

Approved \_\_\_\_\_

1-30-90  
Date

MINUTES OF THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT

The meeting was called to order by Senator Dave Kerr at \_\_\_\_\_  
Chairperson

8:00 a.m./p.m. on January 24, 1990 in room 123-S of the Capitol.

All members were present except:

Senator Steineger

Committee staff present:

Bill Edds, Revisor of Statutes' Office  
Lynne Holt, Kansas Legislative Research Dept.  
Sue Pettet, Secretary to the Committee

Conferees appearing before the committee:

Steven Graham, Ks. Wheat Commission  
John Wise, Ks. Corn Commission  
Craig Polson, Ks. Grain Sorghum Commission  
Dale Konzem, Kansas Soybean Commission  
Joe Berry, Ks. What Commission  
Dr. Richard Hahn, Ks. Value Added Center

Chairman Kerr called the meeting to order and said the Kansas Wheat Commission was going to give an update on their activities. There would also be an update from the Kansas Value Added Center.

Steven Graham of the Kansas Wheat Commission introduced John Wise of the Ks. Corn Commission. (Att. 1)

Mr. Wise stated that he served with eight other corn producers on the commission to evaluate and invest check-off funds for activities to benefit the producer. He explained various market development grants and research programs supported by the commission. He stated that the Corn Grower Assoc. has been recently enhanced with the addition of programming highlighting non-food uses of corn. The financial report is part of Attachment 1.

Mr. Craig Polson testified on behalf of Ks. Grain Sorghum Commission. (Att. 2) He stated that there are nine sorghum producers on the board which represent their respective districts in the state. The Ks. Grain Sorghum Commission is one of only three such programs in the United States, therefore heavily representing our product abroad as well as within the U.S.

Mr. Dale Konzem testified on behalf of the Kansas Soybean Commission. (Att. 3) He stated that market development activities for Kansas soybeans are conducted in conjunction with twenty-five other state soybean check-off programs. The Kansas Soybean Commission's support of research at K-State, the Parsons Experiment Station and the Garden City Experiment Station play an important role in the total soybean research in the state.

Mr. Joe Berry of the Ks. Wheat Commission testified. (Att. 4) He stated that the Ks. Wheat Commission was created by the Legislature in 1957. The commission is funded by a seven mill assessment collected at the first point where a farmer sells wheat in the state.

Since 1980, four new wheats have been introduced; Karl, Arkan, Norkan and Dodge. They have also entered into an agreement with Dillon stores to market "Kansas Wheat Bread," made from hard white winter wheat.

There are many other research and educational projects underway, but due to recent short harvests, the commission was forced to reduce the budget the past two years. This year's reductions amounted to \$600,000.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT

room 123-S, Statehouse, at 8:00 a.m./~~p.m.~~ on January 24, 1990.

Dr. Richard Hahn, Director of the Kansas Value Added Center testified. (Att. 5) He stated that KVAC was established by the Legislature in 1988. KVAC provides information to solve problems and furnish needed technical information for start-up companies. They help the start-up companies think through the beginning processes, define their products and markets and refer them to other agencies for business plans, financing, etc. Thus far, \$197,000 of the FY 1990 project budget of \$415,000 has been committed. He stated that he felt a strong working relationship has been established with a cross section of Kansas agriculture processing companies and university resources.

Meeting adjourned.



Comments by:  
Mr. John Wise, Linwood, Kansas  
Chairman, Kansas Corn Commission  
24 January 1990

Chairman and members of your committee, it is a pleasure to have the opportunity to speak with you today regarding the Kansas Corn Commission. As chairman of the commission I agreed to join the other commission representatives to share with you highlights of our program. I serve with eight other corn producers on the commission to evaluate and invest check-off funds for activities of benefit to the producer who contribute to such program. You have in front of you the current year projects selected by the commission for support. Let me highlight a few of those efforts. 1) The market development grants with the U.S. Feed Grains Council, and U.S. Meat Export Federation provide foreign market enhancement support to on-going programs in 15 countries. Projects funds are matched with fourteen other state check off programs along with USDA funds to support pilot feed mills in Central China, and the Russian Republics, corn processing trials in Korea and Taiwan and food supply and quality demonstrations in Japan and Venezuela. Domestic marketing efforts conducted by the National Corn Development Foundation concentrate on expanded use products including degradable corn starch plastics, oxygenated ethanol fuels, and corn sweetened foods. Additionally, coordination was provided to eight corn trade delegations while in Kansas to expand their knowledge of livestock nutrition, processing techniques, shipping and marketing. 2) The research programs supported by the commission include a variety of production, utilization, and cost efficiency investigations. In-state projects at Kansas State University concentrate on effective insecticide controls and hybrid development of corn. Studies at the University of Kansas, Pittsburg State University and private institutions are investigating new uses for corn in starch polyglucans and solar collection applications. 3) Cooperation with the Kansas Corn Grower Association has been recently enhanced with the addition of statewide programming highlighting non-food uses of corn. Exhibitions at state and county fairs, trade shows and environmental conferences have exposed the general public to new uses of corn versus the traditional use as an animal feedstuff.

