

Corn market may be looking up in 2015

Farmers are a forward-thinking group of people when it comes to planning for the future. With 2014 in the books, corn growers on the High Plains are now focusing on what the 2015 grain markets are trending toward.

“Our grain markets are still in an adjustment period this winter; however, there was phenomenal production in 2014,” Mark Welch, Texas A&M AgriLife Extension economist, says. “Last year, we recorded an all-time record high for production yield so the situation is certainly adequate heading into 2015.”

Though the record yield is exciting, there are also factors that accompany such a successful harvest. One such issue is the price of corn falling slightly given the large stockpile from the past two years.

“The primary issue going forward will be the degree to which these lower prices will provide less incentives to increase production in the coming year,” Welch says. “Given a lower price, most economists and analysts are

expecting lower corn acres in 2015 than in 2014.”

Even if farmers choose to continue growing the same number of corn acres, many may choose to take a less intensive approach to management.

“Another factor with lower prices is that there is less incentive for growers to provide inputs that will push production,” Welch says. “Unless we have another year of phenomenal production – which we certainly could have – a return to more normal growing conditions and less intensive application of inputs is likely to have an impact on the yield projections for 2015.”

The important thing to remember is that the U.S. corn market continues to remain strong even with a large carryover.

“I think the situation is shaping up for better prices in 2015 than we saw in 2014,” Welch says. “However, our large carryover stocks will mute any significant price rally unless we see a weather or supply disruption of some proportion in a major producing area.”

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From the Texas Corn Producers Board
and the Corn Producers Association of Texas
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the kernel



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CORNER Comments



David Gibson
TCPB Executive Director
CPAT Exec. Vice President

A new crop year is underway with corn up and growing in the Valley and Coastal

Bend area of Texas. Planting is under way throughout the Central and North Central areas of the state. Planting is somewhat behind due to cold weather and moisture in some areas. This year is starting out much like last year with a cool weather, and, as some are telling me, even more chilling price projections for our crops this year than last as we come off a record production for Texas and the U.S.

New crop corn prices have continued to be in the mid- to low-\$4.00 per bushel range. Some are even predicting prices to drop to the mid-\$3.00 range during the season, if planted acres on a na-

tional basis were to increase and no serious weather problems occur during the growing season.

Several producers just finished the Master Marketing class offered by Texas A&M AgriLife Extension in Amarillo. This is a program sponsored by many commodity organizations in the state, and Texas Corn Producers Board was one of the original sponsors when the program began 20 years ago. Producers are encouraged to watch for the formation of the next class and information on it will be at your local county AgriLife Extension office. These classes move to different portions of the state each year.

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At this late February writing, the weather prognosticators are predicting a late spring and delayed planting in 2015. With our conditions in the Blackland production area, I would have to agree with them, although I think they are probably forecasting for the Midwest. Nothing makes our heavy clay soils sloppier than a snow melt, which we have recently had and are expecting more. Fortunately, most farmers have the where with all to get crops planted remarkably fast given a window of opportunity. Oh look, it's beginning to snow... again.

With another grain buyer failure in the state, there is

renewed interest in having a grain producer indemnity fund established in Texas. This will require another producer referendum to be approved. With the widespread diversity of grain production areas in Texas, most grain producers think their buyer is safe until the day it is not. Unfortunately, there are hard lessons to be learned after the failure by most grain producers as to how little protection they actually have and the time/expense trying to recover their loss. It will require a proactive effort by grain producers to pass a referendum and have the fund established.

TCPB works to address issues affecting Texas corn



Scott Averhoff
TCPB Chairman
Waxahachie, Texas

grower profitability. Please contact us if you have an area of concern. 🌽

Texas corn farmers yield BIG!

While everything might not actually be bigger in Texas, the state's corn farmers are striving for bigger yields every year. Texas farmers fared well in the 2014 National Corn Yield Contest held by the National Corn Growers Association.

Steven Albracht of Hart, Texas, came in second in the contest's irrigated division with a superb yield of 459.4484 bushels per acre!

Mother Nature was a valuable ally for Albracht in this year's contest. "Our weather was about as perfect as you can get for Texas," Albracht, who has placed in NCYC numerous times during the past decade, said. "We had more rainfall in 2014 than we did in the last three years combined."

Albracht joined just six other entrants who surpassed

the 400-plus bushels per acre mark. His entry was beat out by Randy Dowdy of Valdosta, Ga., whose field yielded a contest all-time high yield of 503.7190 bushels per acre.

"While this contest provides individual growers a chance for good-natured competition with their peers, it also advances farming as a whole," Don Glenn, chairman of NCGA's Production and Stewardship Action Team, said. "This contest highlights how innovation, from both growers and technology providers, allows us to meet the growing demand for food, feed, fuel and fiber."

