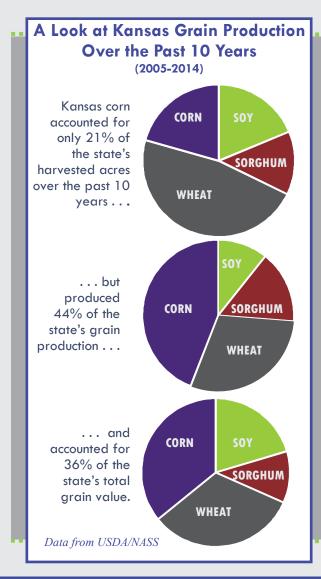
Kansas Corn Commission
Annual Report
2015 Review, 2016 Outlook

GOOD NEW Sabout Kansas corn

Kansas corn feeds our livestock, our ethanol plants and is exported around the world as grain and as a finished, value-added product—meat, ethanol and DDGS. In this annual report, we celebrate Kansas corn and the innovative Kansas corn farmers who are growing more grain per acre using sustainable practices. Kansas farmers are unique in the corn belt. We proudly grow corn, sorghum, soybeans and wheat on our farms, and many of our corn farmers also raise livestock. Kansas farms are certainly diversified. Kansas will always be known as the "Wheat State" and we are proud of our heritage and our diversified farms. Today's farmers look at profitability and sustainability when making their decisions. The Kansas Corn Commission is focused on market development for corn and corn products to increase profitability for our farmers. The commission also continues to support research that looks to increase sustainability on the farm as well as advocacy and education efforts to help consumers understand how farmers provide safe and affordable products.



KANSAS CORN BY THE NUMBERS

440 million bushels ··· Estimated total corn usage in Kansas.

212 million bushels ··· Amount of Kansas corn fed to livestock.

173 million bushels ... Amount of Kansas corn used to make ethanol annually.

57 million bushels ·····Equivalent amount of Kansas corn that is returned as DDGS, a high nutrient livestock feed.

82 million bushels ····· Amount of Kansas corn exported out-of-state.

86 percent ------Percentage of corn crop used in-state, the highest in the corn belt.

33 percent Yield increase in dryland corn in Kansas in the past 40 years.

55 percent Yield increase in irrigated corn in Kansas in the past 40 years.

\$21 billion The total market value of Kansas corn in the past 10 years.

95 percent Percentage of the planted Kansas corn crop enhanced with biotechnology.

Statistics sourced from USDA/NASS and ProExporter Network Supply and Demand Report.

FY-2016 PROJECTS

Below is a listing of projects funded by the Kansas Corn Commission in Fiscal Year 2016, beginning July 1, 2015 and ending June 30, 2016.

The commission may fund additional projects before the end of the fiscal year.

Kansas State University Research:

Ignacio Ciampitti, "Extension Activities, Educational Materials and Applied Research for Kansas Corn"		
Daniel Flippo, "Study of Light Wavelength and Image Processing to Automatically Identify Corn Pests"\$36,970		
Nathan Nelson, "Cover Crops and Phosphorus Management to Protect Water Quality in Corn-Soybean Rotation"		
Sarah Zukoff, "Developing IPM Strategies for Drought Tolerant Corn Under Deficit Irrigation Scenarios"\$32,111		
Sunghun Park, "Genetic Engineering Strategy to Develop Heat, Drought and Cold Tolerant Kansas Corn"\$35,930		
Kansas Foundation for Agriculture in the Classroom, "Connecting Classrooms to Kanas Agriculture"		
International Grains Program, K-State "International Market Development"		
US Meat Export Federation, "International Market Development for Red Meats"		
US Grains Council, "International Market Development for Corn and Corn Products"		
Kansas Better Blends Initiative, Ethanol Pump Infrastructure/USDA BIP Grant Program		
Kansas Corn Growers Association "Kansas Corn Market Development, Promotion and Education"		
National Corn Growers Association "Research, Market Development, Promotion and Education: \$1,172,000 NCGA Funding summary: Base Funding: \$227,000 plus Portfolio Funding in the following areas: Image Campaigns (including USFRA, Common Ground, Corn Farmers Coalition): \$205,000; Biotechnology: \$5,000; Ethanol: \$150,000; Grower Services: \$10,000; Production/Stewardship: \$10,000; Public Policy Education: \$30,000, and Research and Development: \$15,000; Ag-Auto-Ethanol Working Group: \$10,000; Ethanol Infrastructure Development: \$260,000; American Ethanol/NASCAR Project: \$250,000		