While difficult to measure the effectiveness of the above programs toward economic benefit, it has been the commission's experience to evaluate the needs of the grower prior to selecting any programs for support. Attempts to educate the user, provide production efficiency data to the producers and to sell foreign buyers on the quality of our product, have seen economic and developmental



results to the corn industry of Kansas.

I will finish my comments by giving my appreciation to this committee for your support of our efforts in the past and would encourage any comments which may enhance the viability of our program. I am pleased to be able to work with the other commissions of grain sorghum, soybean and wheat as we pursue programs of mutual interest of grain quality, food safety, foreign market expansion, and cooperation with KSU's International Grains Program.

I will be happy to answer any questions. Thank you for your attention.

Attach:      Fiscal Year 1990 Budget  
                 Commission Member List

FISCAL YEAR 1990

KANSAS CORN COMMISSION

MARKET DEVELOPMENT GRANTS (continued)

U.S. FEED GRAINS COUNCIL	\$110,000
U.S. MEAT EXPORT FEDERATION	25,000
NATIONAL CORN DEVELOPMENT FOUNDATION	70,000

RESEARCH GRANTS (continued)

1. "Dryland Corn Management for Western Kansas" Agronomy and SW Kansas Branch	\$11,887
2. "Genetic Characterization of Populations of <u>Fusarium moniliforme</u> Isolated from Corn in Kansas" Plant Pathology	10,017
3. "The Ability of Seedborne Strains of <u>Fusarium moniliforme</u> to Cause Stalk Rot in Corn" Plant Pathology	18,714
4. "In vitro Production of Haploids via Anther Culture and Artificial Induction of F1 Hybrid Seeds in Corn" Agronomy	9,969
5. "Grain Storage, Handling and Sanitation Specialist" Department of Grain Science	9,015
6. "Market Development Grant - International Grains Program" Department of Grain Science	12,090

RESEARCH GRANTS (new)

7. "Spider Mite Resistance to Miticides and its Impact on Spider Mite Control in Kansas Corn" Entomology	10,000
8. "Development of a System to Double-Crop After Corn for Southeastern Kansas" Agronomy	8,273
9. "Safer, Yet Equally Effective Corn Borer Insecticides for Conventional and Insectigation Use?" Entomology	8,711
10. "Validating the KSU European Corn Borer Model and Producing Publications of Mutual Interest" Entomology	11,031
11. "Structural Studies of Corn Trypsin Inhibitor by NMR Spectroscopy" Plant Pathology	5,000



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Kansas Corn Commission  
FY 1990

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| 12. | "Conversion of Corn Starch to a Multi Purpose<br>Microbial Polyglucan"<br>Department of Microbiology, University of Kansas              | 10,270 |
| 13. | "Slurper Suitability for Solar Pond Stabilization"<br>Department of Mechanical Engineering, University<br>of Kansas                     | 10,000 |
| 14. | "Market Potential and Economical Implications for the<br>Use of Corn Starch in Biodegradable Waste Products"<br>DPRA, Manhattan, Kansas | 19,000 |

