

# Idaho Barley Commission Legislative Report

**Kelly Olson, Administrator  
January 2013**



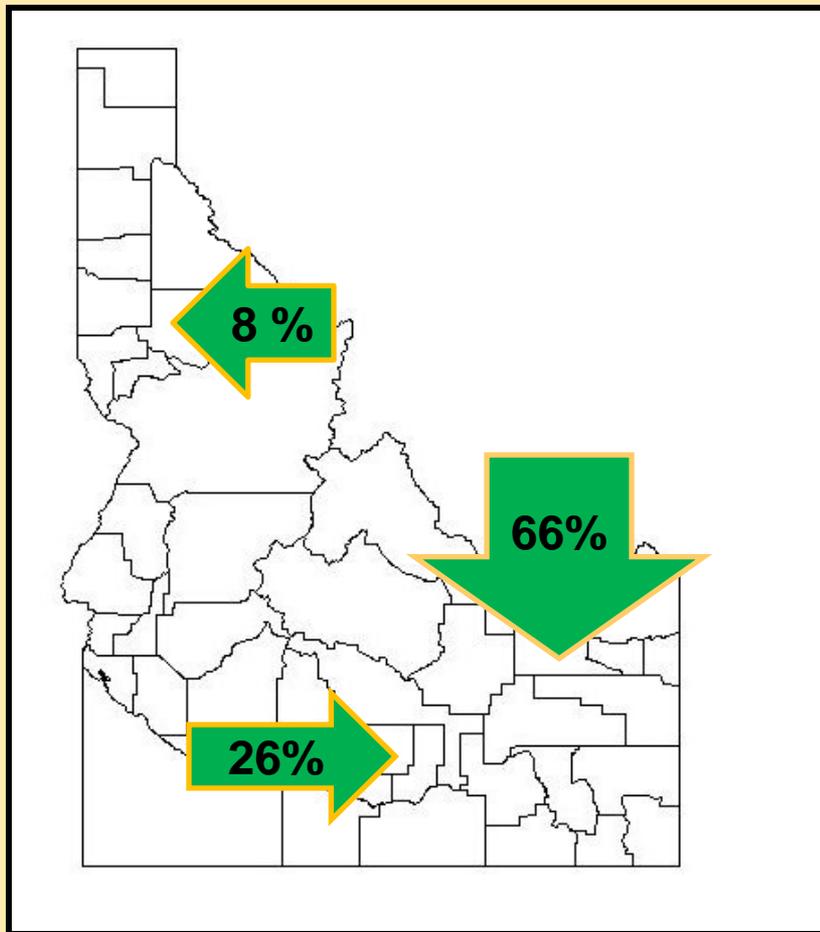
# **Idaho #2 barley producer in 2012**

<b>Harvested acreage</b>	<b>590,000 acres + 18%</b>
<b>Ave. Yield</b>	<b>91.0 bu/Ac</b>
<b>Production</b>	<b>53,690,000 bu + 15%</b>
<b>Acreage Type</b>	<b>77% malting and 23% feed</b>

