a presentation on "Managing My Media Moments."

**K**nowledge is power. Information is liberating. Education is the premise of progress.

That famous quotation from former United Nations Secretary-General and Nobel Peace Prize winner Kofi Annan could stand as a theme for KFB's Leadership Enhancement for Agricultural Development (LEAD) program. The sharing of information, acquisition of knowledge and educational exercises certainly were at the core of the LEAD group's three-day meeting last month in the Louisville area.

A busy three-day agenda included presentations on community leadership and rural demographics, media relations, policy development and operating a county FB organization. Also in the mix were tours of successful agribusinesses, a discussion with the chairmen of the Kentucky House and Senate Agriculture Committees, participation in KFB Day at the State Fair (where the class was recognized at the annual Ham Breakfast) and a day-long teamwork development exercise at the Asbury College Challenge Course.

In another session the group learned about how the Kentucky National Guard Agribusiness Development Team was working with farmers in Afghanistan.

The meeting started at the Shelby

County Extension Office with a presentation from Dr. Steve Isaacs, an extension Ag Economics professor at the University of Kentucky. Dr Isaacs, who has vast experience in working with leadership development programs, told the class "if you leave this experience thinking the same way you did when you came in, then we've failed. We're here to encourage you to look at things differently."

He presented a multitude of facts and figures on rural demographics but perhaps none more eye-catching than an estimate that about half of America's farmers are expected to retire over the next 10 years. That, he said, underscores the importance of developing a new generation of rural leadership.

While speaking about community lead-

ership, Dr. Isaacs said those concerned about the quality of life in their community should act for the common good, take ownership of problems and opportunities and hold themselves accountable for seeing that action is taken.

That afternoon featured tours of two popular Shelby County farm enterprises: Gallrein Farms (a farm market enrolled in KFB's Certified Roadside Farm Markets program) and Courtney Farms, which produces fruits and vegetables in a Community Supported Agriculture program.

This was the third meeting for the 2011-12 LEAD class. The next meeting will be held jointly with a similar leadership group from Alabama and is set for November 1-3 in Huntsville, Alabama.

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# COMPOSTING WORKING GROUP WILL PURSUE ON-FARM INITIATIVES

KFB's Animal Composting Working Group is moving forward on two fronts:  
**(1) Pursuing a state regulation that would exempt farmers from permitting requirements for dead**

**animal composting, and (2) promoting pilot projects and educational programs that encourage farmers to use composting as a means to dispose of dead farm animals.**

Following three meetings this summer

the group reached a consensus on several key issues. Foremost is the permitting exemption that would make it more advantageous for farmers to utilize composting. The group agrees that the permit requirements for commercial and county governments should remain in place. It also recommends that land applications of the compost should be restricted to private lands.

Currently the State Veterinarian's Office requires a permit for anyone composting deadstock. The fee is \$125 for five years or \$25 per year. The group will pursue an exemption via an emergency regulation that could immediately go into effect.

Farmers, county governments and other entities have been looking for dead animal removal options after the two leading hauling companies quit picking up deadstock because of a 2009 change in federal guidelines for rendering dead cattle. A University of Kentucky survey revealed that 65 of Kentucky's 120 counties do not have a disposal service. Of the 55 counties that do, 22 use a hauler, 21 use a landfill and seven use incineration.

Composting has proved to be the most convenient and cost-efficient method of disposal.

To address the issue, KFB formed a "working group" that includes representatives from the UK College of Agriculture, Kentucky Department of Agriculture, the State Divisions of Water, Conservation and Waste Management, Kentucky Magistrates and Commissioners Association, Kentucky County Judge/ Executive Association, Kentucky Association of Counties, Governor's Office of Agricultural Policy, Natural Resources Conservation Service, Kentucky Area Development Districts plus dairy, beef cattle, swine, equine, sheep and goat producers. KFB President Mark Haney chairs the group and the chairmen of KFB's various advisory committees for livestock and poultry also have participated.

KFB's Commodities Division Director Jay McCants, who serves as a liaison to the group, said two subcommittees will be working on the primary objectives of regulatory change and promotion.

"The overall goal is to promote the use of on-farm composting," McCants said.

He noted that County Judge-Executives and Magistrates had a lengthy discussion on the issue during their recent annual conference. Promoting the on-farm practice would take pressure off of local governments to provide a remedy to the problem.