Winners received national recognition in publications such as the NCYC Corn Yield Guide, as well as cash trips or other awards from participating sponsoring seed, chemical

and crop protection companies. In Phoenix, Ariz., during the 2015 Commodity Classic, winners were honored during the NCGA Awards Banquet and the NCYC State Winners Breakfast.

For half of a century, NCGA's National Corn Yield Contest has provided corn growers the opportunity to compete with their colleagues to grow the most corn per acre, helping feed and fuel the world. This has given participants not only the recognition they deserved, but the opportunity to learn from their peers.

Interested in entering in the 2015 National Corn Yield Contest? Visit www.ncga.com for more information and details.

Congratulations to all the Texas corn farmers who participated in the 2014 contest!

Rank	Entrant Name	City	Hybrid Brand	Number	Yield
Division A: Non-Irrigated					
1	Pat Hammes	DeKalb	DEKALB	DKC62-08	240.1650
2	Todd Kimbrell Jr	Itasca	DEKALB	DKC62-08	231.1951
3	Bobby Kuretsch	Riesel	DEKALB	DKC62-08	218.6198
Division C: No-Till/Strip-Till Non-Irrigated					
1	Toby Kautz	Arthur City	Pioneer	P1498AM™	208.4540
2	Brian Fink	Seguin	Pioneer	P1395HR	163.6026
Division I: Irrigated					
1	Steven Albracht	Hart	Pioneer	P1883AM™	459.4484
2	Donny Carpenter Farms	Dimmitt	Pioneer	P1625CHR	334.2432
3	Kent Cartrite Farms	Sunray	DEKALB	DKC62-08RIB	324.8558
Division E: No-Till/Strip-Till Irrigated					
1	D & M Carpenter Enterprises	Dimmitt	Pioneer	P1625CHR	349.5962
2	Rouser Farms	Sunray	Integra Hybrid	9678-VT3PRO	306.1522
3	Buckley Farms	Dimmitt	Pioneer	33Y77AM1™	306.0604

THE VOICE: Association News

A note from the President...

This past week in Phoenix, Ariz., the four major commodity groups held their annual meetings at the 20th Annual Commodity Classic. One of the major issues addressed by each of the commodity groups this year, including the National Corn Growers Association, is the challenge of corn growers remaining profitable in the current climate of low grain prices. Assuming current price forecasts hold true, one of the biggest challenges the agricultural community faces will be marketing our grain at a profitable price levels, for the foreseeable future.

With the uptick in both production and price levels seen in the past several years, the nation's corn producers have grown a lot of corn! Along with these profitable years have come ever-increasing input prices. Costs for new equipment, seed, fertilizer, and land have expanded at unprecedented levels. It has never been more expensive to grow

an acre of corn! So where does a Texas corn farmer cut back his expenses to adjust to lower grain prices? Apply less fertilizer? Keep older equipment? Give up high priced land? Each of these options are hard pills to swallow. Unfortunately, food production is not a business that can be shut down when prices are cheap, and then restarted when favorable prices return.

CPAT continues to work hard to support Texas corn farmers. One way in which this is accomplished is via the Texas Grain Producers Indemnity Fund. This legislation provides growers with a way to self-insure their grain against the failure of any licensed grain warehouse in the state of Texas. Two major grain elevator failures have hurt the state's producers over the last several years, one of which is currently affecting producers in South Texas. This fund, modeled after similar funds in various other states, provides



Bruce Wetzel
CPAT President
Sherman, Texas

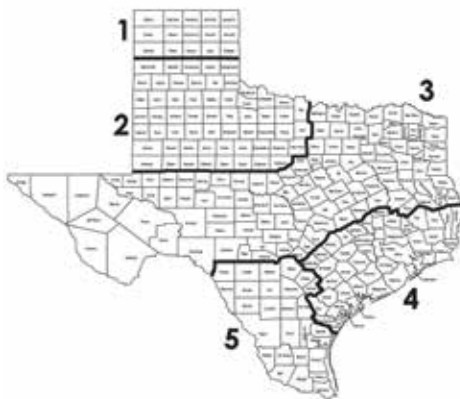
growers with a significant level of risk protection, with minimal expense assessed on the producers who do choose to participate in the voluntary program. CPAT continues to work closely with the state legislators during the current legislative session to work on ways to improve the law, with hopes of adopting the legislation, via grower referendum, in the coming future. 🌽

CPAT election results, new officers

The Corn Producers Association of Texas held its annual meeting Wednesday, Dec. 3, after the Texas Commodity Symposium at the Amarillo Civic Center.

