



Cultivating an Agribusiness Economy

Michigan Counties Legislative Conference

March 23, 2022
Lansing, MI



Today's Presentation

I. About MABA

II. Michigan Agriculture and Agribusiness

III. Challenges and Priorities for Ag

IV. Partnership with Local Government

Objective: Actionable updates that will help in your interactions with local agribusinesses, and identify shared goals!

**Michigan agriculture
is one of our state's
top industries and
unique nationally.**

Michigan Agri-Business Association

- **MABA was founded in 1903** as the Michigan Grain Dealers Association.
- **Membership has expanded** to comprise virtually every business in agriculture.
- **More than 300 members** spanning Michigan.

MABA members work with farmers to help them be successful.



Michigan Agri-Business Association

Helping farmers get the job done!

- ✓ **Grain Handlers**
 - ✓ **Ag Retail**
- ✓ **Crop Inputs/Protection**
- ✓ **Logistics Providers**
- ✓ **Professional Services**





2022 Sustaining Sponsors – A Wide Range of Businesses



Ruby



Diamond



Caledonia Farmers Elevator



Platinum



Scientists who don't mind getting dirty.™



Gold



Silver

Michigan Agriculture

- **A \$100+ billion industry** spanning all segments of agriculture
- **~\$3 billion in agricultural exports** originate in Michigan every year
- **Second-most diverse ag sector in America** in terms of crops and commodities produced





**Agribusinesses are in
“uncharted waters” with
historic supply chain,
logistics disruption.**

The Dual Crisis: Labor and Supply Chain



 **Marine Exchange**
@MXSOCAL

Ship report 9/20: New records noted by *: 154 total ships inport LA/LB includes 95 at anchor or drift areas & 59 at berths. Of the 154, 97 are container ships including 70 at anchor or in drift areas & 27 at berth. 37* vessels in drift areas; 29 container ships, 6 tankers, 2 bulk