KANSAS CORN COMMISSION

<u>DISTRICT</u>	<u>NAME AND ADDRESS</u>	<u>TELEPHONE NUMBER</u>	<u>EXPIRATION DATE</u>
I	Harlan D. House RR 1, Box 48 Goodland, KS 67735	(913) 889-2619	11/30/93
II	Marvin Wiechman 708 Ora Scott City, KS 67871	(316) 872-3050	11/30/93
III	Robert Reed Box 97 Copeland, KS 67834	(316) 668-5380	11/30/93
IV	Larry Heidrick RR 2 Beloit, KS 67420	(913) 593-6658 (H) (913) 738-3927 (F)	09/30/92
V	Kurtiss Forsberg 2444 E. Mentor Road Assaria, KS 67416	(913) 667-5443	06/30/92
VI	Dennis Siefkes RR 3 Hudson, KS 67545	(316) 458-5222	06/30/92
VII	John Wise, Chairman RR 1, Box 48 Linwood, KS 66052	(913) 723-3284	06/30/91
VIII	Scott Kelsey 17145 NW 54th Rossville, KS 66533	(913) 584-6589	06/30/91
IX	Kenneth Taylor, Vice-Chairman RR 3 Girard, KS 66743	(316) 724-4019	06/30/91
	Mr. Galen Swenson, Administrator 109 SW 9th Street Topeka, KS 66612-1282	(913) 296-3738	

Comments by:  
Mr. Craig Polson, Axtell, Kansas  
Chairman, Kansas Grain Sorghum Commission  
24 January 1990

Chairman and members of the committee, I appreciate the opportunity to speak with you today regarding the Kansas Grain Sorghum Commission. As chairman of the commission, I agreed to join the other commission representatives in sharing with you some of the highlights of our program.

There are nine sorghum producers on the board which represent their respective districts of the state. Our primary responsibility is to evaluate and invest check-off funds for activities of benefit to the producer. I'd like to take a few minutes to target a few of those areas.

1) Market development activities are two fold in nature, international and domestic. The Kansas Grain Sorghum Commission is one of only three such programs in the United States and is therefore heavily involved in representing our product abroad as well as within our national borders. Kansas producers currently generate almost 1/2 of all national check-off revenue. Being the #1 grain sorghum producing state, we hold the position of being the leader in support of sorghum's interest in the U.S. Feed Grains Council. We currently pledge twice the investment of Nebraska's Board and seven times that of Texas to foreign market programming. We also have funded programs within the state to promote the use of sorghum in feeding rations in efforts to attract a larger share of the processed grain market within our own state and nation. Through the support of the U.S. Feed Grains Council, sorghum check-off funds are matched with Texas and Nebraska programs, USDA program funding, as well as Targeted Export Assistance dollars to conduct world wide sorghum feeding utilization and processing efforts. Programs in the Middle East, Southeast Asia, and Mexico remain of priority to sorghum activities in developing livestock sectors. Import restrictions and biases of sorghum have slowed export demand, but recent trade commitments and acceptance of the product have expanded sorghum sales. Domestic market promotion within the livestock feeding sector in beef, dairy and poultry producing regions is managed by the Grain Sorghum Promotion Federation. The three check-off states use the Federation as a vehicle to match resources and state expertise in studies and programs unable to be pursued by the individual state. Such entity also assisted with twelve foreign delegations which studied in each of the affiliated states to gather information on feed processing, nutritional management and pricing.

2) Grain sorghum research programs are a priority with the Commission.

Our support of Kansas State University and it's efforts in the areas of sorghum breeding, herbicide management, insecticide management, nutritional improvement and processing are vital to the producers individual program strategies. Kansas check-off dollars support new and ongoing research projects in an amount 8 times that of Texas' current involvement and double that of our bordering state to the north. Kansas has set the pace and will continue to break more new ground than any other research entity and has managed to maintain that position despite the drastically reduced budgets the past two droughts and insect plagued crops have brought us. Enhancements of sorghum research at the Fort Hays Experiment Station and the Garden City Experiment Station have provided valuable information to the livestock feeder and the producer alike.

3) Program support with the Kansas Grain Sorghum Producers Association has provided assistance with beef cattle feeding seminars within the state. Through an investigation which determined the efficiency of steam-flaked sorghum and corn in finishing rations, the Commission and the association have sponsored feeder/processor seminars to share the results of the study. The objective of the study evaluated feeding value, carcass characteristics, and consumer acceptance of beef finished on the steam flaked corn or sorghum. Results determined no differences in carcass evaluation and also showed an equality in relative energy values when comparing the two grains side by side in a stem-flaked ration for finishing cattle. These studies and their results were positively received by the feeding sector and have assisted in providing for an increased interest in sorghum based finish rations.

Each of these efforts, market-development, research and promotion/education are viewed with economic enhancement to the state's sorghum industry. By educating users domestically and abroad and by evaluating the production efficiency of the commodity, an obvious economic impact is realized by the grower.