Grants: Kansas FFA Foundation; Kansas Ag and Rural Leadership (KARL) program; Kansas Farm Food Connection; Kansas 4-H; Kansas Grain and Feed Association's Tomorrow's Ag Leaders (TAL) Program

Projects funded by the Kansas Corn Commission

A comparison of FY-2016 and FY-2015 Kansas Corn Commission Funding

FY-2016 Funded Projects

Funding	Amount	%
Research	\$193,205	8%
Domestic Market Development .	\$1,015,250	.40%
Foreign Market Development	\$685,250	27%
Promotion & Education	\$620.250	.25%

FY-2015 Funded Projects

Funding	Amount	%
Research	. \$241,107	.13%
Domestic Market Development.	. \$445,008	.33%
Foreign Market Development	. \$617,008	30%
Promotion & Education	. \$498,308	27%



Kansas Corn Commission

PO Box 446, Garnett, KS 66032 | Phone: 785-448-2626 | email at corn@ksgrains.com | www.kscorn.com

This annual report is published to inform corn producers of the projects and activities of the Kansas Corn Commission. Complete FY-16 budget available on request.

Published January 2016. Additional copies are available upon request. Copyright 2016 Kansas Corn Commission



Kansas Corn Commission Top Priority: **Building Market Demand for Kansas Corn**

In strategic planning sessions over the past year, the Kansas Corn Commission has reaffirmed market development as its top priority. The commission will focus corn checkoff funding efforts on strengthening and supporting existing markets like livestock, ethanol and exports and developing new markets.

Building Red Meat Exports with US Meat Export Federation

In 1979, the Kansas Corn Commission became the first corn checkoff in the nation to support the efforts of the USMEF. The commission has long believed in the value of exporting corn as a value added product—red meat. **BEEF:** In 2014, 14% of US beef production was exported. Beef exports were worth \$7.1 billion. The beef export value equated to \$300.36 per head of each steer and heifer processed in 2014. **PORK:** In 2014, 26.5% of pork production was exported, valued at \$6.7 billion. The US pork export value equated to \$62.45 per head of each hog processed in 2014. The equivalent of 500 million bushels of corn is exported through red meat export sales

Building Demand for Ethanol by Adding Fuel Infrastructure in Kansas and the US

Kansas received \$1.3 million in matching funds from the USDA Biofuels Initiative Program to increase ethanol pump infrastructure at fuel stations. The Kansas Corn Commission is administering the program and has committed \$250,000 in matching funds to project. The commission also supports national efforts to increase ethanol infrastructure program and the Ag-Auto-Ethanol Working Group.

Building Corn, Ethanol and DDGS Exports with US Grains Council and IGP

The corn commission continues its longtime support of US Grains Council and K-State's International Grains Program. The Council's office around the world work to build exports not only for grain, but also DDGS and ethanol. Two top-level Mexican trade teams sponsored by the US Grains Council visited Kansas this fall to learn more about Kansas corn, ethanol and DDGS.

CORN MARKETS BY THE NUMBERS

1.75 billion bushels······ Amount of U.S. corn exported annually. Japan and Mexico are the

top two buyers.

14 percent Percent of US processed beef that is exported.

26.5 percent Percent of US processed pork that is exported

500 million bushels ····· Amount of corn exported through red meat exports.

7 million cars..... The 10% ethanol fuel already in the nation's fuel supply has

decreased emissions equal to removing 7 million cars from the road.

75 million The number of NASCAR fans in the US who see the American Ethanol

message at every race.

Over 8 million miles ····· Miles driven on E15 fuel by NASCAR race vehicles with no fuel

related issues. (all NASCAR race vehicles have raced with

E15 fuel since 2011.)