During the meeting, members re-elected the following directors:

- Jimmy Wedel, District 2
- Bruce Wetzel, District 3



- Larry Mason, At Large
- Bart Thoreson, At Large
- Steve Yoder, At Large

Additionally, the association selected its new leadership. Bruce Wetzel of Sherman was elected president, Joe Reed of Kress was elected vice president, and Daniel Berglund of Wharton was elected secretary/treasurer. 🌽

Whirlwind of a winter

Farm bill and local ag meetings keep farmers busy

The past few months have been busy ones for Texas farmers. Texas Corn Producers has been across the state sponsoring, co-hosting and attending numerous farm bill educational sessions and other agricultural days.

“There’s much for farmers to learn about the farm programs established under the new farm bill,” TCP Executive Director David Gibson says. “It’s important for farm-

ers to take advantage of these opportunities to get the valuable information needed to make this important decision for their farms.”

The meetings this winter offered information related to farm loan program opportunities for farmers, as well as an overview of the new farm programs under the farm bill and a demonstration of the online decision aid.

The USDA has already of-

fered an extension of the farm programs’ first deadline. As information related to the farm bill is fluid, farmers are encouraged to stay abreast of the latest developments and news related to the farm bill. Information about the online decision aid developed by the Agricultural and Food Policy Center at Texas A&M University and other pertinent information is available on the TCP website, www.TexasCorn.org.

FARM BILL 2015 PROGRAM TIMELINE

NOW - MARCH 31, 2015

DECISION 1: UPDATE

REALLOCATE BASE ACRES
OR
KEEP 2013 BASES

AND

UPDATE PAYMENT YIELDS
OR
KEEP EXISTING PAYMENTS



NOW - MARCH 31, 2015

DECISION 2: CHOOSE A PROGRAM

AGRICULTURAL RISK COVERAGE (ARC)
CHOOSE EITHER:
INDIVIDUAL OR COUNTY

OR

PRICE LOSS COVERAGE (PLC)



MID-APRIL 2015 - SUMMER 2015

DECISION 3: SIGN A CONTRACT

SIGN CONTRACTS FOR EITHER
ARC OR PLC

* PRODUCERS WILL SIGN UP FOR BOTH 2014 AND 2015 CROP YEARS DURING THE SIGN UP PERIOD.

Gibson, continued from p. 2

Again, producers are having severe troubles with a grain buyer who has failed on payment for grain, which was sold or contracted. Growers in South Texas are having this hardship for grain delivered in 2013 and 2014. Our grain warehouse laws in Texas only cover grain delivered for storage and left in storage. Once you have contracted or sold the grain the only recourse is through a civil process to get your money for the grain you sell the buyer. As producers are again experiencing

this problem, they are learning that they are considered a non-secured creditor by the court, if a bankruptcy occurs. The outcome of this situation is still being determined.

I encourage all of you to be diligent in selecting with whom you do business. There are some signs that may be looked for: 1) slow or delayed payment, and 2) offering a bonus for waiting on getting paid for your grain at a later date. These have been two of the most common signs before the last two large issues

in the state. Remember, once you sell your crop, state or federal warehouse rules do not offer you any protection.

I get asked all the time by those not affected how this happens, the most common answer from the failure areas has been, “I’ve done business here for many years,” or “Even though payment was slow they always came through.” Just remember there is no guarantee that you could not be affected by a situation like this.

Texas farmers venture to Arizona for 20th Annual Commodity Classic

Texas corn farmers joined the nearly 8,000 total attendees at the 2015 Commodity Classic convention and trade show, which took place last month in Phoenix, Ariz. This year's attendance shattered previous records for the landmark event.

"The 2015 Commodity Classic was a terrific event for our growers and all involved," Commodity Classic Co-Chair Sam Butler said. "We know it wasn't just getting away from the weather for a sunnier climate. Our farmers were actively engaged in everything the landmark event had to offer, with many arriving early for policy sessions and coming to association meetings on a picture-perfect Saturday afternoon in Phoenix."

Farmers at the event had the opportunity to see the most cutting edge technology while interacting with industry leaders.

"Those searching for new ideas and a better picture of

what is now and soon will be available to farmers will find the most extensive, comprehensive offering to date while exhibitors reach a larger audience than ever," Commodity Classic Co-Chair Bart Schott said. "As the demand for food, feed and fuel continues to grow, we look forward to helping our members and growers across America find ways to do it through this event."

Texas corn farmer delegates took part in the National Corn Growers Association's Corn Congress, which outlined the policies and priorities of the organization for the coming year.

Additionally, Texas farmers in attendance had the chance to visit with other farmers



Wesley Spurlock served as a Texas delegate at Corn Congress during Commodity Classic

across the nation about their practices, challenges and success. All-in-all the event proved to be fruitful.

The 21st annual Commodity Classic will take place March 3-5, 2016, in New Orleans.