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# markets

by ED MCQUEEN



## Harvested hay acres expected to be an all-time low

All U.S. hay production in 2011/12 is forecast at 132 million tons, down 13.6 million from 2010/11 due to extremely hot and dry weather. The all-hay yield is expected to be 2.29 tons per acre, down from 2.43 tons per acre in 2010/11. Harvested acres are forecast at 57.6 million acres, the lowest all-hay area on record going back to 1919. Alfalfa hay production is forecast at 65.0 million tons, down four percent from last year. Yields are expected to average 3.36 tons per acre, down 0.04 tons from last year, but the second highest yield since 2005. Harvested area is three percent below last year's. Other hay production is forecast at 67 million tons, down 14 percent from last year. The expected average yield of 1.75 tons per acre is down 0.2 tons from last year, and would be the lowest yield since 1988. Harvested area is four percent below 2010's acreage. The sharp drop in hay production leaves hay supply per roughage consuming animal unit (RCAU) at 1.94 tons, down from 2.10 tons in 2009/10. The preliminary July 2011 average price per ton received by U.S. farmers and the July 2010 comparison are: All hay, \$170 versus \$112; Alfalfa hay, \$189 versus \$117; Other hay, \$119 versus \$97.

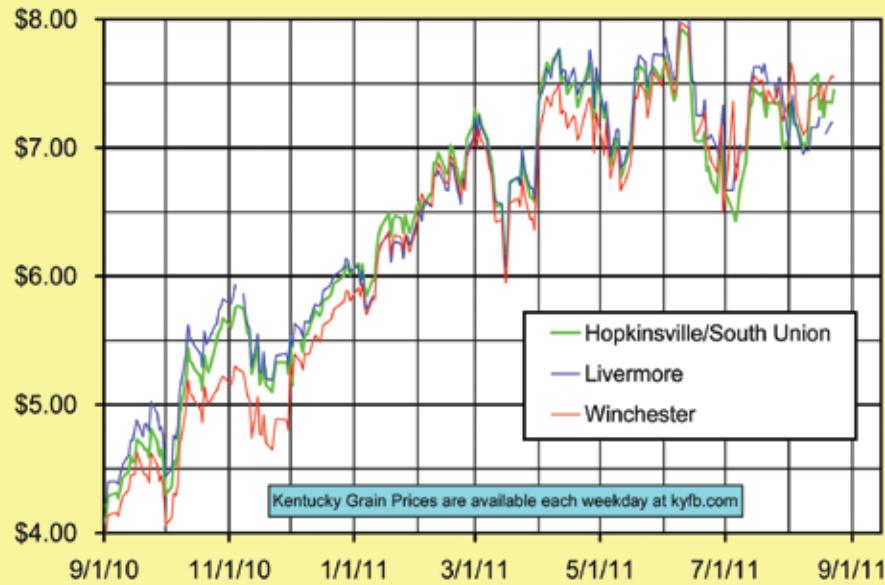
## Supply limits soybean exports

Tight U.S. soybean supplies for 2011/12 will likely constrain soybean exports and result in record soybean prices according to USDA's Oil Crops Outlook. 2011/12 forecasted exports are 1.400 billion bushels, down 95 million from 2010/11. A 2011 crop expected to be 273 million bushels smaller than last year contributes to 2011/12 ending stocks being forecast at 155 million bushels, down from 230 million. USDA anticipates record high soybean prices - the U.S. average farm price in 2011/12 is forecast at \$12.50-14.50 per bushel compared to \$11.35 for 2010-11.

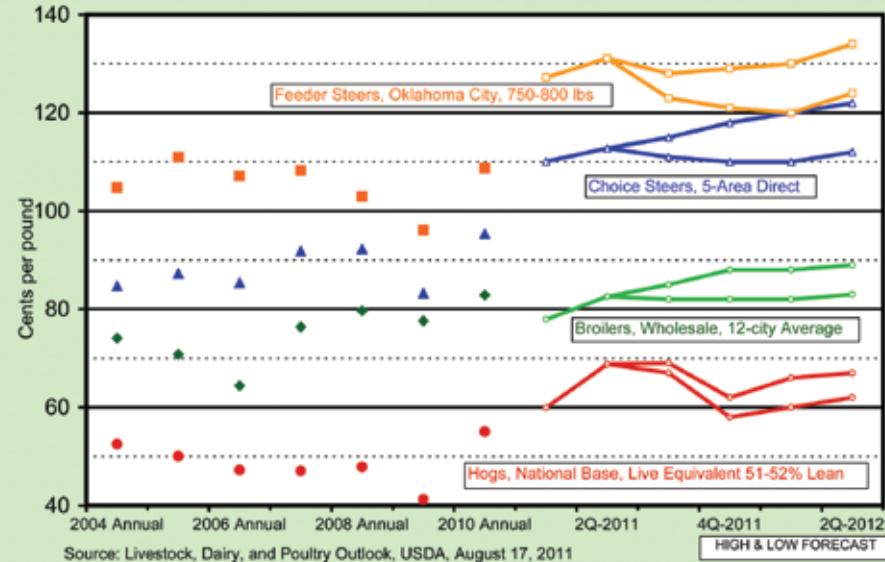
## Strong exports bring record hog prices

