



2010 Idaho Barley Commission Report



2009 Idaho Barley Production

| | |
|--------------------------|--|
| Harvested acreage | 510,000 acres - down 12% |
| Ave. Yield | 95.0 bu/A - up 10% |
| Production | 48,450,000 bu - down 3% |
| Planted acreage | 78% malting (67% -2-row; 11% -6-row) 22% feed |

Leading Varieties:

Conrad (2-row malting) – 18.2% of total acreage

Metcalf (2-row malting) – 16.0%

Moravian 69 (2-row malting) – 11.8%

Harrington (2-row malting) – 8.6%

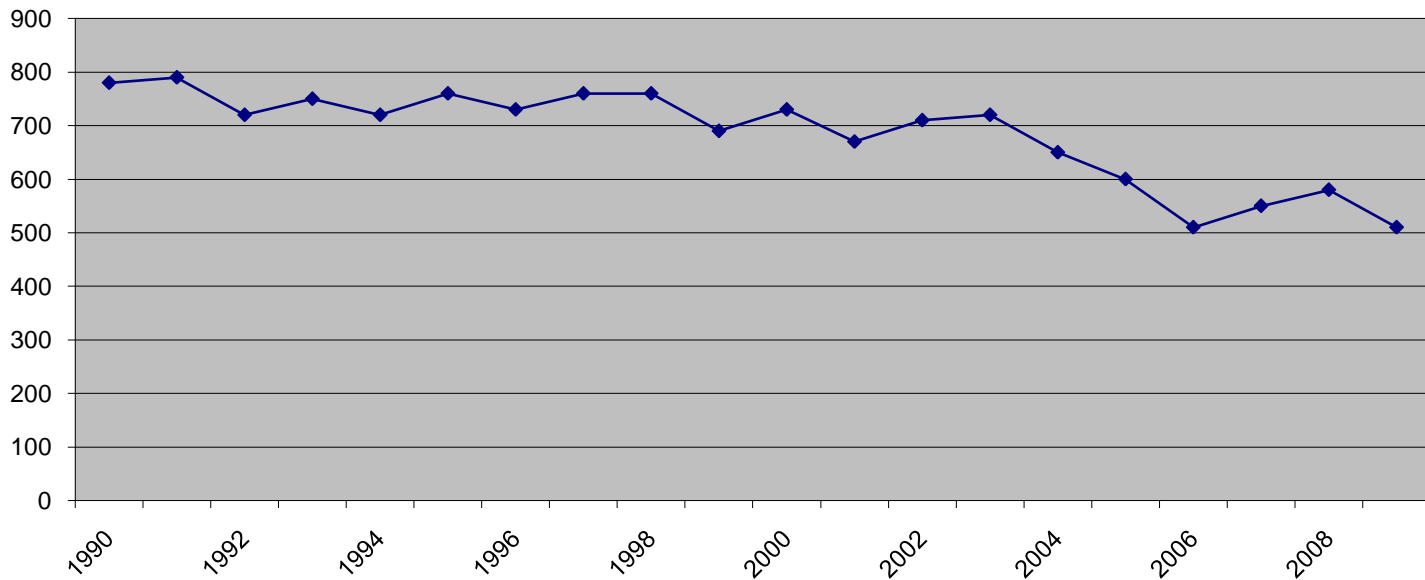
Merit (2-row malting) – 8.4%

Legacy – (6-row malting) – 7.5%

Baronesse (2-row feed) – 6.8%

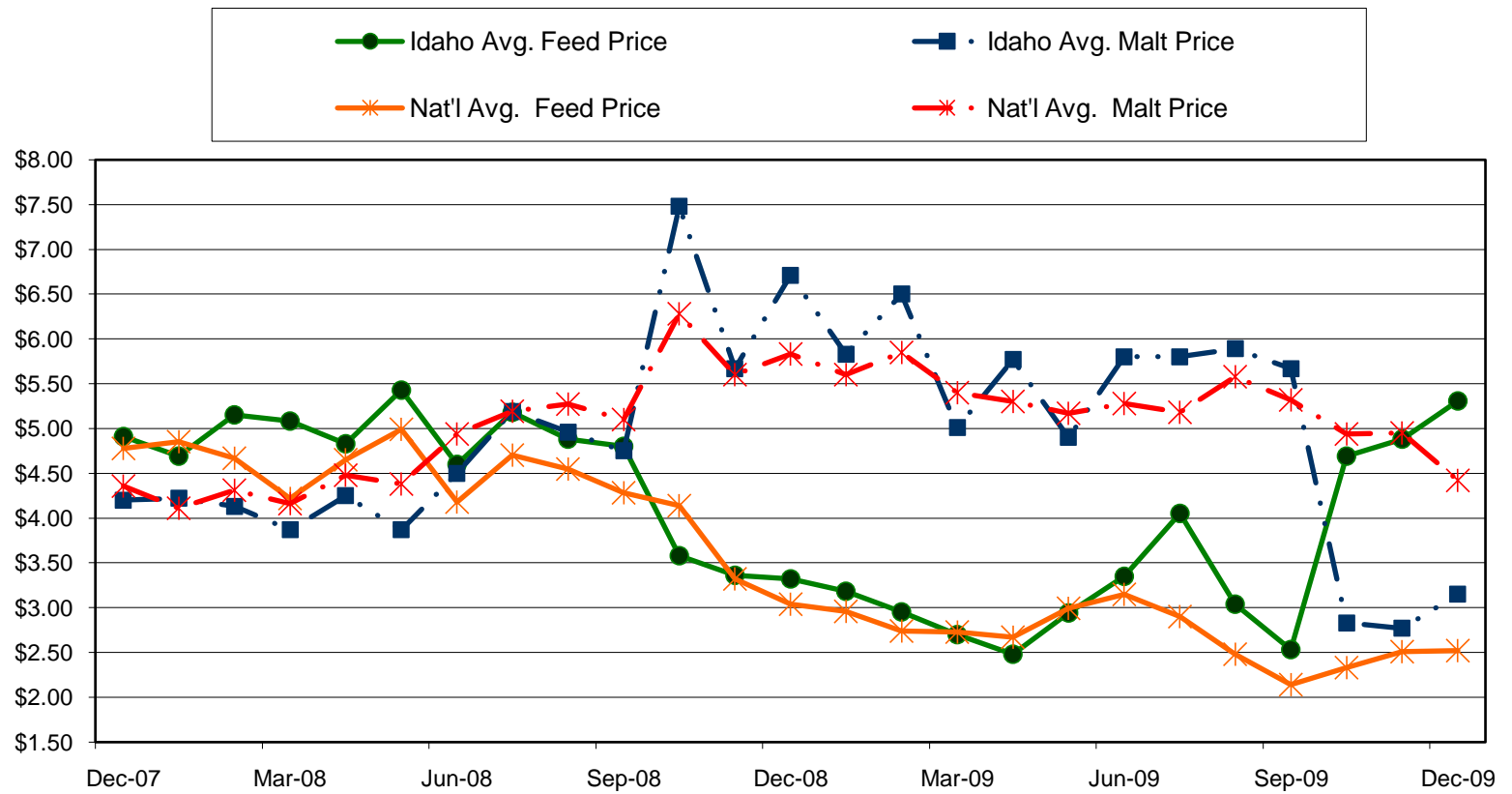
Idaho Barley Acreage Trends

ID Barley Acreage (000 acres)



Idaho Barley Price Trends

Monthly Average Price for Idaho & US Barley (bu.)



MY 2010 World Grain Markets

- ❑ Larger inventories / lackluster demand
- ❑ 50% retracement of Oct. – Dec. rally
- ❑ Seasonal break lower into Feb. / 2010 acreage projections

| | Barley Output | Carryover | Corn Output | Carryover | Wheat Output | Carryover |
|-------|------------------|-----------|----------------|-----------|-----------------|-----------|
| World | - 3% | + 7% | + 1% | - 7% | - 1% | +19 % |
| U.S. | - 5% | + 31% | + 9% | + 5% | - 11% | +49% |

Barley Competitors (MMT)

Jan. 12, 2010

| | Output | % change | Exports | % change |
|------------------|---------------|-----------------|----------------|-----------------|
| U.S. | 4.9 | - 5% | .1 | - 37% |
| EU-27 | 61.9 | - 5% | 2.0 | - 16% |
| Australia | 8.3 | + 8% | 3.8 | +16 % |
| Canada | 9.5 | - 19% | 1.5 | - 7% |
| Russia | 18.0 | - 22% | 2.2 | - 39% |
| Ukraine | 12.0 | - 5 % | 6.0 | + 2% |

IBC Highlights

- ❑ **Budget challenges** – acreage and revenue declines and rising costs.