I would like to close by sharing my appreciation for the committees attention and will certainly answer any questions you might have. The Kansas Grain Sorghum Commission is anxious to continue its efforts on behalf of the producers of Kansas, and will continue to cooperate with the other commission in supporting the activities of the International Grains Program at Kansas State University as well as assisting in the initiation and ongoing endeavors of new use programs within the state.



KANSAS GRAIN SORGHUM COMMISSION

MARKET DEVELOPMENT GRANTS (continued)

U.S. FEED GRAINS COUNCIL	\$160,000
U.S. FEED GRAINS COUNCIL (TARGETED EXPORT ASSISTANCE)	25,000
U.S. MEAT EXPORT FEDERATION	20,000
GRAIN SORGHUM PROMOTION FEDERATION	50,000

RESEARCH GRANTS (continued)

1. "Breeding Grain Sorghum for Improved Dryland Production" Agronomy	18,000
2. "Breeding Sorghum for Tolerance to <u>Fusarium</u> Stalk Rot" Agronomy and Plant Pathology	4,500
3. "Epidemiology and Management of <u>Fusarium</u> Seedling Blight of Grain Sorghum in Kansas" Plant Pathology	6,700
4. "Development of Sorghum Resistant to Production Hazards" Fort Hays Branch Station and Entomology	26,000
5. "Genetic Characterization of Populations of <u>Fusarium</u> <u>moniliforme</u> Isolated from Grain Sorghum in Kansas" Plant Pathology	6,700
6. "Development of Sorghum Resistant to Drought Stress and Spider Mites" Entomology and Agronomy	9,300
7. "Weed Management Systems in Western Kansas Grain Sorghum Production" Southwest Kansas Branch Station	5,900
8. "Rapid, Non-destructive Assessment of Sorghum Resistant to Greenbugs" Entomology and Agronomy	6,700
9. "Development of Grain and Forage Sorghum Resistant to Chinch Bugs" Agronomy	4,900
10. "Estimating Yield Loss from Cutworm Damage to Sorghum" Agronomy and Entomology	6,500
11. "Grain Storage, Handling, and Sanitation Specialist" Department of Grain Science	12,090
12. "Market Development Grant - International Grains Program" Department of Grain Science	13,873

**RESEARCH GRANTS (new)**

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|-----|--|--------|
| 13. | "Development of Species Specific DNA Probes to Monitor Levels of Parasitism of Greenbug on Sorghum"<br>Entomology                    | 4,556  |
| 14. | "Breeding Sorghum for Improved Digestibility and Feed Efficiency"<br>Agronomy  | 20,000 |
| 15. | "Determining the Role of Seed in Disseminating Bacterial Diseases of Sorghum"<br>Plant Pathology                                     | 4,801  |
| 16. | "Identifying Acetanilide Herbicide Tolerance in Grain Sorghum"<br>Agronomy   | 2,582  |
| 17. | "Grain Sorghum Plus Processed Tallow vs. Corn as a Dietary Energy Source for Lactating Holstein Cows"<br>Animal Science and Industry | 8,147  |

KANSAS GRAIN SORGHUM COMMISSION

<u>DISTRICT</u>	<u>NAME AND ADDRESS</u>	<u>TELEPHONE NUMBER</u>	<u>EXPIRATION DATE</u>
I	Tom D. Cook 300 E. Hill Street Colby, KS 67001	(913) 462-7122	06/30/89
II	Galen Diehl RR 1 Leoti, KS 67861	(316) 375-4950 375-4429	11/30/93
III	Gregory Shelor P.O. Box 56 Minneola, KS 67865	(316) 885-4609	11/30/93
IV	Terry Campbell 201 S. River Beloit, KS 67420	(913) 738-3119	09/30/92
V	Leon Suderman RR 2, Box 90 Hillsboro, KS 67083	(316) 947-5968	09/30/92
VI	Nathan Schepmann RR 1, Box 164 Preston, KS 67569	(316) 656-8991	09/30/92
VII	Craig Polson 300 Maple, Box 1 Axtell, KS 66403	(913) 736-2818	06/30/91
VIII	Gene Vining RR 1 Richmond, KS 66080	(913) 835-6598	06/30/91
IX	John Stroble RR 1, Box 33 Elk City, KS 67344	(316) 627-2212	06/30/91

