



USGC News Release

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For Immediate Release

USGC: Feed Grains Exports Forecast at Record \$24 Billion

WASHINGTON, D.C., September 6, 2007 – U.S. agricultural exports surpassed expectations last year generating a record \$68.6 billion for U.S. farm families and the economy in general. According to USDA forecasts, the 2006 record will be broken soon with exports expected to bring in \$79 billion in fiscal year 2007 and \$83.5 billion for 2008. Ken Hobbie, U.S. Grains Council president and CEO, said the increased forecast is a direct indicator of the growing demand for U.S. feed grains, which are forecast at a record \$24.3 billion in 2008.

“By way of sharing information and educating our trade partners, the Council has helped producers establish a reputation for providing high-quality feed grains,” said Hobbie. “Thanks to farmers responding to intensifying demand, we are known as a reliable and trustworthy partner.”

According to Kirk Miller, general sales manager of USDA’s Foreign Agricultural Service (FAS), many facets contributed to USDA’s most recent forecasts for U.S. agricultural exports.

“A lot of factors came together to allow our analysts to come up with the 2007 and 2008 export forecasts. For example, many of our competitors are facing natural calamities, which are significantly reducing their crop size. Even more importantly, the quality of U.S. grains continues to meet and surpass consumer expectations,” said Miller, who oversees FAS exports promotion, marketing and trade analysis, export credit programs and USDA food aid activities.

Miller said when it comes to developing markets and enabling trade, the Council’s efforts inspire demand through information sharing and hands-on development.

“We cannot ignore the significant contributions being made by the U.S. Grains Council, which is a leading cooperater with FAS, on behalf of U.S. farmers,” said Miller. “They are literally working around the clock to develop new markets and expand those already in existence.”

Hobbie said the heightened demand for U.S. feed grains contributed greatly to the USDA’s forecasts. For example, corn exports alone are expected to reach \$9.3 billion in 2008, accounting for 11 percent of the total value of U.S. agricultural exports. He also said with increasing corn prices, demand for barley and sorghum is growing as trade partners search for feed alternatives. Sorghum exports are expected to rise by \$200 million.

Kevin Natz, USGC director of trade policy said recently signed free trade agreements will open many doors for U.S. farmers to very important markets, thus fueling demand.

“If Congress approves free trade agreements with the Andean countries of Peru, Colombia and Panama, the U.S. will ultimately have free trade for U.S. feed grains with over two-thirds of the population in the Western Hemisphere,” said Natz, adding that the pending agreement with South Korea also stands to greatly benefit U.S. agriculture. “U.S. feed grains and producers win in a free trade environment. Liberalized trade will add value to U.S. grains.”

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The U.S. Grains Council is a private, non-profit partnership of farmers and agribusinesses committed to building and expanding international markets for U.S. barley, corn, grain sorghum and their products.

The Council is headquartered in Washington, D.C., and has nine international offices that oversee programs in more than 50 countries. Financial support from our private industry members, including state checkoffs, agribusinesses, state entities and others, triggers federal matching funds from the USDA resulting in a combined program value of more than \$25 million.

The U.S. Grains Council does not discriminate on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital/family status. Persons with disabilities, who require alternative means for communication of program information, should contact the U.S. Grains Council.

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