

CornsTalk

SPRING
2014

NASCAR American Ethanol Partnership

Commodity Building at Husker Harvest designed to run on higher ethanol blends •

• Partnering with Husker Sports and NET



• U.S. Farmers and Ranchers Alliance • CommonGround • Co-sponsoring the Days • Corn harvest tours • Working with the auto industry to build engines

Working with Indy 500 champ Tom

Sports • Hosting hundreds of interna-



Sneva to promote ethanol

tional trade teams • Cele-
Corn Congress in Washing-
in Washington, DC • **Beef**

mission to Japan

CAFTA and more

• Helping with re-

Nebraska

• Intro-



following the earthquake and tsunami • Involvement in all trade agreements including GATT, NAFTA, WTO,

• Sponsorship of "The Beef State" NET production • Honoring industry and ag media leaders in Nebraska

structure of U.S. Grains Council • **Helping build**

ducing the first Value Added Conference to the U.S.



a Flex Fuel pump infrastructure in

Grains Council • Helped start the Indus-
down on promoting beef after BSE •

Showcasing Nebraska farm families in

delivery trucks • Developing performance

1999 • Developing a cattle industry forum

Team • Helped fund key UNL facilities



a "Sustaining Innovation"

reports and business plans • Organizing a multi-commodity Farm Bill Task Force in
to help promote beef • Organized the first Nebraska corn and beef D.C. Leadership
projects including the Food Industry Building, Beadle Center, **Veterinary Diagnostic**

Center,

State

Testing

from



Nebraska Center for Technical Agriculture (Curtis), and the Nebraska Agriculture Experience at the Nebraska

Fair • Nebraska's Gold: Corn • Sponsoring Japanese researchers to study corn

corn plastics with the City of Lincoln • **Being the first contributor to A-FAN** •

PETA and HSUS • Obtaining more than \$1 million in federal grants • Early



starch & industrial uses •

Dealing with challenges

adopters of email,

"Food, Inc." and

websites, Facebook, Twitter and YouTube • Battling media attacks such as "King

"Frankenfoods"—and helping promote "Farmland", a new ag film released in 2014

E85 vehicle around the tractor test track at UNL • Corn farmer call-to-action



• President George H. Bush drives an

for the Renewable Fuel Standard • And

corn, livestock, renewable fuels, and

dozens of additional projects, initiatives and investments to promote Nebraska's

agriculture • **And more....**

Nebraska Corn Board Investments Over the Past 27 Years

A
Publication
of the
Nebraska
CornBoard
NebraskaCorn.org

Retiring Nebraska Corn Board Executive Looks Back—and



After 27 years as the Executive Director of the Nebraska Corn Board, Don Hutchens will retire effective July 31, 2014. In this edition of CornsTALK, Don shares his perspective on where Nebraska's corn industry has been during his tenure—and where it's headed in the future.

From Don's Desk

"Time marches on." That was one of my dad's favorite sayings. Over the past 27 years as the executive director of the Nebraska Corn Board, I have had the opportunity to see the corn industry march toward success.

I have witnessed a number of transformations in our industry. Watching the corn industry move from decades of \$1.90 to \$2.20 bushel corn and a huge dependence on federal support...to a time of \$7.00 corn, a hard-fought Farm Bill, and one of the lowest carryouts in decades has been interesting, to say the least.

Who would have predicted 27 years ago that Nebraska could produce 1.4 billion bushels of corn and find a home for nearly every bushel—right here in Nebraska?!

The engine primarily responsible for this resurgence is homegrown, renewable ethanol. Corn checkoff dollars helped build the ethanol industry through research, improvements, promotion, education and policy development.

Ethanol helped increase the value of corn, thus helping fulfill part of the Nebraska Corn Board's mission of enhancing corn farmers' sustainability and profitability through market development, research, education and promotion.

Ethanol has helped pull many rural communities out of the economic doldrums, generated millions of tax dollars, and created good paying jobs from border to border. We're now the second largest ethanol producer in the U.S. with nearly two billion gallons annually along with about five million metric tons of distillers grains (livestock feed.)

Time marches on: There is no state better situated to take advantage of the powerful combination of corn, ethanol/distillers grains, and livestock. Our office has dubbed it "The Golden Triangle"—a convergence of Nebraska's unique strengths that provides incredible potential for economic vitality, job creation and international leadership.