Galen Swenson, Administrator  
109 SW 9th Street  
Topeka, KS 66612-1282  
(913) 296-3738



Chm. Kerr

" R. BAUGH

" ALLEN

" BAKER

Comments by:

Mr. Dale Konzem, Chairman, Kansas Soybean Commission

24 January 1990

Chairman and members of your committee, it is a pleasure to have the opportunity to speak with you today regarding the Kansas Soybean Commission. As chairman of the commission I wish to share with you highlights of our program. I serve with six other soybean producers representing seven districts of the state. You have in front of you the current year projects selected by the commission for support. Let me highlight a few of those efforts.

1) Market development activities for Kansas soybeans are conducted in conjunction with twenty-five other state soybean check-off programs through the auspices of the American Soybean Development Foundation (ASDF). Three Kansas producers are members of this forty-six member board. ASDF matches state support with USDA and Targeted Export Assistance grants to provide over 200 export promotions activities in 86 countries. Promotions utilizing soyoil in West Germany, soybean meal feeding ration trials in Korea, feed mill training in Turkey and Yugoslavia and human dietary nutritional programs in Mexico are representative of projects supported by Kansas soybean check-off dollars. Domestic programming also directed by ASDF with state sponsorship include soyoil consumer programs on saturated fats, soyoil ink promotions now utilized by one-half of the major newspapers, soyoil as a dust suppressant in grain and feedmill operations, and soy meal processing technology for improved beef, dairy, swine and poultry rations.

2) The Kansas Soybean Commission's support of research at Kansas State University, the Parsons Experiment Station and the Garden City Experiment Station plays an integral role in the total soybean research effort in the state. Without commission support Southeast and Southwest Kansas producers would not have adequate production data. Studies in crop rotations, tillage, herbicide and insecticide management, and optimum variety potential are supported for producer benefit. New research areas include studies investigating soybean protein fibers for textiles and extrusion technology for food applications of soybeans.

3) Coordination with the Kansas Soybean Association through regional profit seminars, an annual exposition and a soybean spokesman series are established to educate consumers, producers and processors of soy value. Further coordination was provided last year with ten soybean trade teams visiting Kansas to study soyoil refining, soy nutritional characteristics, handling and storage techniques, and pricing.

While five members are relatively new to the commission, I can assure you of our loyalty and commitment to the responsibility set forth by the commission. Our close relationship with the state and national associations provides insight into the research and marketing issues needed to be addressed. Our relationship with state universities and government keep us aware of timely concerns vital to the growers and his production. We are reviewing at present the implications of a national soybean check-off and it's effect on state programming and the potential for greater product acceptance. Such program may cause a change in the authority now allowed by the commission dependent on the results of a federal marketing order. **If such change results, your consideration, legislatively, may be sought allowing for procedural action to collect the national check-off.**

As you can see we attempt to incorporate all aspects of development into our program which can add economic benefit to the state's soybean industry. By assessing the needs of the grower, the foreign buyer and the domestic user, our program's goals are targeted to address each category's needs.

I will end my remarks by asking for any questions.

Thank you.

Attach: Fiscal Year 1990 Budget  
Commission Member List



FY 90  
KANSAS SOYBEAN COMMISSION

MARKET DEVELOPMENT GRANTS (continued)  
AMERICAN SOYBEAN DEVELOPMENT FOUNDATION \$206,256

RESEARCH GRANTS (continued)

1. "Agronomic Effects, Profitability, and Riskiness  
of Long-term Crop Rotations in Southeastern Kansas"  
Southeast Kansas Branch Station and Agricultural  
Economics 5,000
2. "Breeding Soybeans for Increased Productivity"  
Agronomy and Plant Pathology 46,756
3. "Effect of Tillage Systems and Wheel Track  
Compaction on Soybean and Soil Properties"  
Southeast Kansas Branch Station and Agronomy 8,891
4. "Development of Computer Software to Assist Soybean  
Growers in Selecting their Most Optimum Soybean  
Varieties"  
Agronomy 2,800
5. "Soybean Cyst Nematode and the Charcoal Rot Fungus:  
Effect of Soil Factors and Cropping Sequence on  
their Interaction"  
Plant Pathology 13,504
6. "Grain Storage, Handling and Sanitation Specialist"  
Department of Grain Science 12,090
7. "Market Development Grant - International Grains Program"  
Department of Grain Science 9,876

