

THE Agricultural Business Council of Kansas City

December 23, 2008

How's Your 200.5K Doing?

Dennis McLaughlin, McKinley Communications, Inc.



Robert Young, PhD, chief economist for the American Farm Bureau Federation, had Agri Business Council members scratching their heads when he referred to the '200.5k' as a pretty good indicator of how bad the economy is. For a moment, a number - well, probably most - of the folks thought he was talking about some arcane metric used by analysts in the U.S. Office of Management and Budget. When Dr. Young deadpanned that it stood for "half of what your 401k is worth," he made his point about the severity of the financial crisis.

In his presentation at the Savoy Grill during the Council's monthly meeting, Dr. Young ran out the usual lengthy list of gloomy stats along with several interesting facts - like each drop of a penny at the fuel pump puts \$1.4 billion back into circulation. However, even with these drastic cash infusions, as gasoline prices plummet, Americans, he maintained, have not recovered their faith in the system.

Still, Dr. Young seemed upbeat in his outlook, noting agriculture was perhaps the lone shining light in the economy. The agriculture industry has managed its debts well, he said, and its overall "balance sheet is as good as it has ever been." He indicated 2009 net farm income might not register as high as 2008, when cash reserves will be \$90 billion above 2003. But the reserves next year could still reach \$70 billion beyond the 2003 level. He also suggests farmers watch the fall in land prices and try to renegotiate land rentals.

As for the bailouts, tarps and bridge loans to automakers, Dr. Young said he could make a case for or against the fiscal stimulus effort. But the fact, he noted, is the Feds are pushing hard to deliver a stimulus plan, and the new administration will be pushing just as vigorously. "We will have been pushing on every possibility," he said. So by 2010, Dr. Young predicts the economy won't just be recovering - "it'll be screaming." Any advice? "Invest now if you can" he said, "because

Best wishes for a joyous holiday season.



Upcoming Events:

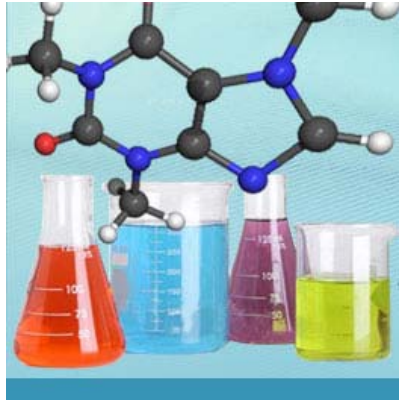
January 22, 2009
Legal & Economic Presentation
Hosted by Shook Hardy & Bacon. 2:00 - 4:00 p.m., reception to follow.
Complimentary for Ag Business Council Members. 2555 Grand Blvd, Kansas City, MO.
Featuring: **Steve Dees**, "The Free Choice Legislation"; **Terry Christenberry**, "A Financial Review"; and **Mark Anstoetter**.

February 20, 2009
The Modern Face of U.S. Animal Agriculture - Shaping Public Perceptions
11:30 a.m. Networking, 12:00 p.m. Lunch.

in 24 months the cost of money will triple."

NBAF Sets Its "Site" On Kansas

Dennis McLaughlin, McKinley Communications, Inc



The state of Kansas took a big step closer to becoming the home of the National Bio and Agro-Defense Facility when the Department of Homeland Security announced earlier this month that it had recommended the state as the preferred location. Kansas officials involved in developing the proposal and bid for the NBAF were quick to point out that the deal is not completely done. But a sense of optimism, nevertheless, seems warranted that the \$451 million federal scientific

laboratory will be built at Kansas State University

The recommendation of Kansas was made in the final environmental impact statement (EIS), which was slated to be published this month in the Federal Register. At this point there remains only one step: the actual record of decision, which will be issued after a minimum 30 days from the appearance of the announcement in the Federal Register.

"We are pleased DHS has kept the selection process fair and mission focused, and we look forward to the final decision next month," said Tom Thorton, President and CEO of the Kansas BioScience Authority, in a statement issued when the 'preferred' location announcement was made. "Until then, we will continue to urge the selection of Kansas in keeping with the EIS recommendation."

With its deep agrarian roots and an understanding for agriculture and animal research, Kansas is celebrated as a great location for NBAF.

"Those of us involved in the NBAF in Kansas efforts have always contended that selection on the merits will bring the facility to this state," Ron Trewyn, Ph.D. and vice president for research at Kansas State University told the Ag Business Council. "Kansas State University recognized the agro security threats and began developing programs and infrastructure to confront those threats in 1999, prior to homeland security being a significant concern. As a result, we can accelerate the NBAF research mission in ways most other sites cannot."