Executive Director Forward

Time marches on: The Nebraska Corn Board has made a strong and sustained commitment to the livestock industry—and it's paying off. For many years I took calls from angry cattle feeders about corn being used for ethanol production. But within a few years, one cattle industry leader had what he called “an epiphany” and now saw distillers grains (a co-product of ethanol production) as a high-value feed for his herd. The acceptance of distillers grains was helped in great part by research funded by the Nebraska Corn Board and led by talented UNL animal scientists including Dr. Terry Klopfenstein, Dr. Rick Stock and Dr. Galen Erickson.



Time marches on: Water is another Nebraska advantage, which must be protected and managed wisely. Nebraska's natural resources districts have shown great leadership and great responsibility in this area. Corn checkoff-funded research is helping identify management practices to reduce the amount of water required to grow corn. The leadership of Dr. Ronnie Green at the UNL Institute

of Agriculture and Natural Resources—along with the groundbreaking work and unwavering dedication of university researchers and extension faculty across the state—is helping position Nebraska as a global leader in water research, food production and stewardship.

Time marches on: The seed industry took notice of Nebraska's strength in resources, research, production and talent. The Water Learning Center in Gothenburg and seed handling facilities for all the major genetics companies are now located here, creating jobs, tax revenue and higher value production in Nebraska and across the U.S.

Time marches on: Industrial applications for corn really got started in Nebraska with the Cargill plant in Blair, producing polylactic acid (PLA), which is the base for transforming corn into biodegradable plastics found in a wide range of products from the U.S. to Taiwan.

And where did all of this begin? With the checkoff investment collected the first time a bushel of corn is sold.

Checkoffs accomplish collectively what cannot be done individually. **Checkoffs** help fund university research in a time of tight budgets. **Checkoffs** help kickstart new ideas and sustain established markets. **Checkoffs** are truly farmers' investment in their future—and that investment is paying off.

I leave the leadership of the Nebraska Corn Board staff to the capable hands and mind of Kelly Brunkhorst, who has been on staff for ten years. Kelly will assume the role of executive director in August. His parents are still on the farm in Wauneta. He is an excellent statistician, economist, strategist, listener, collaborator and communicator. I believe you have to be committed, dedicated, and passionate about leading a commodity board. Kelly is all that and more. Kelly has earned the respect of the board, staff, and agricultural leaders in Nebraska and across the nation. *(See page 8)*

Over the past 27 years, agriculture has become healthier, smarter and more productive. And I am very proud to have been a part of it. I love my job, the people I work for and work with, and I will continue to be a spokesperson for Nebraska's corn farmers.

But, as my dad said: **“Time marches on.”**

Top 10 Highlights

Don Hutchens shares his “Top 10” highlights during his 27 years as Executive Director of the Nebraska Corn Board:

1 Helping thousands of Nebraska farmers file their class action documents in the Starlink debacle. When no one else in the state would take on the challenge of defining one of the first corn trait regulatory/contamination issues and helping farmers fill out the paperwork for their claims and fax it (remember fax machines?!), the Nebraska Corn Board commandeered a number of fax machines and went to work. The effort helped bring \$11.4 million in settlement money into our farmers’ pockets and those dollars resonated throughout rural Nebraska.

2 Fighting for and investing in the ethanol industry. The Nebraska Corn Board has long been a leader in terms of investment, promotion, policy and education related to the ethanol industry. Those efforts have paid off as Nebraska is now the second largest ethanol producer in the nation with 24 ethanol plants and nearly two billion gallons of production. The ethanol industry has revitalized rural Nebraska, increased on-farm income, created jobs and helped keep Nebraska’s economy healthy, even during the recent recession.



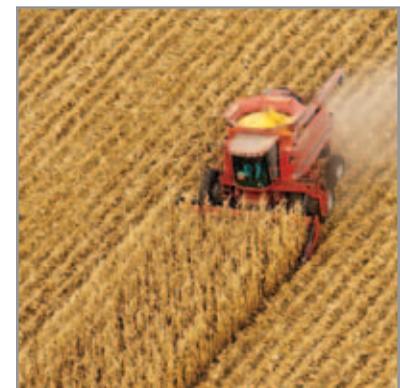
3 Developing national leadership from Nebraska. The Nebraska Corn Board has a long history of having its members in top-level positions in national organizations. Currently, Mark Jagels of Davenport is chairman of the U.S. Meat Export Federation; Jon Holzfaster of Paxton is on the Board of Directors of the National Corn Growers Association (NCGA); and Alan Tiemann of Seward is secretary-treasurer of the U.S. Grains Council and will ascend to chairman in two years. Former board member Bob Dickey of Laurel chaired both NCGA and the U.S. Grains Council.