7:07 PM · Sep 20, 2021 · Twitter Web App



Costs increasing in agriculture



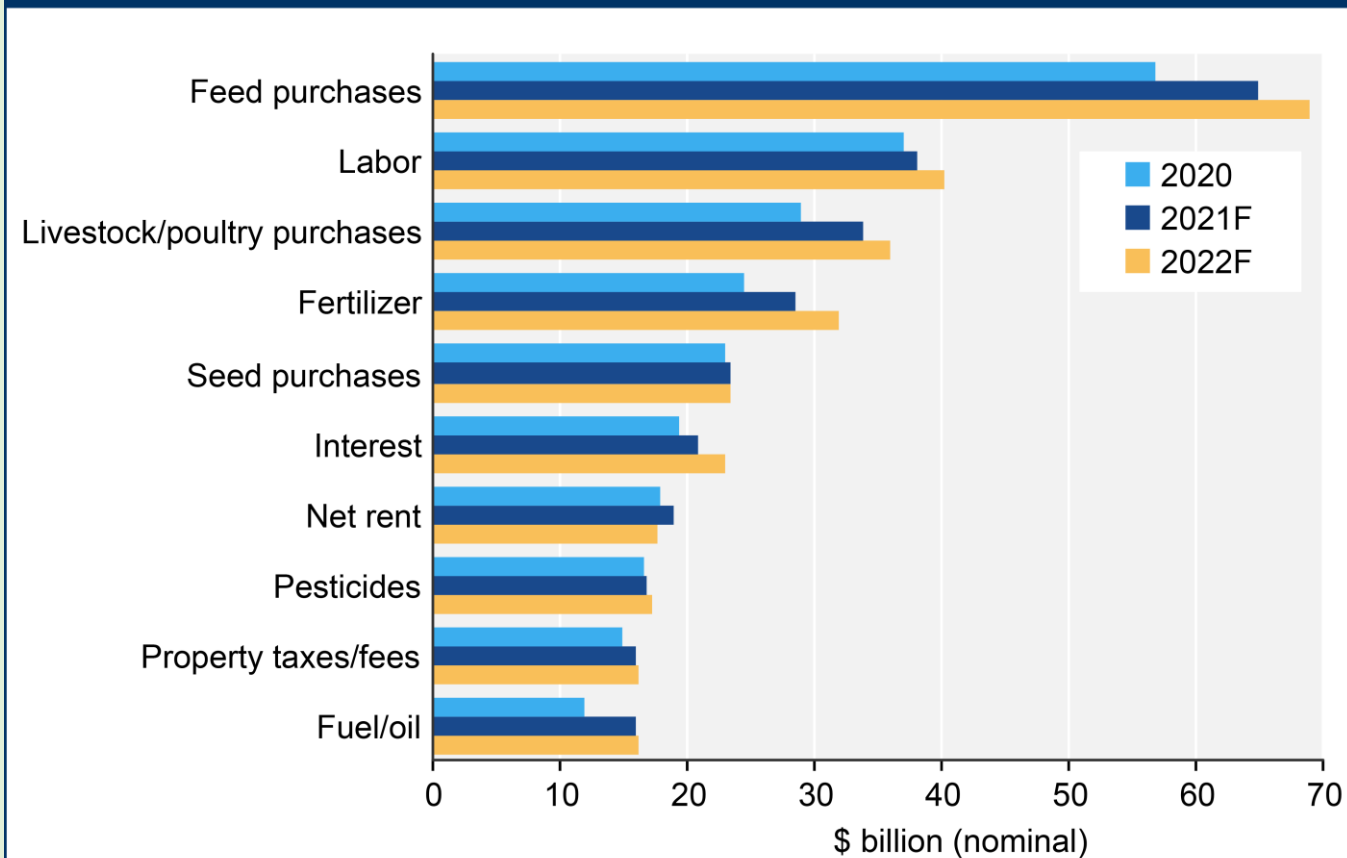
- **Labor (Availability and cost)**
- **Fuel costs/surcharges – truck and rail**
- **Private infrastructure – storage, facility roads, etc.**



Costs increasing in agriculture



Selected U.S. farm production expenses, 2020–22F



Note: F = forecast.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.

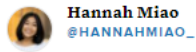
Data as of February 4, 2022.

Severe Market Uncertainty



Wheat prices trade 'limit up' again, hit highest in nearly 14 years as Russia-Ukraine conflict continues

PUBLISHED WED, MAR 2 2022-9:50 AM EST | UPDATED FRI, MAR 4 2022-4:23 PM EST



Hannah Miao
@HANNAHMIAO_

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Canada calls for quick end to CP Rail strike amid fears of worsening commodities shortages

By Allison Lampert



MARKETS

Fertilizer prices are at record highs. Here's what that means for the global economy

PUBLISHED TUE, MAR 22 2022-8:28 AM EDT | UPDATED 46 MIN AGO

Elliot Smith
@ELLIOTSMITHCNBC

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Ukraine Invasion Impacts Agriculture

- Ukraine is the “breadbasket” of Europe and a major wheat/grains exporter
- Planting underway but heavily disrupted
- Meanwhile, Russia and Belarus are key suppliers of Potash and other fertilizers
- Fertilizer supply/demand imbalance sent prices soaring *before* Russian invasion



Fertilizer Market is Top Focus



Nutrien TSX \$132.39 ▲ 7.33 NYSE \$105.22 ▲ 5.57 QUOTES DELAYED RESOURCES

WHAT WE DO CAREERS **INVESTORS** CUSTOMERS SUPPL

[INVESTORS](#) // [NEWS RELEASES](#) // [NUTRIEN INCREASING POTASH PRODUCTION IN RESPONSE TO GLOBAL SUPPLY UNCERTAINTY](#)

Nutrien Increasing Potash Production in Response to Global Supply Uncertainty

CRAIN'S DETROIT BUSINESS

NEWS DATA & LISTS SPECIAL FEATURES REAL ESTATE VOICES EVENTS PARTNER CONTENT

March 11, 2022 12:59 PM

USDA's \$250 million grant program for domestic fertilizer production could benefit Michigan