**2012 farm-gate receipts estimated at \$306 million,  
up 32% from 2011.**

**2013 malting barley contract prices up another 5%.**

# Idaho barley profile



## Top Counties:

Bonneville – 5.6 million bu

Jefferson – 4.6 million bu

Cassia – 3.91 million bu

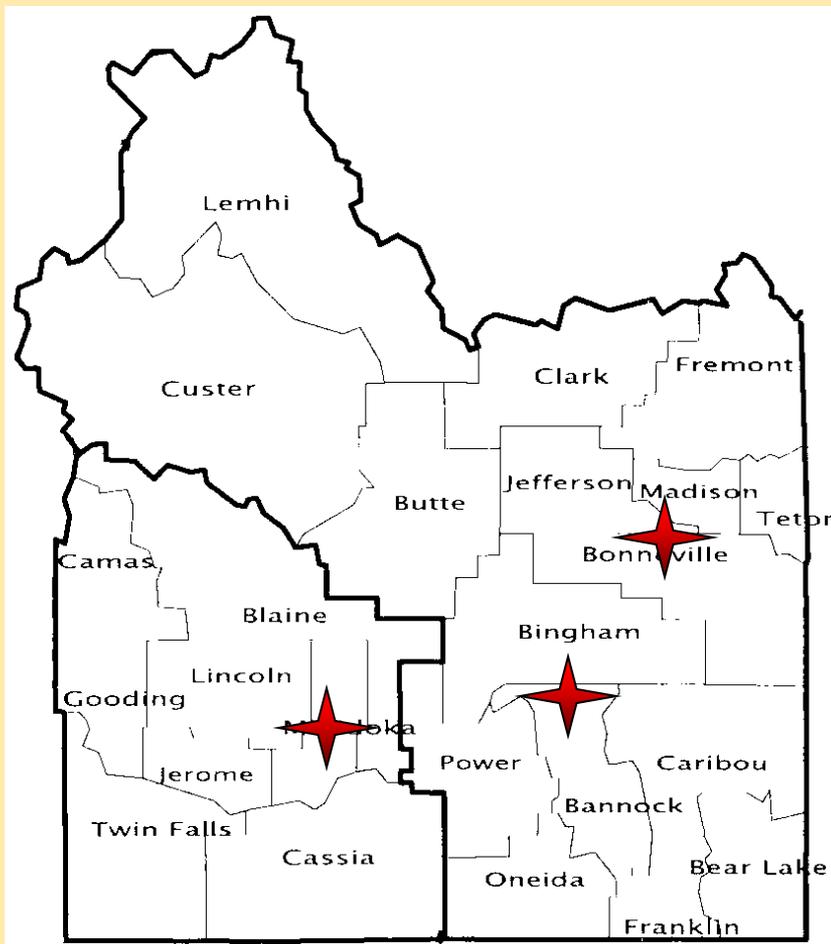
Minidoka – 3.9 million bu

Caribou – 3.88 million bu