Others such as Lee Klein and Nancy Heideman chaired NCGA and the NCGA Foundation in years past. Over the past 27 years, we have had dozens of board members share their expertise on a number of national action teams and advisory boards.

During my tenure, I have had the pleasure to work with and learn from some 50 different board members, and I have truly enjoyed the diversity of opinion, the willingness to compromise, their vision and commitment, and their unwavering sense of responsibility for investing corn farmer dollars wisely and prudently.

4 Assembling a top-notch staff. I am very proud to have hired and developed one of the best staff teams in the country. The Nebraska Corn Board staff requires very little oversight—and they are always mindful that they work for Nebraska’s corn farmers. They dedicate themselves to knowing the issues, discovering solutions, and working as a team. Nebraska’s corn farmers are well served by this small, talented and hard-working group of professionals. They are my second family.

5 Increasing Nebraska’s corn checkoff rate. For decades, Nebraska’s corn checkoff rate languished at the very rock bottom of all corn states—by a long way—even as the challenges, opportunities and corn prices increased. Thanks to the 9-member Nebraska Corn Board, the Legislature’s Ag Committee and 44 affirmative votes in the Unicameral, we were able to raise the Nebraska corn checkoff rate from one-quarter cent to a half-cent per bushel in 2012. Even with this increase, Nebraska is still tied for the lowest corn checkoff rate in the U.S.—in spite of our position as America’s third largest corn producer. We can and should do better.



6 Helping Nebraska agriculture tell its story. Over the past several years, we have seen a growing imperative for agriculture to tell its story to an increasingly inquisitive, skeptical and misinformed public. Nebraska corn has taken the lead in a number of consumer and influencer education programs both in-state and in collaboration with other states and national cooperators.



Many of the communications programs we have developed in Nebraska have been adapted by others across the U.S. In addition to in-house staff, we work with a

Nebraska-based marketing communications firm that has become a go-to resource for not only our board but for other agriculture organizations and agribusiness entities across the nation.

7 Olympic gold speaking for Nebraska's gold. Nebraska's Curt Tomasevicz was part of the gold-medal 4-man bobsled team at the 2010 Vancouver Winter Olympics and took bronze in Sochi in 2014. He became Nebraska corn's first

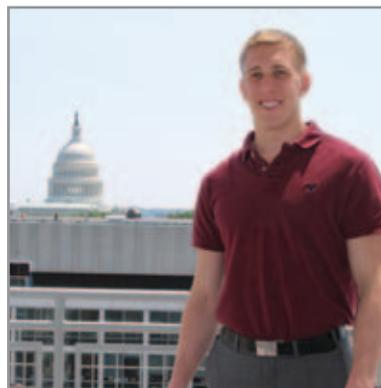
official spokesman. Curt has been an outstanding representative for Nebraska's corn farmers—he is articulate, passionate and appreciates Nebraska agriculture (and he isn't afraid to say so.) He has traveled to Japan on behalf of Nebraska corn farmers to promote Nebraska corn-fed beef in a healthy diet.



Thanks also to all the Nebraska farm families we have featured in our "Sustaining Innovation" campaign. They are all gold medal winners as well.

8 Instituting a groundbreaking internship program. Nebraska has some of the best and brightest young talent in the nation. We hired our first in-office intern 26 years ago and we have not been without an intern in the office since.

Thanks to our board's vision, we have taken internship to a new level by sponsoring summer internships which place Nebraska students with the National Corn Growers Association in both St. Louis and Washington, DC; the U.S. Meat Export Federation in Denver; and the U.S. Grains Council in DC and for the first time, an international position in Panama this summer.



9 Educating the world on biotechnology. Years ago, biotechnology was well understood in the U.S., but not so much around the world. The Nebraska Corn Board decided to host the first international biotechnology conference and proposed the idea to the U.S. Grains Council. Soon we were joined by the Iowa Corn Promotion Board and the Foreign Ag Service. The conference took place for several years, educated hundreds of international representatives, and even became part of the World Food Prize event in Des Moines. As other resources became available, the need for this event became less pressing; however, we may consider resurrecting it given the reluctance of China and others to accept the science behind biotechnology.