DUSTIN WALSH [T](#) [in](#) [f](#) [✉](#)

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March 16, 2022
2:37 PM EDT
Last Updated 6 days ago

Business

CF Industries boosts U.S. fertilizer shipments as war cuts Russian exports

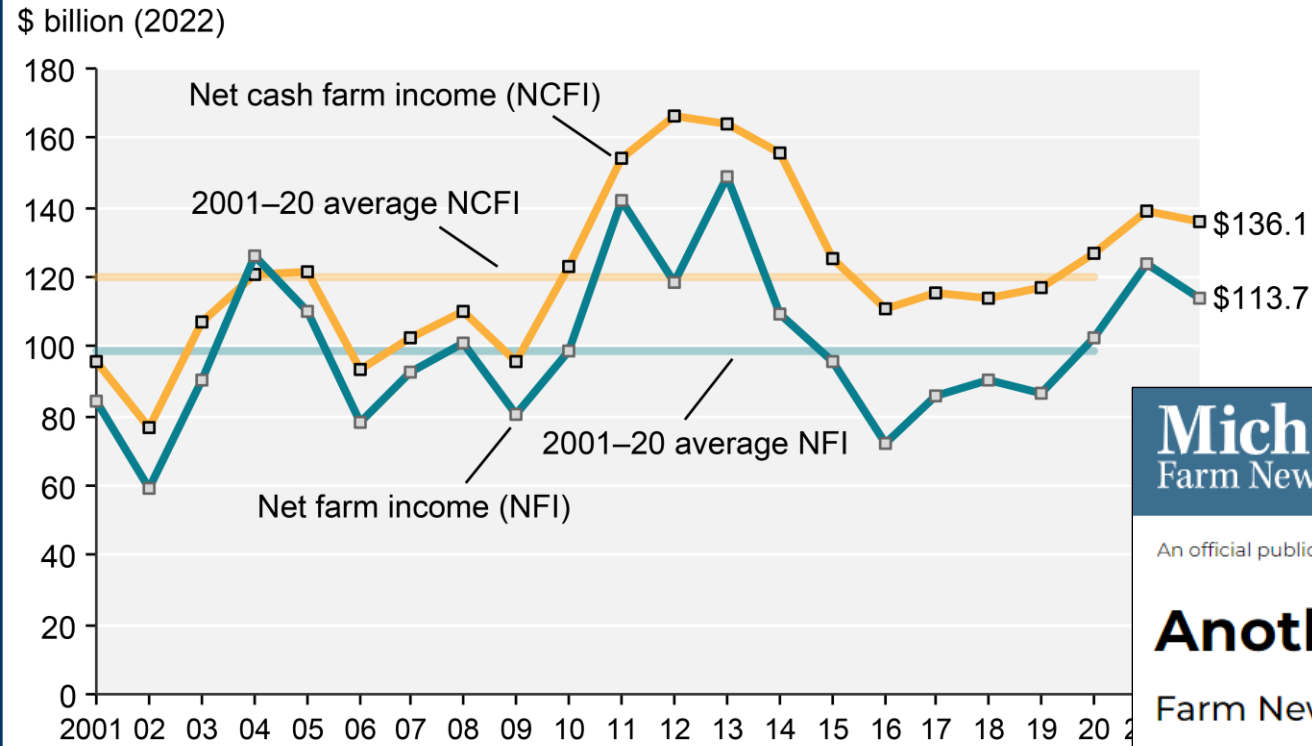
By Tom Polansek

**There are bright spots in
the agricultural economy.
*Ag remains a pillar of Michigan's
rural communities.***

Farm Income/Exports



U.S. net farm income and net cash farm income, inflation adjusted, 2001–22F



Michigan Farm News Crops | Livestock | Politics | Technology | From The Field

An official publication of Michigan Farm Bureau

Another record year for ag exports?

