

Wyss Farms Enterprises
1725 West Yoder Road
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Newsletter by
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Food Price vs. Ethanol Production Debate

"ETHANOL" How can such a good concept and beneficial product become almost a "bad word" in such a short time? The word "ethanol" fits right in there with "made in the USA" and "energy independence" and the new catch phrase "GREEN!"

Why all the bad press lately? The debate of "food versus fuel" is becoming more and more prevalent. Research has shown that one of the biggest causes of price hikes in food has been transportation, which is mainly due to fuel price increases!

An article I read recently quoted Arthur Daniels Midland (ADM) chairperson and CEO, Patricia Woertz. She noted that corn yields have risen from 33 bushels per acre (bpa) in 1940 to 151 bpa in 2007 and possibly



Wyss Farms Enterprises' seed corn test plot in Fort Wayne, IN

will reach 300 bpa by 2030! Noteworthy, our population is only expected to grow by 50% by 2050. Coupled with the accelerated technology of today, this increase in corn production will more than double our capacity to meet both food and fuel needs in the future.

The increase in the price of grain is 5th on the list of causes for food price in-

crease behind energy, inflation, freight, and the declining value of the dollar. A \$1.00 increase in the price of gas has 3 times the impact on retail food prices than a \$1.00 price increase in corn prices. These statistics add a great deal of perspective to the current situation.



Don, Andy, and Joe Wyss meet with Chonghua Zhang at Purdue University.

Special points of interest:

- *Food vs. Fuel Debate -p1*
- *Growing Season 2008 Highlighted -p1*
- *Family News -p2*
- *Volatility in Marketplace -p2*

Meeting with Visitor from China

WFE had a chance to meet Chonghua Zhang, a representative of China International Programs, at a meeting organized by Professor Bruce Erickson from Purdue University. The topic of this meeting was to discuss the needs and opportunities in Chinese agriculture. Chonghua has been instrumental in creating mutual involvement opportunities for interested parties.

Thank You

Thanks to all who contacted us in regards to the article that appeared in the Prairie Farmer magazine about our trip to China.

Growing Season 2008

Rain, rain, and more rain! It has indeed been a wet spring, and my planter just recently made it back in the barn after spotting in some soybeans. At this point, in view of all of the tragedy around the country with severe flooding, I consider myself blessed. Our corn is actually thriving wonderfully

with all the moisture, and exhibits a good stand and emerald green color. The soybeans are not liking this cooler, wet weather, but are growing nonetheless.

Wheat harvest is just around the corner, and I might attempt to double crop some soybeans into the

wheat stubble this year, something I and others have tried before. This is a conservative project, but a worthwhile one if wheat harvest is early. Let's all remember to say a prayer for those less fortunate than ourselves. It must be heart breaking for those farmers experiencing such a disaster.

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Future farmers of America!



Grandma and Grandpa's pride and joy! Little grandsons Andrew, Alex, and Cody visit the farm together.

New Farm Bill Slow in Coming

Do you have an opinion on the new farm bill? After a recent visit to the Farm Services Agency (FSA), I was told that they just had received their initial information regarding the new directives. As of yet, they had not read it so we will have to stay in touch with our local FSA for news from the government regarding new farm policy which has taken a long time developing.



Nancy Miller, Joe's fiancé, shows off the combine to niece, Allie.

Volatility in the Marketplace

The commodity markets have been getting a lot of press over the past six months and deservedly so. Volatility continues with wild price swings in the futures markets. When the planting intentions report came out on March 31 of this year, the corn acres, as expected, were reduced from last year's record planted acres. Corn acres went from 93.6 million acres in 2007 to 86.0 million acres for 2008, and soybean acres went from 63.68 million acres in 2007 to 74.8 million acres for 2008.

The Planting Intentions Report gives us the first insight into what producers are thinking of planting for the current year. There are ongoing influences on these intentions, however, such as the steep rise in fertilizer prices and the increase in the cost of many other inputs, as well.

One needs to factor in global economies, too. This spring there was a strike in Argentina affecting soybean exports out of that country and consequently, bringing

more near term business to United States' ports. This strike has since ended as of June, but its effect made an impact.

There are three main factors affecting all markets today. These include (1) a new demand for food surfacing from overseas as people from more and more countries desire a better diet, (2) an increase in ethanol production, and (3) increased interest from speculators causing price volatility. These are exciting times in agriculture, for sure.

Upcoming Events

Don Wyss will be attending the Top Farmer Crop Workshop sponsored by Purdue University July 20-23 in West Lafayette, IN. This is an annual event for WFE, and one in which we have both benefited as attendees and as presenters in the past. A sampling of this year's topics include managing risk, land prices, using technology, and the skills of tomorrow's farmer. This workshop is one of the best!

Family News— Wedding Bells in the Air

Wedding bells are in the air for our son, Joe and his girlfriend Nancy. A Fort Wayne wedding shower in Nancy's honor was held at Brookwood Golf Club on June 28. Eight members of Nancy's family traveled from Chicago to Fort Wayne for the event. Having never

been on the farm before, the ladies actually arrived early for a tour of Wyss Farms. Nancy proudly showed off the combine to the delight and surprise of her city cousins, her mom, and "Gram". Allie, her little niece climbed up in the cab for a picture with Aunt Nancy!

Send Us a Line

I always appreciate hearing from you, so if you have a question or maybe just want to share something you find interesting, drop me a line. I can be reached by:

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Or mailing address listed in above heading

Until we talk again, enjoy life!

Andy Wyss

Note: A new article by Farm Futures Magazine featuring Joe and Don Wyss will be coming to our website. www.wyssfarms.com

"But how does it work?" asked Nancy's grandmother as she gazed upon the Case International 2388 combine for the very first time.