Fremont – 3.7 million bu

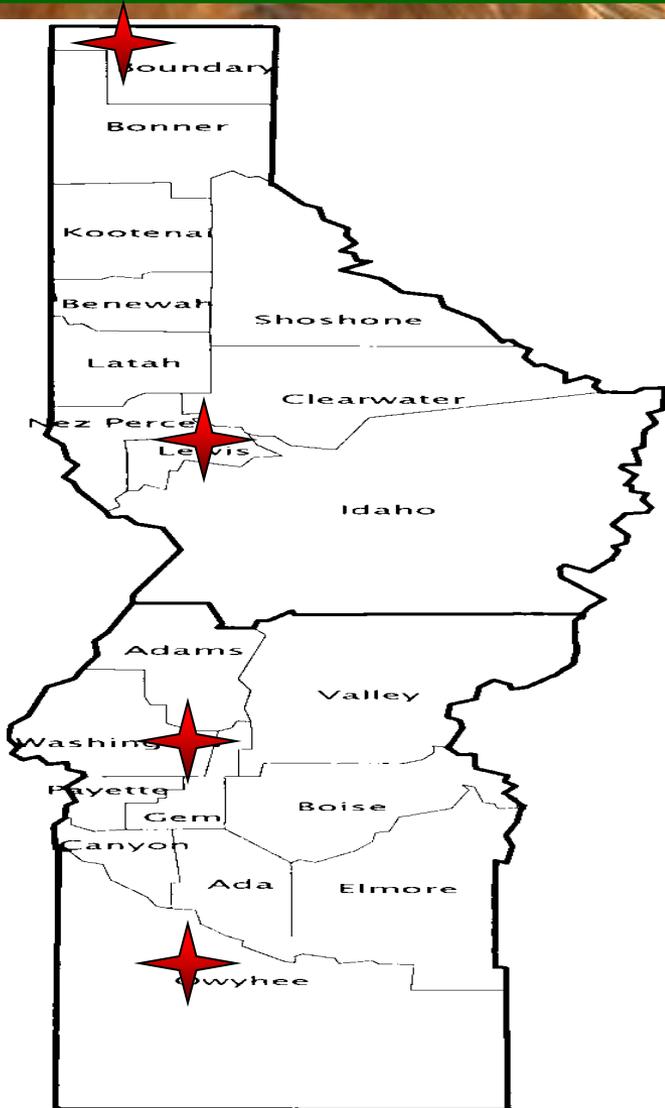
Madison – 3.3 million bu

# 2012 Southcentral / Eastern ID barley crop



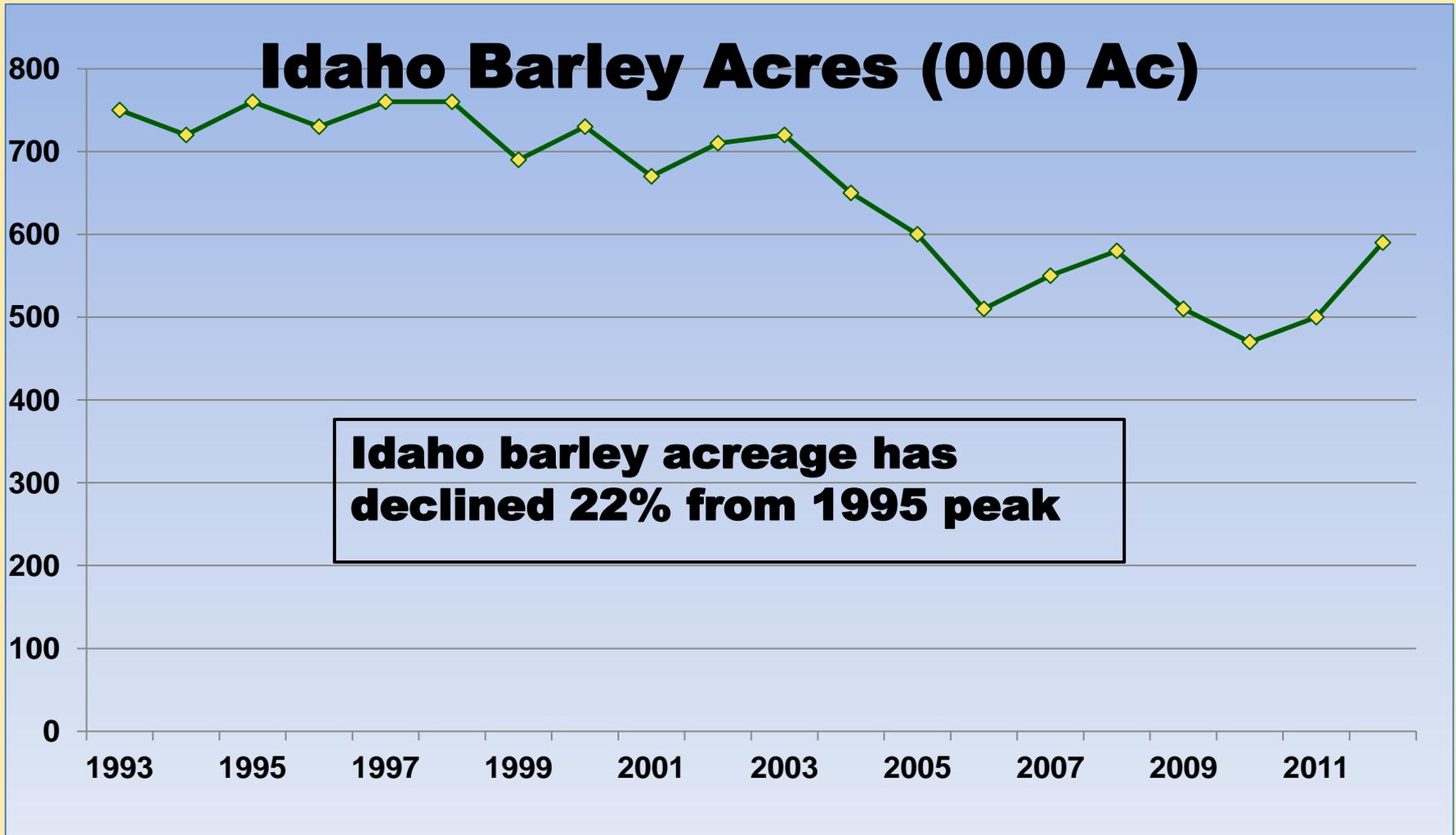
- ❑ 92% of barley crop
- ❑ 2012 planted area – 563,000 Acres  
82% malting / 18% feed
- ❑ Dominant malting production region – 3 malt plants located in 50 mile radius in eastern ID.