Farm News Media

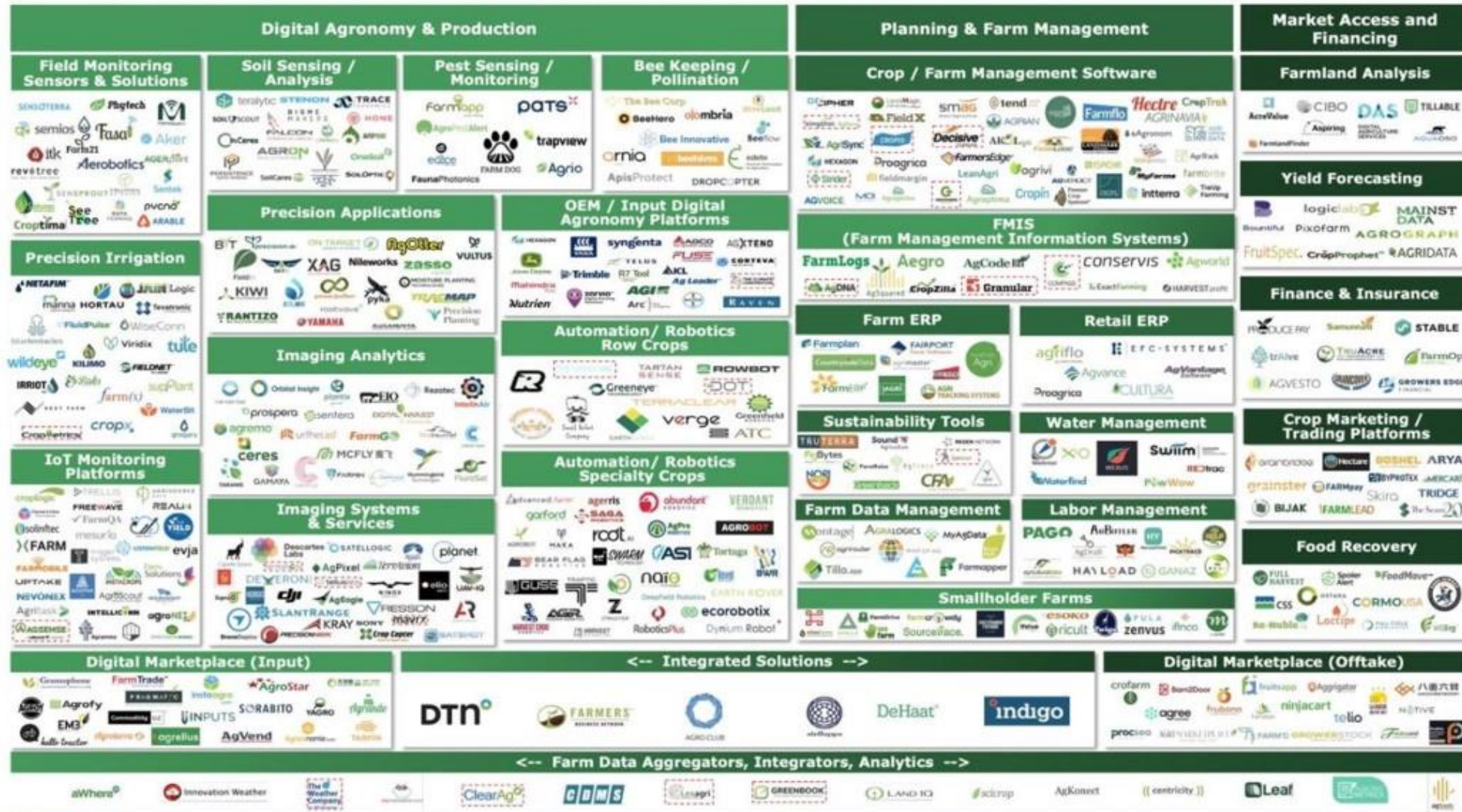
Note: F = forecast. Values are adjusted for inflation using the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index (BEA API series code: A191RG) for 2022 by USDA, Economic Research Service.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of February 4, 2022.

