

**A letter from our President...**

It's been hot and dry in south Georgia and things are pretty tough on the farm right now. I know many of you are busy, trying to make a living, but take the time to note that things are also heating up in Washington on the agricultural front. UPGA just finished a very lengthy and historic legislative session under the Gold Dome in Atlanta. We are happy to report that no poultry unfriendly legislation saw the light of day in our state lawmaking process. Only housekeeping legislation requested by the Georgia Department of Agriculture relating to the outdated use of sulfaguanidine and sulfathiazole was passed, and it was vetoed by Governor Sonny Perdue. However, we've been fighting a war on two fronts, so to speak, and current actions at the federal level stand to have a significant impact on your bottom line. I am referring to Congress' overall revamping of agricultural laws under a new 2007 Farm Bill and also bills relative to fair and open competition in the production and sale of agricultural commodities. Pending legislation, such as S.622 sponsored by: Senator Tom Harkin [IA]

(introduced 2/15/2007), and, H.R.2135 sponsored by Congressman Leonard Boswell [IA-3] (introduced 5/3/2007), both seek to address competition issues long advocated by UPGA.

Both bills were referred to their respective Agriculture Committees in the Senate and House respectively and both are still alive. UPGA has engaged the Georgia delegation on these issues and Campaign for Contract Agriculture Reform (CCAR), a coalition of over 200 organizations in favor of agricultural contract fairness, has sent a letter to the committees urging support for this legislation.

On the omnibus Farm Bill front, UPGA is hopeful that House Agriculture Committee Chairman Collin C. Peterson's commitment to "an open and public process, allowing for debate and discussion about all of the issues included in the Farm Bill," will include a debate of the "Competition Title" UPGA seeks. We are also hopeful that Chairman Harkin and Georgia's own ranking member of the Senate Agriculture Committee, Saxby Chambliss, will ensure the growers' best interests are addressed.

*Lucius Adkins*  
President, United Poultry Growers Association



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# Chicken Wire

## The Inevitable Connection

### Energy Production and Agriculture *By Saxby Chambliss*



*U. S. Senator Saxby Chambliss (R-Ga)*

“There is no question the country is trending to connect energy production and agriculture – our farmers are producing America's food, fiber and fuel.”

*U.S. Senator Saxby Chambliss (R-Ga.) is the Ranking Republican Member on the Senate Committee on Agriculture, Nutrition and Forestry. Sen. Chambliss was elected to the Senate in 2002 and previously served eight years in the U.S. House representing Georgia's Eighth District.*

I appreciate the opportunity to provide the United Poultry Growers Association membership with an update on issues affecting the agricultural community. As you know, the Senate Committee on Agriculture, Nutrition and Forestry has many issues to address this year, including energy policy in the next farm bill. There is no question the country is trending to connect energy production and agriculture – our farmers are producing America's food, fiber and fuel.

In 2005, the Energy Policy Act became law, which established the Renewable Fuel Standard (RFS), requiring a minimum of 7.5 billion gallons of renewable fuels in the market by 2012. According to the Renewable Fuels Association, the U.S. biofuels industry is producing 6 billion gallons of ethanol and in the next 18 months the industry will add over 6 billion gallons of new capacity. In other words, the volume of new capacity being built exceeds the total volume built over the last 30 years!

This progress is astounding; however, the expansion has not come without some cost to the rest of the agriculture sector. During the 2006 harvest season, corn prices increased and exceeded a critical threshold of \$4 per bushel on the Chicago Board of Trade and continue to hover near that mark. If corn prices continue to set new highs over the next year, the broiler industry will come under increasing pressure. This is not unique to the poultry industry, but will also impact swine, dairy and cattle operations across the country as ethanol outbids livestock for corn. We find ourselves in the position of encouraging an industry that directly competes with another of significant importance in all our states. The next challenge is to continue to support the biofuels sector, but do so in a way that creates the least disruption on existing markets as possible.