# 2012 Northern / Southwestern ID barley crop



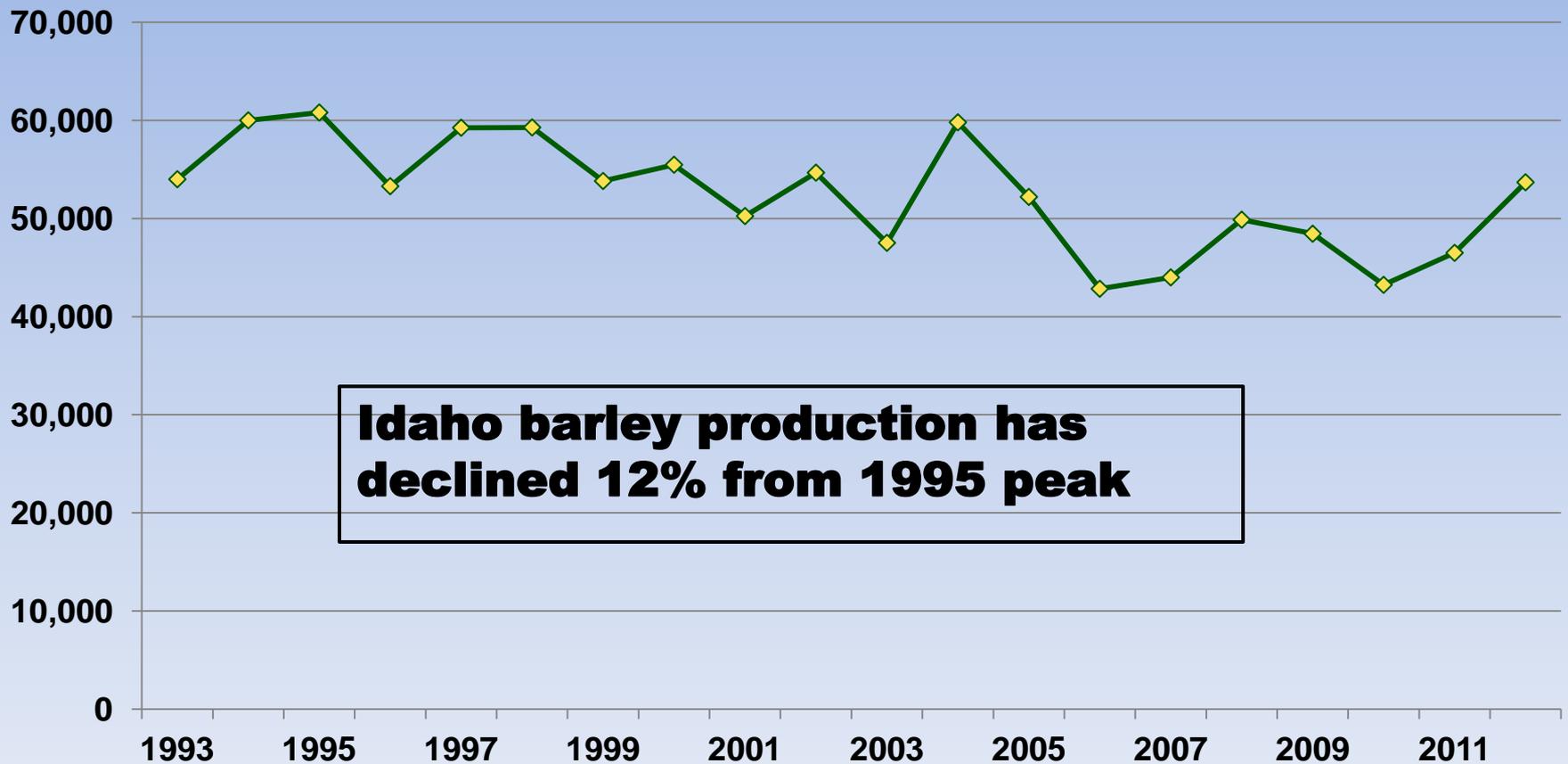
- ❑ 8% of barley crop
- ❑ 2012 planted area  
47,000 acres  
77% feed / 23% malting
- ❑ **Export** – feed / food /  
malting