New Market Opportunities



FARMTECH LANDSCAPE 2020



MABA Priorities: Realizing Ag's Potential and Growing the Rural Economy

MABA Priorities: State

- **Logistics, logistics, logistics! *You can help!***
- **Budget: Federal relief dollars need to reach rural Michigan.**
- **Current regulatory landscape for agriculture is common-sense.**
- **2021 Progress – MAEAP, Tonnage**



MAEAP bill gathers widespread support from ag and conservation groups

Farm News Media



Approximately 3,500 Michigan farms have completed nearly 6,000 on-farm verifications through MAEAP, receiving education and on-farm assistance in the process. | Photo by Farm News Media

June 2, 2021



Michigan Agri-Business Association
@MichAgBiz

Yesterday MABA testified in support of Senate Bill 494, sponsored by [@SenKevinDaley](#). The bill maintains support for stewardship programs while avoiding costly industry fee increases.

More info on our support of the bill is here:
miagbiz.org/news/109-agric...



10:23 AM · Jun 18, 2021 · Twitter for iPhone



Sen. Victory introduces \$1.4B agriculture investment plan

February 23, 2022

LANSING, Mich. — [Sen. Roger Victory](#) on Wednesday sponsored an agriculture budget supplemental that would direct \$1.4 billion to improve Michigan's food security and invest in rural communities.

“The pandemic exposed serious flaws in our food supply chain. We must make targeted investments to reduce rising food costs and ensure Michigan families always have access to locally grown or produced food,” said Victory, R-Hudsonville. “This



MABA Priorities: Federal

- **Logistics! – Container Availability, Rail & Trucking Movement**
- **Border Requirements/Open Trade and Market Access**
- **Additional USDA Funds/2023 Farm Bill**





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USDA to Invest \$1 Billion in Climate Smart Commodities, Expanding Markets, Strengthening Rural America

Funding Opportunity Opens to Pilot New Revenue Streams for America's Climate-Smart Farmers, Ranchers and Forest Landowners