RESEARCH GRANTS (new)

8. "Soybean Cultivar Development for Southeastern Kansas"  
Southeast Kansas Branch Station and Agricultural  
Economics and Agronomy 15,000
9. "Determining Velvetleaf Radius-of-influence Effects  
Upon Intact and Injured Soybean Stands to Improve  
Profitability"  
Entomology 6,000
10. "Weed Management Systems in Western Kansas Soybean  
Production"  
Southwest Research-Extension Center 10,000
11. "Development of Soybean Protein Fibers for Textiles  
Suitable for Soybean/Wool Blend Yarns and Fabrics"  
Food and Nutrition, Clothing, Textiles, and  
Interior Design and Chemistry 10,000



KANSAS SOYBEAN COMMISSION

<u>DISTRICT</u>	<u>NAMES &amp; ADDRESS</u>	<u>TELEPHONE NUMBER</u>	<u>EXPIRATION DATE</u>
I	Stanley McCauley RR 1, Box 213 Leona, KS 66532	913-359-6983	11/30/93
II	Russ Sylvester RR 3, Box 213 Ottawa, KS 66067	913-242-3598	11/30/93
III	Gary Parker RR 1, Box 126 Moran, KS 66755	316-496-2452	11/30/93
IV	Mark Wing RR 1 Altoona, KS 66710	316-698-3337	09/30/92
V	Dale Konzem, Chairman 409 N. Hersey Beloit, KS 67420	913-738-3092	09/30/92
VI	Ken Ott, Vice-Chairman RR 2 Mulvane, KS 67110	316-777-1092	09/30/92
VII	W. Stanley Compton RR 2 Larned, KS 67550	316-285-2568	06/30/91

Galen Swenson, Administrator  
109 SW 9th Street  
Topeka, KS 66612-1282  
913-296-3738

KANSAS WHEAT COMMISSION TESTIMONY  
BEFORE THE  
SENATE ECONOMIC DEVELOPMENT COMMITTEE  
JANUARY 1990

Chairman Kerr, members of the committee, ladies and gentlemen, my name is Joe Berry. I am from Lenora in northwest Kansas and am currently serving as Chairman of the Kansas Wheat Commission. On behalf of all four commodity commissions, I want to thank you for the opportunity to appear before the committee.

The Kansas Wheat Commission was created by the Legislature in 1957 and will soon be in existence for 33 years. The commission is funded by a seven mill assessment collected at the first point where a farmer sells wheat in the state. The commission was located in Hutchinson for 27 years and now resides in Manhattan in a free standing building one mile west of the KSU campus. The wheat commission has a seven member board of directors appointed to four year terms by the governor.

In 1988, the Kansas Wheat Commission asked the Legislature for permission to increase the assessment and was given the authority to set the assessment at a rate of not more than 10 mills per bushel. On June 1, 1988, the commission set the assessment at 7 mills, which is \$7 per 1000 bushels. Today I would like to review some activities the wheat commission has underway and their impact on rural economic development in Kansas.

First, a program we have long supported is the wheat breeding effort at Kansas State University (KSU) and its Ft. Hays Experiment Station. Our funding emphasis is on increasing the disease resistance and protein content of Kansas wheat. Protein content is important because Kansas flour mills need a certain level of protein to make their desired products. Without adequate protein in the Kansas crop, our flour mills can be forced to bring in spring wheat from North Dakota to supplement low protein Kansas wheat. Exports of wheat suffer, too.

Since 1980, four new wheats have been introduced by the university - Karl, Arkan, Norkan and Dodge. All have higher protein content than the popular varieties they replaced. For the past three years, Arkan has been planted on more Kansas acres than any other wheat variety. Karl is expected to make its impact in the 1990s and should increase protein levels even higher.

Since 1980, the commission has worked with the KSU Plant Pathology Department to establish a Germplasm Resource Bank. This bank has grown to be the largest wild wheat and wheat-related grasses germplasm bank in the U.S.

Such efforts are very important to Kansas farmers and the seed industry. With the demise of Cargill and Pioneer hard red winter wheat breeding programs, we are left with AgriPro and KSU as our major sources of seed wheat. State and wheat commission funding of KSU's wheat breeding efforts is more important now than at any time in recent years.