The state of Kansas offers internationally recognized animal health research expertise; strong research infrastructure; and an unmatched concentration of animal health companies. In 2004, the State of Kansas enacted legislation that supported the construction of the Bio Research Institute (BRI), a \$54 million BL-3Ag facility, at Kansas State. The bio containment facility was designed to provide Kansas State scientists with a safe and secure location to study pathogens that threaten humans, livestock and crops.

Featuring: **Charlie Arnot**, *President*, CMA Consulting and **Don Nikodim**, *Executive Vice President*, Missouri Pork Association. Location & Cost TBA.

Agro-Terrorism Not New to U.S.

Dennis McLaughlin, McKinley Communications, Inc.

Agro-terrorism has been unleashed in the United States on several occasions. In one attack 25 years ago, a fringe group released Mediterranean fruit flies in California that damaged more than 250 varieties of fruits, nuts and vegetables. Other groups advocating for better treatment of animals have damaged and set fire to feedlot and finishing facilities.

Some historians suggest General Sherman's March to the Sea and the destruction it wrought on the Confederacy's ability to feed itself and maintain its economic infrastructure, anchored by its cotton crops, ushered in a modern era of agro-warfare as a military strategy. Historical accounts also show how the Roman Empire initiated bio-terror tactics over 2000 years ago when its soldiers tossed dead and rotting animals into the wells and water supplies of the tribes and people they were conquering.

Member Notes

The DHS site selection for the NBAF was a three-year process that reviewed 29 potential locations across the country. Once built, the NBAF will serve as the nation's premier research facility for developing vaccines and countermeasures for diseases that threaten livestock and other animals. Experts consider the facility an urgent national priority due to agriculture's vulnerability to naturally occurring diseases or agro-terrorism.

Retiring Kansas Rep. Kenny Wilk has been named "Mo-Kan Pol of the Year" by **Kansas City Star** columnist Steve Kraske. Kraske wrote in his Dec. 21 column that Wilk's vision and work "positioning Kansas in the biodefense arena, efforts that wound up landing that mega facility now hailed as the biggest thing to hit Kansas since the railroad." Kraske noted that Wilk was the main mover behind two key events - initiatives to build the Biosecurity Center at K-State and legislation creating the Kansas Bioscience Authority. Congratulations to Kenny Wilk, a member of the Agricultural Business Council of Kansas City.

Congratulations to Kevin Lickteig who was named assistant vice president of U.S. Trust in Kansas City where he helps the Bank manage its portfolio of farm land under management. Kevin was with the Kansas Corn Growers Association/Kansas Grain Sorghum Producers Association from 1995-2000 and then served as Administrator of the Kansas Grain Sorghum Commission before joining U.S. Trust.

Officers & Directors

- Bob Petersen
Chairman
Petersen Consulting Services, LLC
- Steve Dees
Vice Chair
Shook, Hardy & Bacon

Council Honors Regional Leaders



The Agricultural Business Council of Kansas City announced at its December 11 luncheon meeting that it will honor four individuals for their service to agriculture and to the Council. Council Honors Committee Chairman Tim Daugherty said the Council had selected three industry leaders to receive the "Jay Dillingham Award for Excellence" and had selected one

individual as the Council's "Volunteer of the Year."

Daugherty, who is CEO of the Agricultural Hall of Fame and National Agricultural Center, said the Dillingham award honors those individuals who (1) have contributed above and beyond normal expectations to the regional civic community and economic development; (2) are seen as a true advocate for agriculture; and (3) have achieved success as a business or association leader.

Recipients of the Dillingham Award are:

- **R. Crosby Kemper, Jr.**, Chairman Emeritus, UMB Financial Corporation

Elected President of UMB in 1959, R. Crosby Kemper, Jr. was the man at the helm of UMB Financial Corporation for more than 30 years. During his tenure as President, Chief Executive Officer and Chairman of the Board, Crosby led the bank through times of major expansion and significant change. From the arts to the American Royal to youth programs, Crosby serves as a volunteer on a number boards of directors in the Kansas City area, as well as nationally. In 1996, Crosby and his son, Sandy Kemper, founded the Agriculture Future of America (AFA), an organization whose mission is to identify, encourage and support outstanding college men and women seeking careers in the agriculture and food industry.