10 Improving internal communications. Making sure our board is up to speed on critical issues has been a priority for me. What began as a monthly newsletter from me to our board members has now become a weekly communiqué that is written by the entire staff. Agriculture and the corn industry are changing rapidly and dramatically, and we want to have the best-informed board members in the country so they have the background they need for sound decision-making. All of these initiatives—and more—are clear evidence of Nebraska's corn industry moving forward, while focused on sustainability and profitability.

What's left to do?

SEE NEXT PAGE 

UNFINISHED BUSINESS

While there have been great accomplishments and achievements in Nebraska's corn industry in the past 27 years, retiring Nebraska Corn Board executive director Don Hutchens shares his thoughts on what he calls "unfinished business"—areas in which he believes Nebraska's corn industry could be even better served:

NEBRASKA CORN BOARD "TO DO" LIST

- The Nebraska Corn Board and Nebraska Corn Growers Association should be located under one roof with a single CEO and shared staff (perhaps on Innovation Campus?) This revamped organizational approach would align with that of all other corn states including Iowa, which has seen great success. Being jointly located would further enhance collaboration, efficiency and effectiveness of both organizations—helping the two entities and Nebraska's corn farmers flourish.
- The Nebraska Corn Board needs a change in structure that will further improve the checkoff's ability to respond to challenges, opportunities and changes. Under the current set-up, the corn checkoff program is treated as a state agency, which creates a number of inefficiencies, duplications, and restrictions that hamper the work of a farmer-funded ag promotion and market development program.

The legislature's role in this change is critical and proposals for structural change have met with resistance due to some details and concerns that can be addressed. A bill to affect this change requires further refinement and groundwork with key stakeholders. But the bottom line is that the Nebraska Corn Board and its checkoff brethren are unlike a typical state agency.

Farmers pay their share of sales, property, and income taxes which are governed under state rules. But the checkoff is farmers' personal investment in their industry—and should not be subject to the same regulatory framework that administers an agency such as Health & Human Services.
- Nebraska Corn Board members should be compensated more than the current \$25 per day stipend. These board members are giving up their "day jobs" for 30+ days per year to serve Nebraska's corn farmers. They are being entrusted to make sound decisions when investing corn checkoff dollars. Agriculture is a multibillion-dollar industry in Nebraska—and the corn checkoff helps advance that industry to the benefit of all Nebraskans.
- We all need to do a better job of joining forces and building collaborative partnerships—listening to each other's concerns and challenges. We can and must avoid the parochial, line-in-the-sand mentality that runs rampant in Washington, DC. Agriculture is as small as it is big. We cannot afford to fight amongst ourselves. I hope to see a day when a number of commodity checkoffs and associations are all under one roof working collaboratively. Producers expect this of us, since many of them are growing multiple crops and investing in multiple checkoff programs.

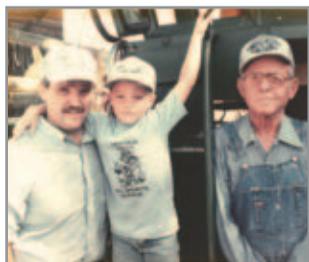
THE FUTURE

When Don Hutchens looks into his crystal ball, here's what he sees:

- A growing world population of 9 billion by 2050, with more income to buy more grain & protein (a given).
- Growing competition from South America, China, Ukraine (or Russia) and Africa to grow more of the world's grain and protein.
- Brazil will try to become the world's top producer of beef, pork, poultry and ethanol.
- Reduced federal funding of crop insurance, nutrition programs and export promotions.
- Continued battle over who owns data. Ag has become a data-rich industry thanks to new technologies.
- Water rights between states, municipalities, agriculture and individual land owners will escalate.
- Overzealous alarmists on food quality/safety, animal rights, technology and regulations will haunt crop and livestock producers.
- China will continue to try to expand ownership of land, shipping, rail, food processing and technology in the world.
- Global warming, both human-influenced and natural, will change the way we need to farm and consume energy.
- Nebraska will continue to be a center point for livestock development (if we can help convince local government of the benefit), meat processing and crop research and seed production.
- Thanks to some excellent vision by the IANR, Nebraska is on the brink of setting a new trend in Land Grant universities. It will bring the brightest and best in faculty and draw more students to the agriculture curriculum.