JEFFERSON CITY, Mo.,

Vilsack announced today

Department of Agriculture

markets by investing \$1

to help fund



Live

Weather

COVID-19

Sports

Email

Contests

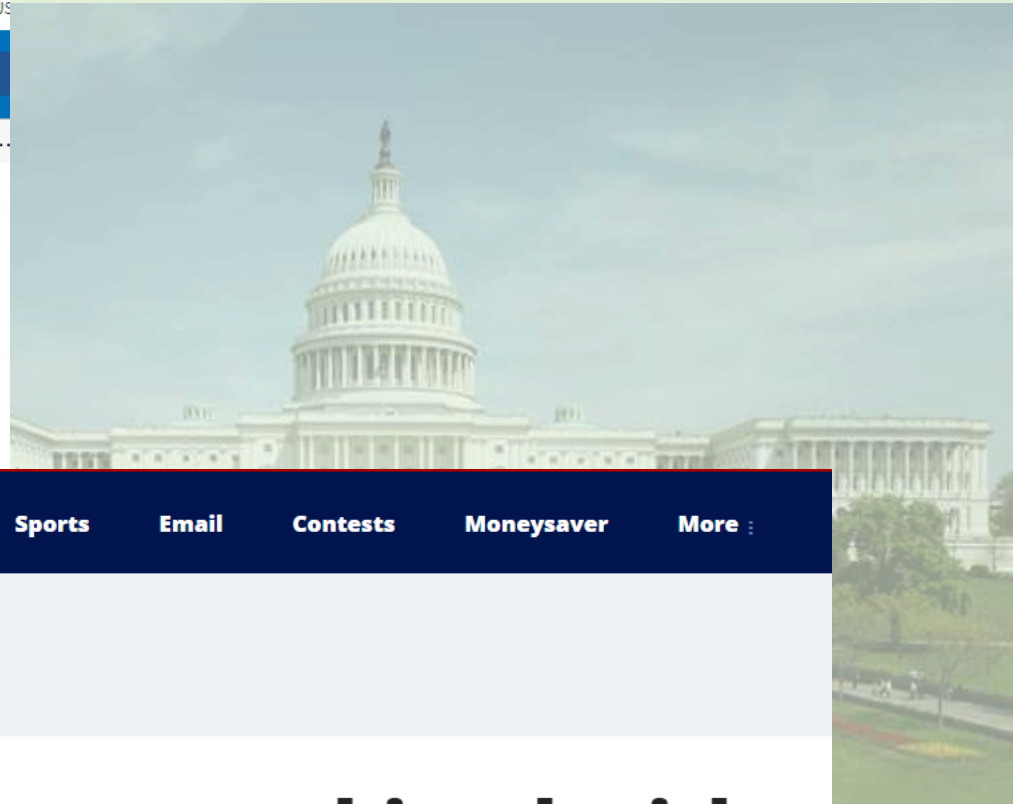
Moneysaver

More



Trucker shortage combined with Canadian protests a 'crisis on top of a crisis' for supply chain

By Taryn Asher and David Komer online producer | Published February 9, 2022 | Business | FOX 2 Detroit



Partnering with Local Communities

Strong Relationship with Local Stakeholders



- ✓ EDCs – some are MABA members!
- ✓ Road Commissions
- ✓ Local Health Departments
- ✓ First Responders (Fire/EMS)

Frequently at the table on economic development matters



Be Informed!



- ✓ **Politico Morning Agriculture**
- ✓ **AGree/Meridian Institute**
 - ✓ **DTN – Chris Clayton**
 - ✓ **FarmDoc Daily**
- ✓ **And yes...Twitter...sometimes!**

Resources for You

- ✓ AgFacts Newsletter
- ✓ Member Q/A Calls
- ✓ Ag Club Breakfasts
- ✓ Outlook/Winter Conference
- ✓ Call, Text or Email!

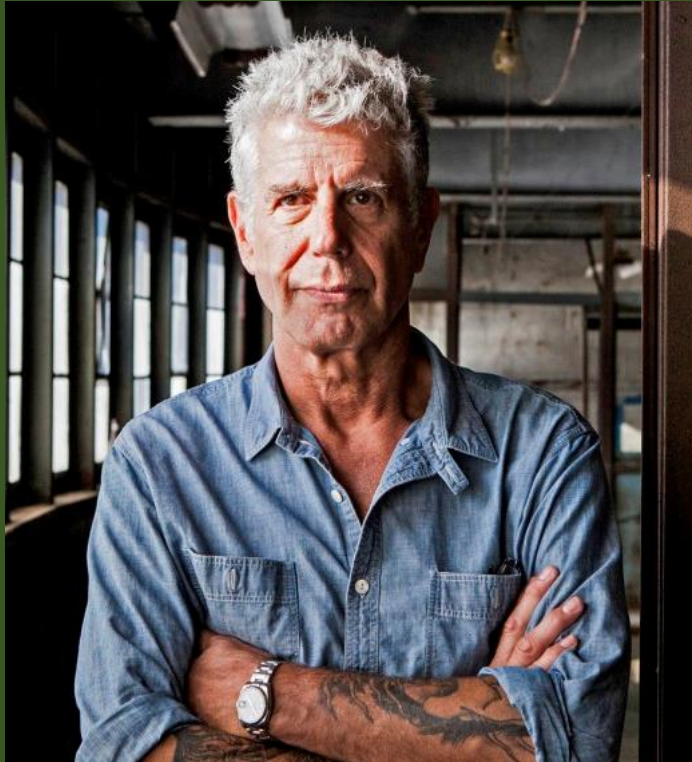




**Agribusinesses are proud to be part
of a leading industry in our state!**

*A strong ag economy benefits farmers,
agribusinesses, rural communities and Main
Streets across Michigan.*

And a few words of closing advice...



“I don't have to agree with you to like you or respect you.”

Thank you!

Chuck Lippstreu

Michigan Agri-Business Association

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