- **Joerg Ohle**, President and General Manager, Bayer HealthCare LLC - Animal Health Division

Joerg Ohle is President and General Manager of Bayer Corporation's Animal Health Division, North America. Bayer's Animal Health business group is a leader in the manufacturing and marketing of parasite control products and prescription pharmaceuticals for dogs, cats, horses, cattle, swine, and poultry. As President and General Manager, Mr. Ohle is

responsible for management and strategic direction of the North American animal health business. He is also a member of the worldwide group's Animal Health management committee. Mr. Ohle's career with Bayer spans 31 years during which time he has gained a wealth of international business experience, working in Germany, El Salvador, East Africa, Santiago de Chile, Singapore, and the United States. Ohele is credited as the driving force behind the regional effort to recognize and promote the Animal Health Corridor.

- **Morton Sosland**, Editor-in-Chief, Sosland Publishing Company

Morton Sosland is a native of Kansas City. He served in the Army during World War II and joined the family-owned Sosland Publishing Co. on graduating from Harvard, class of 1946. The company publishes business-to-business magazines primarily focused on the worldwide grain and food processing industries. He has been editor-in-chief of the weekly Milling & Baking News for 40 years and has an editorial role in the other publications. He also was president and chairman of the publishing company, a role that he has passed to his son, Charles. His grandson, Meyer Joseph Sosland, is managing editor of World Grain magazine. He represents the fifth generation of the family to be involved in the publishing business.

The award is named after the late Jay Dillingham, the long-time president of the Kansas City Stockyards, whose commitment to community service and agriculture epitomized the spirit and accomplishments the Council seeks to honor.

In addition, Daugherty announced the Council is honoring an "Outstanding Volunteer of the Year." This award recognizes outstanding individuals who have contributed their volunteer time and leadership skills toward the success of the Council. Selected for this recognition was:

- **Gina Bowman**, Vice President, Government Relations, CVR Energy, Inc.

Gina Bowman, a native of Savannah, Missouri where she grew-up on a farm, graduated from William Jewell College and then served nearly 24 years with Farmland Industries, Inc., where she developed and directed the government relations division. She currently serves as vice president, government relations, for CVR Energy, Inc., a mid-continent energy company. Gina is responsible for relationship-building with key officials, issues management, and favorably influencing policy issues which are considered priority for the company. Focus on these priority issues involves working with Congress and several state legislatures. In 2003, Gina founded the Agricultural Business Council of Kansas City and continues to provide leadership to the Council in an advisory capacity.

Bob Petersen, Council Chairman, said the Council is planning an awards luncheon for the spring when the honorees will all be recognized.

Bill Brooks
Secretary/Treasurer
eDairy, Inc.

Board of Directors

Cliff Becker
*Vance Publishing Corp.,
food360*

Curt Blades
Successful Farming

Wyatt Brummer
The Scoular Company

Frank Bryant
SES, Inc.

Tim Daugherty
Agriculture Hall of Fame

Parthy Evans
*Stinson Morrison Hecker
LLP*

Colleen Gerke
*John Deere Agricultural
Marketing Center*

Elvin Hollon
*Dairy Farmers of America,
Inc.*

Leslie Kaufman
*Kansas Cooperative
Council*

Erin Nash
Rhea + Kaiser

Damon New
First State Bank & Trust

Don Nikodim
Missouri Pork Association

Diane Olson
Missouri Farm Bureau

Nancy Robinson
*Livestock Marketing
Association*

Agi Schafer
Fleishman-Hillard

Amber Spafford
*Osborn Barr
Communications*

Council Elects Officers, Directors

At its December 11 luncheon meeting, the Council also elected officers and directors for 2009. Re-elected as officers were:

- Chairman, Bob Petersen, Petersen Consulting Services
- Vice Chairman, Steve Dees, Shook Hardy & Bacon
- Secretary-Treasurer, Bill Brooks, e-Dairy/FCStone

Elected to two-year terms on the Council's Board of Directors were:

- Cliff Becker, Vance Publishing
- Curt Blades, Successful Farming
- Wyatt Brummer, The Scoular Company
- Frank Bryant, SES, Inc.
- Parthy Evans, Stinson, Morrison, Hecker
- Elvin Hollon, Dairy Farmers of America
- Leslie Kaufman, Kansas Coop. Council
- Erin Nash, Rhea + Kaiser
- Damon New, First State Bank & Trust
- Diane Olson, Missouri Farm Bureau
- Agi Schafer, Fleishman-Hillard
- Jere White, Kansas Corn Growers Association
- Shrene White, Cargill/Horizon Milling

Serving on the board with one-year remaining on their terms are:

- Tim Daugherty, Ag Hall of Fame
- Colleen Gerke, John Deere
- Don Nikodim, Missouri Pork Association
- Nancy Robinson, Livestock Marketing Association
- Amber Spafford, Osborne Barr Communications
- Steve Taylor, Mo-Ag Agribusiness Association
- Bob Walker, Bayer Animal Health

In addition, Council Chairman Bob Petersen announced he was appointing the following individuals as ex-officio members of the Board in light of their past service as Council Chairs:

- Mike Beam, Kansas Livestock Association
- Gina Bowman, CVR Energy

Steve Taylor
Mo-Ag Agribusiness Assoc.