Since the late 70s, the Kansas Wheat Commission has been funding work at KSU in the development of an entirely new class of wheat, i.e. hard white wheat. This program proceeded slowly until 1986 when the decision was made to greatly increase the white wheat efforts. The commission secured matching funding in each of the past three years from the Kansas Technology Enterprise Corporation (KTEC). Investments averaging \$500,000 per year have greatly enhanced KSU's breeding and market development efforts.

I realize there is a move to reduce or eliminate KTEC funding for next year and even for part of this year. KTEC funding is crucial to this year's work on hard white wheat at KSU and I encourage you to maintain at least this year's budget for KTEC. We have to invest in research if we are to have a profitable future on our farms and in local businesses.

The commission's 10 year's of work on hard white wheat led to the establishment of a for-profit producer cooperative named the American White Wheat Producers Association (AWWPA). AWWPA coordinates contract growing of hard white wheat in Kansas and the marketing of flour or bulgur made from the wheat. AWWPA entered into an agreement with Dillon's stores for the production of the first commercial product in Kansas made from hard white wheat called **KANSAS WHEAT BREAD**. The wheat commission's spokespersons helped Dillon's and AWWPA with the bread's first day (November 8, 1989) in-store promotion and sampling program. Dillon's will soon have another white wheat bread on the market.

Recently, due to the creation of hard white wheat, another company has been formed. Located in Ulysses, it is called High Plains Quality Foods. This company is producing hard white wheat tortillas and is pursuing other product ideas.

The past two years the wheat commission has worked very closely with the flour milling industry in the state. As the largest milling state in the nation and the largest miller for export, Kansas has quite a stake in the success of Food for Peace, PL480 and Export Enhancement Program (EEP) initiatives. We have some mills in our state which only mill for export and must close when there is no business. Other mills process flour for both the domestic and export markets and thus slow down when exports decline.

Dr. William Tierney, Extension Grain Economist at KSU, did a paper a year and a half ago which detailed the benefits of using EEP to subsidize U.S. flour exports against the more heavily subsidized European flour exports. The information from this paper has been used in meetings, letters, phone calls and other ways in educating people and agencies in Washington, D.C. Our efforts have been successful and the result is flour mills in Kansas have been open and running full-time milling for export. They have provided employment and a market for the farmers of Kansas.

Another issue the commission has worked on for many years is bearing fruit. This is the subject of grain quality or, more appropriately, grain cleanliness. Starting in the late 70s, the commission funded a series of reports which defined the problems involved in grain cleanliness, studied the costs and benefits of grain cleaning, the types of cattle rations wheat cleanings could be used in, plus the reasons some elevators and mills were using cleaning equipment. These reports along with many articles and meetings have resulted in changes to the grain standards, modifications in the way grain is being purchased and handled, and a reduction in complaints from overseas purchasers.

Due to the need for cleaning equipment, two companies have started business in Kansas to produce this equipment and two existing companies have expanded the manufacture of such equipment. Also, two of these companies developed and are now producing small machines which use aspiration to test for the amount of dockage and foreign material in grain.

We know of one grain company in western Kansas which is using the small aspirators to test the cleanliness of the wheat and is then paying farmers a premium for wheat which meets certain specified cleanliness standards. We are very encouraged by this development and hope it succeeds and is copied by others.



Research funded by the KWC helped Midwest Grain Products, our nation's largest starch and gluten plant, find new markets for its starch. A new research project is studying more efficient ways to separate starch and gluten. This research could lead to the use of small wheat starch granules in plastics and expanded markets for Kansas wheat.

One last activity I would like to discuss today involves the wheat commission's membership and participation in the Wheat Foods Council which strives to increase consumption of wheat foods in the U.S. This organization was started in Hutchinson in 1972 and has as members most of the state wheat commissions, some boards of agriculture including our Kansas State Board of Agriculture, and a few industry groups such as the American Institute of Baking and Roman Meal Company. Sharon Davis, Nutritionist for the Kansas Wheat Commission, is currently Chair of the Wheat Foods Council.

Articles featuring specific wheat foods are sent out to the nation's largest circulation newspapers in the major markets across the country. Wheat Foods Council members, including Sharon Davis, have been featured on nationwide television shows. Also, the Wheat Foods Council exhibits at large national/international shows such as the largest convention in the United States, the National Restaurant Association convention with attendance of over 100,000.

