

Customers Offer Growers Tips

ST. LOUIS, Mo. — The latest USDA estimate indicates farmers will harvest more than nine billion bushels of corn this year. But current high prices and continued high demand for corn demonstrates the necessity of market expansion.

"Using corn for industrial uses is a relatively small business right now. But it's growing at a faster rate than the Gross National Product (GNP) and new corn product creation is expanding to keep up," said William Powell, group vice president of food product and industrial starch at National Starch and Chemical Corporation.

The New Jersey-based company produces high value products from corn, such as adhesives for food package labels and book bindings.

During a keynote address at the sixth biennial Corn Utilization Conference (CUC) VI, hosted by the National Corn Growers Association (NCGA), Powell said creation of new markets will result in competition between agricultural commodities, petrochemicals and synthetic ingredients.

Dale Jackson, vice president of marketing for Continental Grain in Chicago, told CUC VI participants the producer becomes the critical person in the marketing chain. "Value-added grain production requires a product mindset by the producer versus a commodity mentality we are all so used to," said Jackson.

Value-added grain, according to Jackson, is a product with special attributes to meet end-users' requirements. For

example, Continental gives corn growers who meet the company's harvest and handling requirements a 10-cent premium per bushel for corn with hard endosperm characteristics. Cereal and beer manufacturers like the larger flakes produced from hard endosperm corn. The company also provides growers a market for corn that exhibits a high starch content for use in industrial products like plastics and high oil corn for livestock feed.

Crop analysts expect almost 80 percent of this year's crop to be fed to livestock and poultry. Dr. Brian Hardy, a feed nutritionist at Premium Standard Farms in Missouri, continually evaluates corn for its cost-effective ability to meet nutrient specifications for livestock. Hardy identifies the fat, protein, fiber, carbohydrate and mineral content of each feed ingredient.

"The nutrient requirements of farm livestock are changing due to genetic improvements, concerns over the environment and demands for healthier, safer food products by the consumer. Identification of the nutrient factors important in ani-

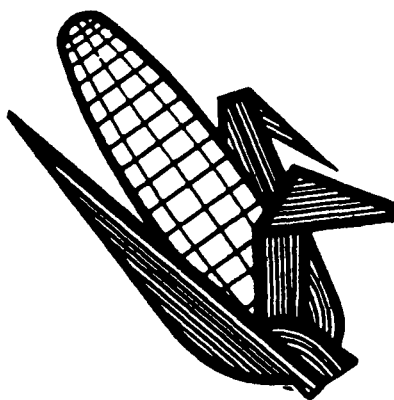
mal nutrition and a better understanding of how feed ingredients are evaluated will allow the plant geneticist/grower and animal nutritionist/farmer to work together to develop and use modified corn varieties in the future," Hardy told researchers at CUC IV.

But, Jackson said value-added grain production is not for every producer. "Many of the attributes desired by the customers must be separated at the producer level. The producer is the one person that can assure the quality of the grain and provide storage to smooth out shipment patterns."

Jackson said quality specifications can require contract growing, specific harvesting and drying practices and identity-preserved storage.

However, Jackson thinks the roles of seed breeders, grain handlers, corn growers, and processors are changing as each one tries to move closer to the end user.

"You will see more linkages form in various ways to share knowledge, minimize costs, and execute delivery of value-added corn to targeted high valued customers."



RESEARCH UPDATE



CORN TALK NEWS

PENNSYLVANIA MASTER CORN GROWERS ASSOC., INC.

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During the past year or so, I have received several reports of increasing interest in corn as a grazing crop.

The program consists of drilling or double planting corn into an existing pasture or other seedbed at a population of about 40,000 plants per acre. The corn is then strip grazed in mid July through August, approximately 60 days after planting, just before tasseling.

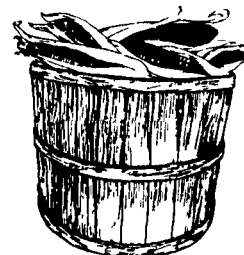
Grazing corn could help to supplement grazing during the summer slump in cool season pastures. For the first few days, cattle should be given limited access to the corn so that their rumen can adapt to the new forage and so they can learn to eat it more efficiently.

Forage quality of the corn is reported to be higher than alternatives such as sorghum sudan. Also, forage quality of corn does not decline with maturity as sharply as it does with sorghum sudan. Corn also does not have the prussic acid concerns associated with the sorghums.