Bob Walker
Bayer Animal Health

Jere White
Kansas Corn Growers Association

Shrene White
Cargill/Horizon Milling

Ex Officio Members

Mike Beam
Kansas Livestock Association

Gina Bowman
CVR Energy

Recap of 2008 Programs

Erica Venancio, Agricultural Business Council of Kansas City

The Agricultural Business Council of Kansas City had an active year in 2008. With near sell-out monthly meetings in addition to the sold-out Food and Fuel Forum in October, the Council continues to raise its profile in the community and bring national issues and speakers to Kansas City. With over 290 individuals on its membership rolls, the Agricultural Business Council of Kansas City is comprised of area associations, businesses, government and congressional offices, and individuals in the agricultural industry.

Monthly Meetings

The Council continues to host monthly luncheons for professionals in the agricultural field to network and hear from industry leaders regarding current issues. The 2008 monthly meetings have featured:

- [January 10, 2008](#) - Agribusiness 2008: World Trade & Finance, hosted by Shook, Hardy & Bacon.
- [February 15, 2008](#) - Gary Reckrodt, Center for Food Integrity, at the American Royal.
- [March 6, 2008](#) - Randal Linville, CEO, The Scoular Company - "Riding the Crest of Historic Opportunity", at the American Royal.
- [April 11, 2008](#) - Senator Sam Brownback (R-KS), at the American Royal.
- [May 15, 2008](#) - Ken McCauley, Chairman, National Corn Growers Association, at the American Royal.
- [June 12, 2008](#) - Immigration Reform: Business, Policy and People, Government Relations Forum - Co-hosted with the Kansas City Chamber of Commerce and The Builders Association, at the Reardon Convention Center.
- [July 17, 2008](#) - Honorable Bruce Knight, Under Secretary for Marketing and Regulatory Programs, USDA - "Update on Animal Identification and Related Livestock Marketing Programs", at Lidia's Restaurant.
- [August 14, 2008](#) - Bill Niebur, Vice President - Research and Development, Pioneer Hi-Bred - "Can U.S. Farmers Produce Enough Corn - Today & in the Future?", at the American Royal.
- [September 8, 2008](#) - Meet & Greet Reception with the Farm, Ranch & Rural Community (FRRC) Federal Advisory Committee with the EPA, at the American Royal.
- [October 23, 2008](#) - Food & Fuel Forum at the American Royal.
- [November 7, 2008](#) - Jinghui Liu, General Manager of China Marketing, John Deere, held in conjunction with the AFA Annual Leadership Conference at the Hyatt Regency.
- [December 11, 2008](#) - Bob Young, Chief Economist, American Farm Bureau Federation, at the Savoy Grill.

Kansas City Hosts Food & Fuel Forum

The Agricultural Business Council of Kansas City hosted the October 23, Food & Fuel Forum at the American Royal. The Food & Fuel Forum was also co-hosted by the Agri-Business Council of Wichita, the Agribusiness Committee of the St. Joseph Area Chamber of Commerce, the St. Louis AgriBusiness Club, Sosland Publishing and Vance Publishing. Bob Petersen, chairman of the Agricultural Business Council of Kansas City, declared the forum to be "a resounding success" with a full house of over 150 representatives from the Heartland's agricultural businesses, agencies and organizations.

The forum was structured so that both biofuels and food use advocates made their cases and answered queries from fellow panelists. Written questions were taken from the audience throughout the proceedings and addressed later in the program. The forum featured the following nationally recognized speakers: [Mike Adams](#), moderator and host of Agri-Talk; [Morton Sosland](#), editor-in-chief, Sosland Publishing Company; [Randy Schnepf](#), specialist in agricultural policy, Congressional Research Service; [Honorable Thomas Dorr](#), Under

Secretary for Rural Development, USDA; Ken McCauley, chairman, National Corn Growers Association; Blake Hurst, first vice president, Missouri Farm Bureau Federation; Robb MacKie, president and CEO, American Bakers Association; and Daniel Gustafson, director, North American Liaison Office, Food and Agriculture Organization.

P.O. Box 26426 • Kansas City, MO 64196
Tel: 816-628-1231 • Fax: 816-628-1905
agribusinesscouncilofkc.com