

Consolidated Notes from Corn Sector Workshop

August 30, 2016

What does growth look like to you? What should our industry goals be?

- Moving corn into non-traditional areas.
- New uses for corn or new manufacturing of corn products.
- Looking at transportation hurdles with increase in export market.
- Infrastructure (i.e. four-lane roads)
- Education on how to grow corn under varying moistures.
- Increase Kansas utilization of the corn produced in Kansas by 5% (~30 million bushels).
- E15 readily available in 50% of Kansas gas stations by 2020.
 - Blending pumps vs E15.

Identify Kansas' advantages.

- Kansas' positive attitude towards agriculture (corn and all other crops).
- "High tide raises all ships" — more corn production growing year to year
- Use of Kansas-grown corn in state, we are adding value at least once before it leaves.
- More efficient production, increased yields on non-irrigated acres.
- Land availability — Kansas has the 2nd most farm land of any state.
- Livestock feeding — top 3 in cattle, top 10 in hogs, consuming 280 million bushels per year.
- Ethanol — 12 plants in Kansas, consuming 183 million bushels per year.
 - 1st renewable diesel connected to an ethanol plant
 - Two fuels from one kernel of corn
 - Biofuel Innovation Center

Identify barriers to growth.

- University infrastructure is aging and faculty and staff are very susceptible to poaching.
 - Expect 21st century from 20th century infrastructure.
- Storage
- Capturing excess water in east to use in west.
- Truck weight limits
- Water — heavy reliance on irrigation from depleting groundwater sources.
 - Reconcile declining water resources with growth of a water intensive crop.
 - Corn is using a lot of water and we need to figure out how to calm that down. We need to have a way of capturing flood waters and figuring out how to double yields — utilizing rainfall
- RFS — only requires E10 effectively capping ethanol production.
 - EPA restrictions to free market.
 - More support for RFS from Governor.
- Federal policy — atrazine, WOTUS, lesser prairie chicken, OSHA, etc.

- Loss of pest management tools/efficacy
 - Resistance, climate
- Succession — workforce
- Consumer confidence/ignorance related to GMOs
 - “We are not the products they are buying but we are in the products they are buying”
 - “We have to educate with a GMO and what it means, but we also need to answer questions in relation to feed and livestock”
 - “It’s not that consumers don’t want to know, it’s that they want to learn
 - It’s getting easier to address the GMO issue as more scientists lean towards GMO acceptance

Identify untapped opportunities and ideas for growth.

- International demand for DDGS as they grow animal agriculture.
- Develop surface water when streams are at high flows to irrigate more dryland acres — capture and use all Kansas waters.
- Develop public breeding program and focused Kansas needs.
- Grow hog industry in less populated areas of state.
- Economic development packages suitable for corn processors.
- Irrigation research and development of an irrigation engineering major at K-State.
- Partnership between ethanol processors and feed manufacturers to enhance the feed value of DDGS.
- Export markets for distillers and ethanol.
- High protein DDGS from reduced processing.
- State blender pump incentives.

What do we do next? What’s our action plan?

- Blending pumps that use E15
- Educate on growing corn with varying water
- Consumer confidence/ignorance on GMOs
 - Reconnect and re-instill our consumer connection and trust with farmers
 - Kansas Agriculture = Trustworthy
- EPA restrictions to free market access for ethanol
- Grow hog industry in less populated part of the state
- Export markets for distillers grain/ethanol

- Exploring transportation
- Securing farmers’ connection with consumer
- Focus on DDGS to overseas markets
 - Stay focused on DDGS and how to pack more protein into a container
- Getting past EPA E15 roadblocks to get to E30

- EPA restrictions to free market access- providing roadblocks to producers. “RFS is not a cap, it’s a floor” E30 is the sweet spot. Establishing state laws and retail standards — using NE and IA laws to model after for our own.
- Add value to locally used products
 - Add more value via processing, management and marketing before leaving Kansas
- Strategic growth in animal agriculture
- Inter-sector collaboration