- ❑ **Grower referendum conducted Nov. 3-13, 2009** on acceptability of flexible barley check-off, up to maximum of 2 cents/bu (4 cents/Cwt.). Passed 54% in favor, with 27% response rate.
- ❑ **IBC will not pursue legislative changes in 2010.**

IBC Valued-Added Initiatives

- ❑ **Winter Barleys** – Commercialization underway for Charles (2nd year commercial production) and Endeavor (brewing testing). Yield gains of about 30%.
- ❑ **Malting Barley for Export** – working on deals in Mexico, Colombia and Peru.
- ❑ **Food Barleys** – commercial release of 2 new high fiber varieties from the ARS Aberdeen breeding program (late 2009); commercial production contracts in eastern Idaho (domestic market) and northern Idaho (Japan).
- ❑ **Fish feed ingredient** (southcentral/southwestern ID).

IBC Grower Services

- ❑ **NEW BARLEY CROP INSURANCE POLICY IN 2010** – IBC led effort to create new Specialty Type Barley Insurance for malting, food barleys and certified seed (insure at contract values).
- ❑ **Risk management education** – 9th consecutive year held grain marketing & risk management workshops.
- ❑ **Created marketing/risk management on-line learning tool called Mountain View Farms** – helps growers sharpen their marketing decision skills at www.agsurvivor.com
- ❑ **Weekly Idaho Grain Market Report** – receive by email or on IBC website at www.idahobarley.org

Barley Research

- ❑ Remains top priority for IBC, with strategic long-term investments.
- ❑ Challenged by declining state and federal research dollars.
- ❑ Result is more check-off dollars are needed to maintain programs, i.e. UI Tetonia Research & Extension Center.
- ❑ IBC is providing \$15,000 in cost share support for Tetonia Center in FY 2010.