Second-half 2011 hog and pork prices are expected to remain record-high, supported by strong pork exports. Third-quarter exports are expected to be 1.2 billion pounds, up 26 percent from a year earlier. Fourth-quarter exports of 1.3 billion pounds would be more than 13 percent above a year ago. U.S. pork exports will likely exceed five billion pounds this year and in 2012. Strong export demand is tightening domestic pork supplies, contributing to record prices for pork and hogs. USDA expects 22.1 percent of U.S. pork production will be exported this year. Second-quarter 2011 prices of live hogs were record high for that quarter at \$68.80 per cwt. Third-quarter hog prices are expected to average \$69-70 per cwt, and in the fourth quarter, \$60-64. These prices would establish record highs for each quarter.

### Kentucky Cash Corn Prices



### U.S. Quarterly Livestock Prices



Source: Livestock, Dairy, and Poultry Outlook, USDA, August 17, 2011

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\*\* EPA estimated 16 city/23 highway/19 combined MPG 3.7L V6 4x2.

\*\*\*Class is full size pickups under 8,500 lbs. GWR, non-hybrid.



## Feds say “no new regs” on farm vehicles

As a result of a flood of comments received from Farm Bureau members and others, Transportation Secretary Ray LaHood said the Federal Motor Carrier Safety Administration has no intention to propose new regulations governing the transport of agricultural products, and that the agency has released guidance to states so they clearly understand common-sense exemptions “to allow farmers, their employees, and their families to accomplish their day-to-day work and transport their products to market.”

“This public announcement and the guidance sent to states by the FMCSA is great news for America’s farm and ranch families,” said AFBF President Bob Stallman. “The key word is common-sense, and it was refreshing to see that our federal authorities heard the concerns we expressed. It lifts a big cloud of uncertainty in farm country and the action is greatly appreciated.”

Stallman said he was pleased by Secretary LaHood’s clarity in stating the department “had no intention of instituting onerous regulations on the hard-working farmers who feed our country and fuel our economy.”

## Survey shows boom in farmers’ markets

More than 1,000 new farmers’ markets have been recorded across the country, according to results released in the Agriculture Department’s 2011 National Farmers’ Market Directory. The annual report indicates a total of 7,175 farmers’ markets operate throughout the United States as more farmers are marketing their products directly to consumers than ever before. Last year, the USDA reported that 6,132 markets were operating across the country.

## Cattlemen’s Foundation assists animal shelters

The Kentucky Cattlemen’s Foundation announced six winners of an Animal Shelter Assistance program. The Central Kentucky Regional Humane Society, Lancaster, will get \$1,000 to secure a green space behind the shelter so that dogs have a supervised area to run and exercise. Marion County Animal Shelter in Lebanon will receive \$500 to replace outdated computer equipment that is unable to meet the needs of the shelter with an additional \$250 from the Marion County Cattlemen’s Association. Barren River Animal Welfare Association gets \$500 to purchase vaccines.

Sylvia’s Animal Sanctuary Inc. in Owingsville was awarded \$1,000 to help the shelter administer basic first aid, worming and flea treatments to rescued dogs. Flora Shropshire Animal Shelter in Cynthiana gets \$1,000 for building repairs and Paris Animal Welfare Society gets \$1,000 to assist with food costs.

The Animal Shelter Assistance program was funded this year from a donation made by Boyle County cattle farmer Jim Gage. In its first year the Animal Shelter Assistance program received 22 applications.

## USDA seeks unified definition of “rural”

Agriculture Secretary Tom Vilsack said he would ask the White House Rural Council to try to reduce the number of federal government definitions of rural America. He also indicated he would urge Congress to take up the issue, as rural officials have complained they have a hard time figuring out what programs they qualify for.

