

NEWS RELEASE

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Biting the hand that feeds you doesn't sit well with farmers

LINCOLN, NE – The world has learned this week who is behind a multimillion dollar “aggressive” campaign to roll back ethanol mandates and shift the blame of higher food prices onto the backs of the American farmer instead of where most of the blame rightly belongs: higher energy costs.

Suspicious were confirmed when the Capitol Hill insider publication Roll Call published a story outlining the efforts of the Grocery Manufacturers Association (GMA).

Roll Call disclosed the news that GMA hired Glover Park Group to run a six month, multi-million dollar campaign. Initially funded at \$5 million, the **campaign has been reported as receiving an additional \$10 million from the American Petroleum Institute**, who works with another agency being used in the campaign.

“It is becoming very clear that there is a lot of money being made out there by companies that are doing very well with higher energy costs, and they want to keep it that way by shifting the blame to agriculture,” said Don Hutchens, executive director of the Nebraska Corn Board.

Senator Charles Grassley (R-IA) weighed in today on the Senate floor by calling GMA’s tactics an “Ethanol Smear Campaign”. He went on to say, “None of these criticisms are based on sound science, economics or even common sense.” Grassley said he felt it is important for policy makers and the American people to know who’s behind the effort, and that they have outlined their strategy of using environmental, hunger and food aid groups to demonstrate their contrived “crisis”.

“It is unfortunate that GMA has taken this position and made such an effort against corn growers and corn ethanol,” said Hutchens. “GMA knows very well that high energy costs are the driver of higher food prices but believes biofuels are ‘low hanging fruit’ and an easier target than tackling the real root of the problem.”

Another area of concern is that one of GMA’s spokesman on the subject, is a former employee of the Environmental Defense Fund – a group that is generally anti-agriculture and anti-technology. “Why GMA would hire someone who is anti-agriculture is something I can’t understand,” Hutchens said.

“All one has to do is look at oil company profits, and those of companies that process and package food like many GMA members, to realize the profit levels today in selling food products to retail outlets and consumers. The American farmer only receives 19 cents of every dollar spent on food, the rest goes to ... guess who? The transfer of American wealth to OPEC and the top five oil companies as we look at record oil prices and record retail gas prices should be a wake up call to the value of renewable energy like ethanol and biodiesel,” said Hutchens.

According to numerous studies by the U.S. Department of Agriculture and Land Grant universities, the largest culprit in today’s higher food costs is energy. In fact, a study from Iowa State reported that corn ethanol is saving drivers in the Midwest about 30-40 cents per gallon, or an average of \$241 per vehicle per year.

“We should also remember that corn ethanol is available now and is helping reduce our dependence on foreign oil, while at the same time revitalizing many rural Nebraska communities,” Hutchens concluded.

The Nebraska Corn Board is a self-help program, funded and managed by Nebraska corn farmers. Producers invest in the program at a rate of 1/4 of a cent per bushel of corn sold. Nebraska corn checkoff funds are invested in programs of market development, research and education.