Such exposure is helping domestic wheat sales increase. Current Wheat Foods Council projects involve such diverse groups as the American Cancer Society, American Airlines, National Association of Pizza Operators and the New Orleans Saints football team.

There are many other research and educational projects the wheat commission has underway, but I had better wait for another day to discuss them. Due to the recent short harvests, we were forced to reduce the budget the past two years. This year's reductions amounted to one-third of the budget or \$600,000.

Thus, certain projects the commission would like to work on cannot be started right now. Some of these projects include wheat biotechnology, combine cleaning systems, consumer perception studies, wheat food nutrition studies and extrusion technology for making various wheat food and nonfood items. The commission is currently short two staff members and we hope someday to be able to fully staff the commission again. We will not ask you for new money today, but stress the need to receive this year's KTEC funding for the white wheat project and ask you to pray for continued moisture so we might have a decent crop.

I thank you for the opportunity to discuss some of the Kansas Wheat Commission's programs with you today. The assessment the producer pays is small, but I feel the returns to farmers and rural Kansas are large. I will be glad to answer any questions you might have.



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### Objectives

The objectives of KVAC, which is governed by a leadership council appointed by the governor, are:

1. Providing technical assistance to existing and potential value-added processing facilities, including incubator facilities.
2. Developing a network for collecting and distributing information to individuals involved in value-added processing.
3. Initiating pilot plant facilities to act as research and development laboratories for existing and potential small scale value-added endeavors in Kansas.
4. Providing technical assistance to new agriculture value-added processing businesses.
5. Developing and promoting communication and cooperation among private businesses, state government agencies, and private colleges and universities in Kansas.
6. Establishing research and development programs in technologies that have value-added commercial potential for food and nonfood agricultural products.

(Established in 1988 Supp. 76-481, *et seq.*, 10 May, 1988)

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### For more information

If you have questions about a project, or wish to set up an initial consultation, write or call:

Dr. Richard R. Hahn, Director  
Kansas Value-Added Center  
307 Umberger Hall  
Kansas State University  
Manhattan, KS 66506-3418  
Office: 913/532-7033  
FAX: 913/532-7036

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*Kansas Value-Added Center  
Manhattan, Kansas*



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*The mission of the Kansas Value-Added Center is to enhance the economy of the state of Kansas through technical assistance for agricultural processing endeavors.*

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***Kansas Value-Added Center***

The Kansas Value-Added Center (KVAC) was established by the Kansas Legislature in 1988 to support agricultural processing in the state and to enhance agriculture, economic, and rural revitalization. The purpose of KVAC is to develop and transfer technology for the commercialization of food and nonfood agricultural products in Kansas.

The Kansas Value-Added Center is the primary point of contact for agricultural entrepreneurs and existing companies needing technical information. As part of its mission, the center provides a central focus for responding to value-added processing and commercialization questions from Kansas processors.

The center has available pilot plant facilities to assist in the development and commercialization of new products and a broad range of technical specialties and consultants to assist Kansas processors in problem solving and product commercialization and market research.

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KVAC has two basic programs: one is aimed at technical assistance and the other is aimed at technology development and commercialization.

***Technical Assistance***

The technical assistance program assists clients in developing and expanding agricultural processing businesses.

1. KVAC acts as a technical resource by providing technical information; providing technical problem solving; networking with suppliers, brokers, etc.; assisting with the product commercialization process; and providing seminars and technical training.
2. KVAC can make available pilot plant processing facilities.
3. KVAC can network, cooperate, and coordinate agricultural business development with a number of state agencies.
4. KVAC also promotes communication between private enterprise and state agencies and universities.

***Technology Development and Commercialization***

The purpose of this program is to work with agricultural processing industries to identify technologies they need to expand and be more profitable. Another aim of this program is to see that these technologies are developed for the benefit of Kansas industry.

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***How KVAC Works***

The center provides free initial consultation. Work on specific problems is done on a project basis. Projects may be conducted on either a cost sharing basis or be fully funded by the center. Guidelines are available upon request.

The steps KVAC takes in working with a client are to:

1. Determine where you are in the commercialization process.
2. Identify your specific problems and areas of need.
3. Make sure you understand the market.
4. Identify sources of assistance and work out a plan for you to get help.
5. Get a commercialization plan prepared.
6. Follow-up as required.

Help is tailored to the specific needs of the client. All work is conducted on a client-confidential basis.

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