USDA currently has 11 different definitions of rural America. The varying definitions, which depend on population and other characteristics, “provide a convenient excuse not to do something,” Vilsack said. He noted that some programs describe a rural community as one not larger than 50,000 people, while others are for populations of only 20,000—and a community with three people above that number cannot qualify.

The council was created in June to enhance the federal government’s efforts to address the needs of rural America, while maximizing the impact of federal investment to promote economic prosperity and quality of life in rural communities. Vilsack chairs the council, which includes the heads of more than two dozen executive branch departments, agencies and offices

## More farms have internet service

A total of 62 percent of U.S. farms now have Internet access, compared with 59 percent in 2009, according to a report from the National Agricultural Statistics Service. Sixty-five percent of farms have access to a computer in 2011, up one percentage point from 2009, according to the report.

The number of farms with broadband Internet access also continues to climb.

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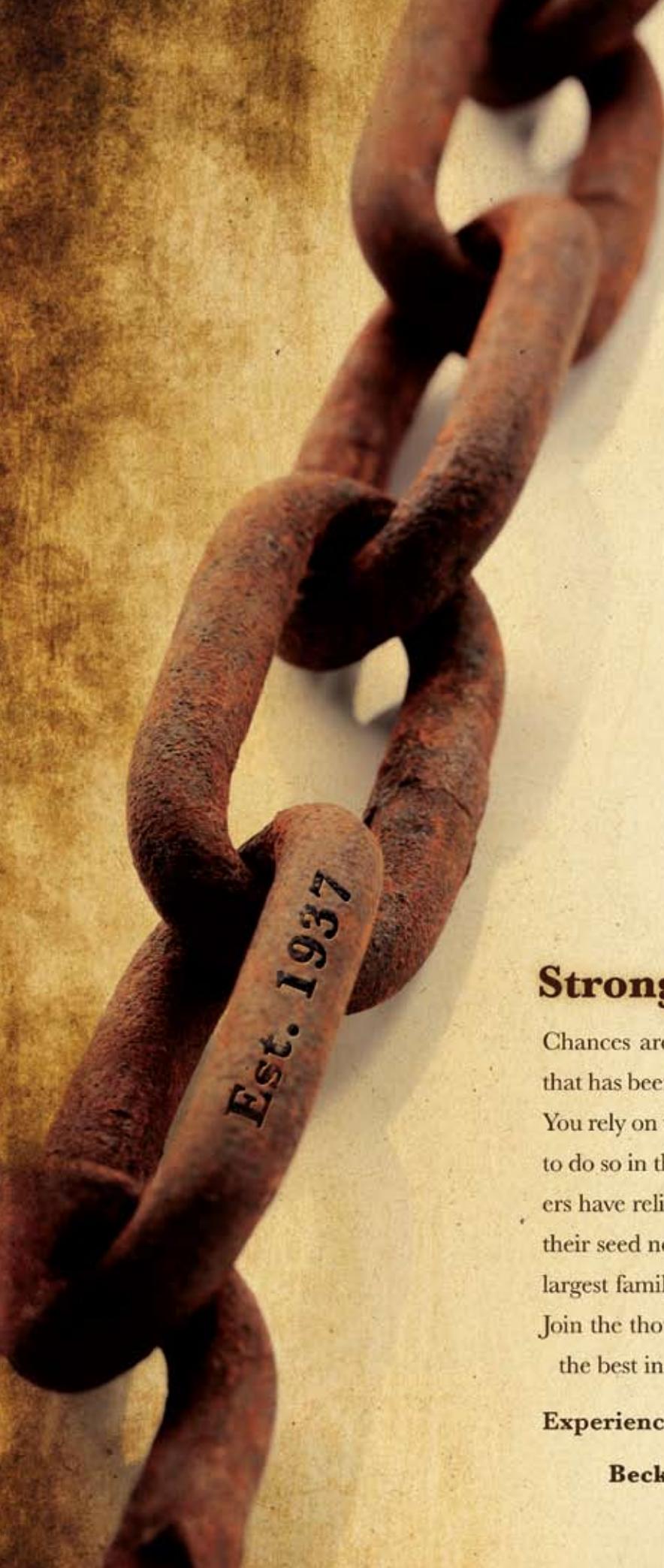
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