Pictured from top to bottom:

- Top two photos, American Ethanol Spokesman Austin Dillon, from the Richard Childress Racing (RCR) team, and his #3 American Ethanol car. The American Ethanol brand has been very visible at NASCAR races.
- NASCAR legend Richard Childress continues to promote ethanol. He told the Agribusiness Council of Kansas City, "We've raced over 8 million brutal miles on E15 with no fuel-related problems."
- Mexico is one of our top corn buyers. Kansas Corn hosted two Mexican trade teams this fall to learn about Kansas corn, ethanol and DDGS. Here on the right, Kansas Corn Commission Chairman Kent Moore, St. John, shared information with trade team members.
- Helping China understand GMOs—Kansas Corn Commissioner, and former US Grains Council chairman Terry Vinduska, Marion, was asked to participate in a USDA FAS mission to China as one of two U.S. farmers to speak to Chinese farmers about their use of biotechnology with the goal of dispelling misinformation about GMOs and open markets for US corn.

Save the Date!

Kansas Commodity Classic February 11, 2016

Hilton Garden Inn Conference Center Manhattan, KS

The annual meeting of the Kansas corn, wheat and grain sorghum commissions association and commissions, the Kansas Commodity Classic will focus on markets, policy and exports.

8 a.m.: Registration begins

9 a.m.: Grain Markets, Darrel Holaday, Country Futures (invited)

10 a.m.: National Issues Briefing, National Corn, Wheat and Grain Sorghum CEO Panel

11 a.m.: Grain Export Update, US Grains Council

12 p.m.: Commodity Classic Luncheon

Keynote Speaker:

Kansas Attorney General Derek

Schmidt

1:30 p.m.: Adjourn

Preregistration by calling 866-759-4328. *Visit kscorn.com for updates.*

Who Is Telling Your Side of the Story?

Common Ground, Kansas Farm Food Connection, US Farmers and Ranchers Alliance, Corn Farmers Coalition . . . These are some of the efforts the Kansas Corn Commission is involved in to help consumers understand agriculture. On the state level, the Kansas Corn Commission partners with Kansas Farm Food Connection and Kansas Common Ground to acquaint Kansas consumers with farmers, and enhance consumer confidence in how food is grown. These partnerships allow farmers to be transparent, engage in dialogue with consumers, and showcase the continuous improvements they make to provide abundant, safe and affordable food. Opening dialogues with consumer opinion leaders is important. When farmers participate in these efforts, consumers respond positively. Most consumers simply want to learn more about what goes on at the farm. Do you want to get involved? We're always looking for farmers who want to advocate for agriculture, whether it is at events, or through social media.



MEET THE MAKERS—Kansas City area bloggers and dieticians came together with Kansas farmers to cook a meal together to donate to the Ronald McDonald House charity. Conversations about farming, livestock and GMOs dominate the evening's discussions. Kansas Farm Food Connection hosted this event, as well as another Kansas City event to talk about GMOs.

About the Kansas Corn Checkoff.

The Kansas Corn Commission checkoff was created by the Kansas Legislature in 1977 and determines how the one cent per bushel corn checkoff is invested to benefit corn producers. The Kansas corn checkoff is voluntary, and growers may request a refund from Kansas Corn Commission. The corn checkoff rate was increased from a half-cent per bushel to one cent per bushel on July 1, 2015. This was the first Kansas Corn Checkoff increase in 25 years. The Kansas Corn Checkoff remains the lowest of any grain commodity checkoff in Kansas. Growers and first-purchasers were notified of the increase by direct mail and through the media before it was implemented in July.

Producers decide how checkoff dollars are spent:

The commission is made up of nine corn producers elected to represent the state's crop reporting districts. The commission invests the checkoff in the areas of market development, research, promotion and education. Kansas Corn Commission meetings are open to the public.

Kansas Corn Commissioners are elected by producers:

Commissioners are elected by producers to decide how checkoff funds are spent for the greatest benefit to Kansas corn producers. The 2016 election process is underway for the Northeast, East Central and Southeast districts.

For more information:

Get more information on Kansas Corn programs and events at:

ww.kscorn.com

Kansas Corn Commissioners

District 1—Northwest Brian Baalman, Menlo

District 2—West Central

Dennis McNinch, Utica (Vice Chairman)

District 3—Southwest Steve Rome, Hugoton

District 4—North Central Mike Brzon, Courtland

District 5—CentralTerry Vinduska, Marion

District 6—South Central Kent Moore, luka (Chairman)

District 7—NortheastKen McCauley, White Cloud

District 8—East CentralPat Ross, Lawrence (Treasurer)

District 9—SoutheastRandy Small, Neodesha (Secretary)