# Idaho barley trends



# Idaho barley trends

## Idaho Barley Production (000 bu)



# IBC Budget Highlights

	FY 2011	FY 2012	FY 2013
Income	\$373,860	\$407,557	\$456,330*
Expenses	\$406,698	\$456,185	\$483,011
Reserves	\$531,900	\$480,355	\$454,674

**\*\$.02/Cwt barley assessment – could increase to \$.03/Cwt in July 2013**

FY 2013 Expense Allocation	
Admin	18%
Research	27%
Market Development	22%
Grower Services	23%
Info/Education	10%

# IBC Barley Research

- ❑ **Top priority, involves all strategic priorities.**
- ❑ Barley variety development at USDA ARS Aberdeen (collaboration with Anheuser Busch, American Malting Association and Brewers Association) and Oregon State University. **Winter malting barley varieties with 25-30% yield gains. Food barley varieties (spring and winter) with high levels of heart-healthy fiber.**
- ❑ For past 4 years, IBC has cost shared operations at UI Tetonia Research Farm (breeding nursery and foundation seed).
- ❑ **IBC investigating \$1 million Barley Research Endowment with University of Idaho** (agronomics / soil fertility) - likely decision in late February 2013

# UI - Aberdeen R&E Center



- ❑ Established in 1911
- ❑ 460 acres with \$8.3 million infrastructure value
- ❑ Research on potatoes, cereals and horticulture plants
- ❑ **FY 2012 state funds - \$170,277.**

# USDA ARS - National Small Grains & Potato Research Facility



- ❑ Founded in 1922, current facilities built in 1988 and 2006
- ❑ \$6 million annual budget (total ARS budget \$1 billion/year)
- ❑ 5 major projects – barley and potato breeding, National Small Grains Collection
- ❑ 12 scientists (45 total staff)
- ❑ Research Leader – Dr. Mike Bonman, cereal pathologist

# IBC Market Diversification

## ❑ Domestic Malting Barley –

- ❑ 2012 recovery in domestic beer sales +1.9%, craft +12% (-1.2% in 2011 and craft +15%)
- ❑ Craft represents about 8% of beer output but utilizes about 20% of the malt.

## ❑ Export Malting Barley -

- ❑ Opportunities in Latin America  
Colombia, Peru, Central America

### Bottoms Up

U.S. beer shipments, change from year earlier in the 12-month rolling average



Source: Beer Institute  
The Wall Street Journal



# IBC Market Diversification

## ❑ Food Barley -

- ❑ ARS Aberdeen release of varieties with high levels of beta-glucan fiber (9%) and experimental lines with 16% content.
- ❑ Technical short courses in March and August 2012 for Asian and Latin American customers.
- ❑ Food barley mission to Asia in October 2012 – resulting in potential sales opportunities.
- ❑ Launching Barley Foods in Schools project.
- ❑ Contract production in southern Idaho for domestic market and northern Idaho for Asian market.



## ❑ Fish Feed –

- ❑ Search for alternative fish feed ingredients as cost of traditional fish meal has risen from \$200/MT to \$1,200/MT.
- ❑ Patented **BARLEY PROTEIN** extraction, concentration and purification to replace portion of fish meal ingredient.
- ❑ Trout and salmon feeding studies show great promise.

# IBC Grower Services

## **☐ Grain Marketing & Risk Management Education –**

- ☐ 2012/13 - \$28,000 grant from Western Center for Risk Management Education (\$136,000 grant funding)
- ☐ Webinars - 11 (past two years) – 2,025 participants
- ☐ Workshops – 23 local events (past two years) - 762 participants.
- ☐ Weekly Idaho Grain Market Report – published every Thursday – available by email or on website.

## **☐ Barley Crop Insurance Improvements –**

- ☐ Led effort to improve barley price guarantee (2011).
- ☐ Led development of new Specialty Type Barley insurance in 2010; secured changes in 2012 and working on more changes in 2014.

## **☐ 2012 Farm Bill –**

- ☐ Priority of National Barley Growers Association.