Cost of establishment for this program may be higher than for sorghum sudan. Seed costs could be as high as \$40/acre, depending on the seed you choose. One company, Baldrige Hybrids, who has promoted the grazing corn

concept, sells a seed corn blend with some high protein lines specifically for this use. It would also be possible to use other hybrids. You could also use bin run or out-of-date seed corn if you were willing to take a little risk to reduce costs and were willing to sacrifice quality a bit. Some N will also likely be needed, as it would be for sorghum sudan, depending on yield potential and previous crops. A herbicide may also be needed at least in some situations where early season competition would be severe, as in a sod.

We don't have a lot of experience or data to make concrete recommendations on this practice. I have read a number of favorable testimonials on this practice from some other states. I do think it is an interesting concept that might fit in some situations. This year we plan to have at least two on-farm demonstrations, one in Berks County and one in Tioga County. Feedback from these demonstrations should give us more insight into the feasibility of this practice here in Pennsylvania.



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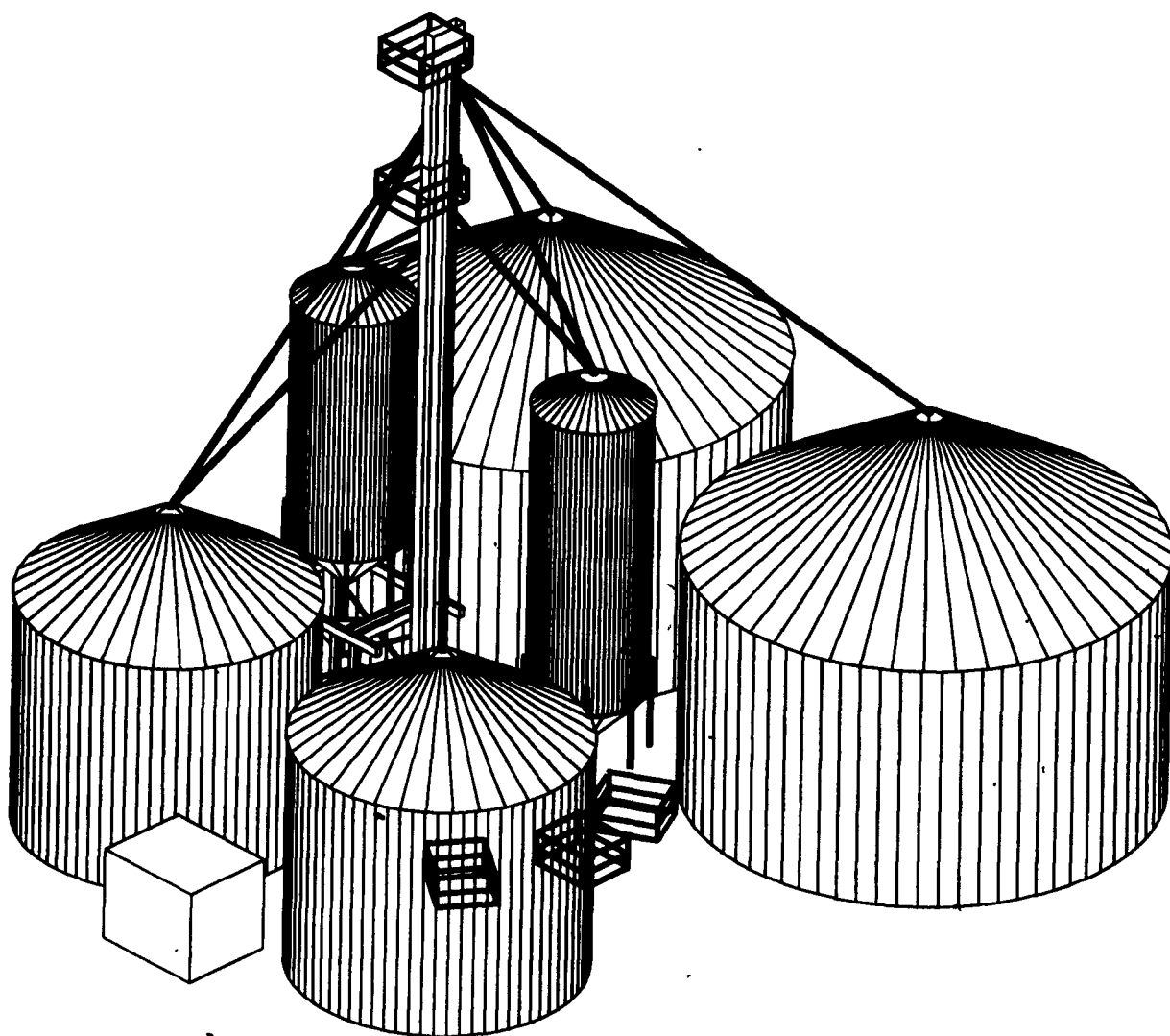
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