Commodity Classic is produced by NCGA, American Soybean Association, National Association of Wheat Growers and National Sorghum Producers.

Corn market, continued

Regardless of what happens in the market, Welch feels that the corn market around the world will follow the same trends.

"I think the factors we're seeing in the U.S. will play out all over the world," Welch says. "Higher prices will mean expanded acres and expanded production, while lower prices do not give you the

incentive to do that. However, if we continue seeing strong demand we'll begin whittling away at these large stocks to some degree in 2015."

With all of that information in mind, Welch cautions producers against letting marketing opportunities pass them by.

"I think producers need to be particularly mindful of

marketing opportunities in a year where our overall price factors are at the cost of production," Welch says. "We need to be mindful of marketing opportunities that present themselves and prepare ourselves to take advantage of those opportunities because sometimes those windows of opportunity aren't open very wide or very long."

ODDS *AND* ENDS



CPAT scholarship winners

Thanks to the many CPAT youth members who took the time to apply for the 2014 CPAT scholarship!

This year's high school winner is Claire Dallmeyer from Poth. She is a senior and will be attending Texas A&M Uni-

versity. Dallmeyer submitted an essay titled "The Biotechnology Perception Problem." She is planning to major in Biology/Allied Health.

The collegiate winner is Leah Doughty from Gainesville. She is a senior education

major at McMurry University. Doughty's essay was titled "Collaborating for Countries' Corn Concerns," which also discussed biotechnology.

Each recipient is receiving \$1,000 toward their college education. Congrats!

Farmland documentary debuting on DVD

Academy Award-winning filmmaker James Moll's feature-length documentary, **FARMLAND**, is now available on DVD at Walmart and Walmart.com. The availability of the documentary at retail locations across the country and online, provides another opportunity for viewers to experience the film, which offers a firsthand glimpse inside the world of farming by showcasing the lives of six young farmers and ranchers in their twenties.

FARMLAND premiered in theaters across the country in spring 2014, and now, beginning March 3rd, is available on hard disk for rent and purchase at Netflix, Amazon, select retail outlets and via On Demand platforms.

The documentary is also now available to rent on DVD from Netflix and to purchase on Amazon, with continued availability for rent and purchase via digital download on iTunes, Amazon Instant Video, Blockbuster On-Demand,

Sony PlayStation, Vudu.com, Xbox and YouTube.

Produced by Moll's Allentown Productions, **FARMLAND** was made with the generous support of the U.S. Farmers & Ranchers Alliance, of which the National Corn Growers Association was a founding affiliate. Check out the official trailer and more information about the feature length documentary at FARMLANDfilm.com.

TCP welcomes new Texas Tech University interns

Two new faces joined the TCP staff earlier this year. Texas Tech University students Taylor Bartek of Zabcikville, Texas, and Jessica Corder of Amarillo, Texas, are the organization's new administrative intern and communications intern, respectively.

Bartek began her collegiate career at Tarleton State University and is currently pursuing a degree in agricultur-

al communications at Texas Tech with a minor in agricultural economics.

Her passion for agriculture comes from growing up in a small ranching and farming community. Taylor hopes her time as an intern for TCP will expand her knowledge and lead to becoming an important asset in the agricultural industry.

Corder is a senior agri-

cultural communications major with a minor in media and communications at Texas Tech.

She hopes to gain extensive experience and knowledge through TCP and help her grow a better understanding of the agricultural industry. Every day and through every experience, Jessica's passion for agriculture grows.

Directors

Scott Averhoff, *Ellis Co.*

Jay Beckhusen, *Milam Co.*

Daniel Berglund, *Wharton Co.*

David Ford, *Hartley Co.*

Robert Gordon, *Dallam Co.*

Mark Howard, *Parmer Co.*

Larry Mason, *Dallam Co.*

Joe Reed, *Swisher Co.*

Charles Ring, *San Patricio Co.*

Wesley Spurlock, *Sherman Co.*

Max Swinburn, *Castro Co.*

Bart Thoreson, *Hansford Co.*

Wesley Valerius, *Cameron Co.*

Dee Vaughan, *Moore Co.*

Jimmy Wedel, *Bailey Co.*

Bruce Wetzel, *Grayson Co.*

Steve Yoder, *Dallam Co.*

Staff

David Gibson

Executive Director

Stephanie Pruitt

Communications Director

Kaci Bearden

Business & Finance Coord.

Hallie Bertrand

Industry Relations

Angie Martin

Industry Relations

Jessica Corder

Communications Intern

Taylor Bartek

Administrative Intern

Upcoming Events

Texas Corn Producers board meetings will be held
March 31 in Fort Worth, Texas.

It's a busy time of year! Visit www.TexasCorn.org for
the most up-to-date list of events.

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