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My name is Steve Van Voorhis. I am a fourth generation farmer, growing five hundred and fifty acres of corn, soybeans and wheat in Henrietta, NY. I also serve as the President of the New York Corn & Soybean Growers Association, a membership and soybean checkoff organization that focuses on promotion, education and production research in the corn and soybean industries of New York.

Thank you for this opportunity to testify today about the added value of corn and soybeans for our family farms and to New York's economy.

Traditionally, New York agriculture has been known for dairy, apples, and wine. But for the last decade, New York crop growers and dairy farmers have been adding hundreds of thousands of acres of corn and soybeans to their farms' portfolios.

In the last five years, with a growing international export market and a good price per bushel, New York farmers have continued to add soybean acreage to their operations. In 2007, New York growers planted just 205,000 acres of soybeans and harvested 7.9 million bushels. In 2012, soybean acres numbered over 315,000 in New York and the harvest pulled in almost \$15 million bushels, an addition of over 7 million bushels to the New York grain market in just 5 years.

While soybeans are a relatively newer crop to New York, farmers in New York have been growing corn for decades. However, thanks to two ethanol plants in New York state, one in Central New York and one here in Western New York, growers have continued to add acreage of corn to their farms as well. Since 2007, farmers have planted 200,000 more acres of corn resulting in 25 million more bushels on the market. The total corn acreage in 2012 was 1.2 million with over 90 million bushels harvested.

So, why the added acreage in corn and soybeans in New York?

You'll remember that when I gave you the soybean statistics, I mentioned a growing international market. The number one market for New York soy is Southeast Asia. With a rapidly growing middle-class, Southeast Asia is buying US soy for animal feed, mostly for aquaculture operations (fish farming). New York farmers sell their beans to grain dealers, who then load the crop onto rail cars, which then head to eastern seaboard ports. From there they are loaded onto containers (which originally arrived in the US full of consumer goods such as TVs), and shipped back across the world to Southeast Asia. Approximately 80% of New York's soybean crop is being exported in this manner. Such a strong market overseas has created high demand for soy, resulting in a good price paid to growers for their crop. In the last quarter, soybeans were going for \$12 to \$14 per bushel. Because of such a good price, many dairy farmers in the state are utilizing extra land by growing soybeans as a straight cash crop.

Another big customer for New York soy are our dairy cattle. Soybeans are made up of 80% high protein meal, and 20% oil. Soybeans are crushed, and the oil is extracted. The meal is then mixed into feed for animals—such as dairy cows—and the remaining oil is used for vegetable oil, consumer products such as lotions, lip glosses, candles, etc., or biodiesel.

Speaking of biodiesel, the New York Corn & Soybean Growers Association is excited about the increasing potential for the use of biodiesel in New York state both in heating oil and on-road diesel. Currently, New York City requires a 2% blend of biodiesel into all heating oil sold in the City, and many municipal city fleets are using biodiesel blends of up to 20% in their trucks and vehicles. The continued growth of the biodiesel market in New York state is a great opportunity for growers to add value to their soybean crops. Increased production and use of biodiesel will create additional demand for the crop, providing another market for New York soy. Finally, the higher the demand for soy oil—the cheaper the soy meal, which means dairy farmers will save money.

Now, back to corn. As I said, while farmers add soybean acreage to their operations, they are also adding corn acreage. A decade ago, as the potential for the construction of an ethanol plant was being tossed around, many nay-sayers said that New York could never support an ethanol plant with New York corn, let alone two ethanol plants. Today, we have two successful ethanol refineries that produce over 160 million gallons of ethanol from 60 million bushels of New York corn. In fact, all the ethanol for NASCAR comes right out of Sunoco's Fulton, New York ethanol facility.

Many of you have heard about the food vs. fuel debate when it comes to ethanol. But this renewable fuel's production is providing additional value to New York's dairy farmers as well. The byproduct of ethanol production from corn is dried distiller's grain or DDGs. Since New York began producing ethanol, dairy farmers have come to rely on DDGs as a source of high-protein feed for their cows, resulting in higher milk production.

The grain corn that is not used for ethanol in New York state is processed as meal for dairy, poultry and hogs as well as exported out of state or internationally.

Corn silage is also an important value-added crop to many dairy farmers and growers across New York state. Nearly half of New York's corn acreage is harvested as corn silage, a vitamin-rich feed for cows. In 2012, of the 1.2 million acres of corn planted in New York, 475,000 acres were harvested as silage. Instead of investing in their own planting and harvesting equipment, some smaller dairy farms will contract with larger crop operations to produce their silage, which is a win-win for both farms. The dairy gets the feed they need for their cows without the expensive upfront investment of planters and combines, and the crop businesses get additional use out of that their expensive equipment, resulting in it paying for itself more quickly.

Finally, both corn and soybeans are useful as replacements for petroleum-based ingredients in everyday products. Soy is already being used in plastics, foam, lawn and field turf, rubber and as carpet backing. Research is also being done by the US Department of Energy on converting corn biomass into useful high value chemicals and materials.

So what does the corn and soybean industries mean for New York's economy? In 2012, the direct value of corn was over \$600 million, and the direct value of New York's soybean crop was \$195 million, putting corn as the second most valuable commodity—second only to dairy—in New York state, and soybeans coming in at number 6. Add in the indirect value of equipment purchases, fertilizer, seed, labor and more, and the value of these grains multiplies exponentially.

Given the fact that farmers are planting more and more corn and soybeans in addition to the value of the crops in dollars, one can see just how large—and important—the grain and soybean industry in the state has become.