Final Thoughts from the Corner Office



My path to the position of executive director of the Nebraska Corn Board began decades ago.

I grew up on a small diversified farm near Geneva,

Nebraska. My dad inherited the farm in 1927 at the age of 17 when his father died of cancer. The farm had more debt against it than it was worth. On top of that, dad had two younger sisters and a mother to care for.

This personal background has enabled me to relate to the difficulties of agriculture, the work ethic, and the importance of family and community.

My parents are deceased, so I can't tell them how much they influenced who I am; but I can pay them tribute in this final communication to the industry they served as well.

Fortunately for my dad, he met my mother and they eloped in 1931; my elder brother was born in 1934. They had little to start with—other than debt—and began their life together in the throes of the Great Depression and the driest of decades. But they fought the battle together. I cannot fathom how they did it.

My dad could fix anything—and he had to, since he had precious few resources to hire someone to do it. When he didn't know how to wire a house for electricity—and didn't have the \$600 to pay for the labor—he went to town, bought a book and taught himself. The house is still there and the lights work just fine, thank you.

My parents valued education, saying "it's something no one can take away from you." All in our family took that to heart. My brother became president of Kanab Pipeline. My sister obtained two college degrees and dedicated herself to education and teaching.

Ironically, my dad did not want me to return to the farm because it was "too small, too much work and not very profitable." Well, I did return with my UNL degree in business administration; but could not have succeeded without the support of my wife, Donna, her income as a home economics teacher, and her solid emotional support for what I was doing.

Donna and I had two children while living and

working in Geneva. Our daughter, Kate, is a physician living in Kearney with her husband and our grandson. Our son, Jerad, received his agribusiness degree from UNL and is a district manager for a manufacturer of grain handling and storage systems. He and his bride live in Lincoln.

I owe my opportunity to serve in the Nebraska Department of Agriculture in 1985 to the LEAD program. I also had great mentors in Paul Underwood, an ag teacher in Geneva, as well as people such as Rob Raun of Minden, Chuck Schroeder (then of Palisade) and Governor Bob Kerrey.

All of this led to my stepping into the role of executive director of the Nebraska Corn Board in 1987—with a staff of one, corn at \$1.90 and a national carryover of corn stocks that exceeded four billion bushels.

How times have changed—and greatly for the better.

Over the past 27 years, I took my job home at night. I vented to Donna—and I listened to her (when I could hear her...I'm a little deaf in one ear thanks to a 756 International). She has been a strong advocate and partner as I have worked in this position. I owe her much—and believe me, she is ready to collect. When I announced my retirement, many people responded with sympathies and condolences for her!

When one's 401K retirement plan is tied to agriculture—and when you are accountable to a legion of farmers who grow corn—there is never a dull moment. You cannot make everyone happy at once—if it's too dry in one place, it's too wet in another. But I loved it all, and there was never a happy farmer or one mad as a wet hen that I would not take time to visit with—and enjoy the conversation.

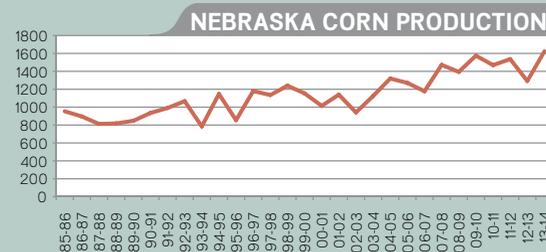
As I leave this position, I want to thank all advocates of Nebraska agriculture, the 23,000 Nebraska corn farmers who invest in their checkoff, and the cast of thousands who have helped me, challenged me, improved me, and influenced me.

But most of all, I want to thank my family for always supporting my passion for agriculture.

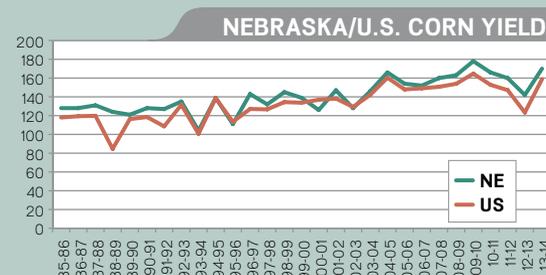
**Executive Director of the
Nebraska Corn Board 1987-2014**

Nebraska Corn By The Numbers 1985-2014

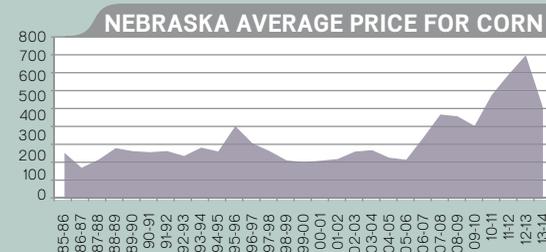
Through their checkoff investment, Nebraska corn farmers have helped sustain, promote and create markets for their product and improve profitability—even as they continue to grow more corn with less land, less water and fewer inputs.



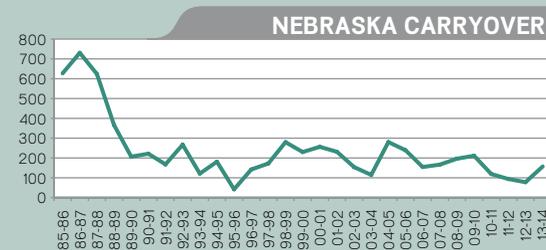
Over the past three decades, Nebraska corn farmers have continued to trend up in overall production, reaching a record 1.623 billion bushels last year.



Thanks in great part to irrigation, Nebraska corn yields have trended above the national average. Last year's average yield in Nebraska was 170 bushels per acre.



In 1985, the average corn price in Nebraska as \$2.26 per bushel, dropping to a low of \$1.53 the next year. Since then, we've seen a general trend upward, reaching a high of \$7.05 in 2012-13.



Over the years, increases in ethanol production and industrial uses—coupled with a steady demand from the livestock sector—have had a dramatic effect on reducing corn carryover stocks in Nebraska.

RU COOL 2 Flex Fuel?

FLEX FUEL VEHICLE

ANY BLEND of Ethanol & Gasoline

Look for an insignia on your trunk or tailgate.



24/7

Any time. Any amount!

You might have a yellow gas cap.
Or check your owner's manual.

Brunkhorst Selected as Next Executive Director of Nebraska Corn Board



Kelly Brunkhorst

Kelly Brunkhorst has been selected by the Nebraska Corn Board directors to succeed Don Hutchens as Executive Director effective August 1, 2014. Brunkhorst currently serves as director of research for the Nebraska Corn Board.

Brunkhorst was raised on a diversified farm and ranch operation south of Wauneta, Nebr. He graduated from the University of Nebraska-Lincoln with a bachelor's degree

in mechanized systems management and business. Upon graduation, he managed a feed mill for a private swine operation in north central Nebraska. He then became a district sales manager for Crow's Hybrid Corn Company before becoming the vice-president of operations and education for the Nebraska Grain & Feed Association.

He joined the staff of the Nebraska Corn Board in 2004 and his responsibilities included research, grant writing, seed industry and first purchaser relations, and leadership on issues related to transportation, industrial uses of corn, domestic and international markets. He has also represented the board on national research, production and stewardship committees, in addition to being chosen to participate in two national strategic planning initiatives.

He, and his wife Carey, have two sons, Seth and Alex.



District 1
Dave Bruntz
Friend, NE



District 6
Dennis Gengenbach
Smithfield, NE



District 2
Mark Jagels
Davenport, NE



District 7
David Merrell
St. Edward, NE



District 3
Curtis Friesen
Henderson, NE



District 8
Jon Holzfaster
Paxton, NE



District 4
Debbie Borg
Allen, NE



At-large
Alan Tiemann
Seward, NE



District 5
Tim Scheer
St. Paul, NE



Nebraska Corn Board members represent the eight districts indicated on the map and are appointed by the Governor. One at-large member is elected by the other Board members.

Nebraska Corn Board Staff

Don Hutchens
executive director



Kelly Brunkhorst
director of research



Kelsey Pope
director of advocacy
& outreach



Kim Clark
director of biofuels
development



Janet Miller
business manager



Susan Zabel
administrative
secretary



Facebook.com/NebraskaCornBoard
Twitter.com/NECornBoard
NebraskaCorn.blogspot.com

NebraskaCorn.org

Nebraska Corn Board
301 Centennial Mall South, Fourth Floor
Box 95107, Lincoln, Nebraska 68509
Phone 402/471-2676
Toll-Free 800/632-6761