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## Industry Urges Caution to Congress on Fuel-Food Equation

WASHINGTON – Congress should restore the balance between food and fuel in the nation's energy policy, according to Bill Roenigk, senior vice president and chief economist of the National Chicken Council, commenting on the Iowa State University on biofuels released in May.

"We believe Congress should take action to restore the balance in the equation between food and fuel. A good first step would be for Congress to approve a much more modest renewable fuel standard (RFS) with a much longer time frame than the currently contemplated RFS.

"We compliment Dr. Bruce Babcock, Dr. Dermot Hayes, and their colleagues at Iowa State University on a very professional and credible study on the impact of the ethanol boom on corn supply and utilization in the United States. The study provides some much-needed facts and perspectives on this issue.

"The diversion of corn into ethanol and away from animal feed has already driven up the cost of feeding chickens by 45 percent and has led to price increases for wholesale customers and for consumers. Families across America are already paying more for chicken because of government-subsidized ethanol programs. Production is also being curtailed due to high costs. We project that the total production of chicken this year will be less than it was last year, the first year-over-year drop in production since 1975." ❖



## USDA Clears Chickens of Contamination

*Agency Says Chickens Fed Tainted Pet Food Scraps Are Safe to Eat*

About 80,000 chickens that were fed contaminated pet food scraps can be released for processing because testing showed meat from the birds is safe to eat, the Agriculture Department said May 18, 2007. The chickens had been held on Indiana farms after eating feed supplemented with pet food scraps containing melamine, an industrial chemical blamed in the deaths of cats and dogs. Testing showed that melamine does not accumulate in birds and is eliminated by their bodies quickly, the USDA said.

## International Trade Creates Foreign Sales

Agriculture Commissioner Tommy Irvin announced that a letter of intent was signed with Taiwan to increase their imports of U.S. poultry, pork and beef to approximately \$382 million in 2008-2009 from \$222 million in 2006. Also, representatives of poultry companies from Georgia signed contracts worth just short of a quarter billion dollars while on a trade mission to Cuba.

*For more information on these and other related articles, go to our website at [www.unitedpoultrygrowers.com](http://www.unitedpoultrygrowers.com).*

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Earlier this year, I introduced the Cellulosic Ethanol Incentive Act of 2007. This act builds upon the success of the RFS and increases the target from 7.5 billion gallons in 2012 to 30 billion gallons in 2030. Central to the bill is a set-aside that will help commercialize cellulosic ethanol much faster than under current law. This is important in order to ensure federal policy does not erode the profitability of the U.S. livestock sector by encouraging additional competition for available corn. My bill specifically recommends a minimum level of consumption within a particular region that will provide a needed economic boost to rural areas, a new income stream for farmers and ranchers, and a further acceleration in the production of cellulosic ethanol from a diverse resource base ranging from wood chips in the Southeast to wheat straw on the Great Plains.

Immigration policy is not traditionally included as part of the farm bill, but it is an important issue for our agricultural community. The debate over how to implement comprehensive immigration reform has been the most emotional, politically-charged and sensitive issue I have seen in my thirteen years in Washington.

First and foremost, we must have a bill that truly secures our borders. Second, the U.S. should

implement a temporary worker program that will continue to grow our economy and provide a legal pool of workers. Third, we must ensure that any reform includes a biometrically secure identification program that would allow employers for the first time to instantly verify whether a prospective employee is legal before they are hired. Employers today must guess whether documentation provided by prospective employees is fraudulent or not. A biometrically secure ID would replace this guessing game with instantaneous certainty, and we could then hold employers accountable with much stricter fines for hiring illegal workers.

It is the duty of Congress to write comprehensive immigration reform legislation that does not provide amnesty and does not contain a new pathway to citizenship for illegal immigrants. We must have reform that ends chain migration and forces illegal immigrants to go home before they could be eligible for a green card or for citizenship. Finally, we should ensure that English is the official language of the United States. This is the most pressing domestic issue facing our nation, and we have a very small window of time within which to get a bipartisan bill accomplished. The status quo is simply unacceptable, and we cannot leave this problem to future generations. ❖

## Georgia Growers Continue Lead in Broiler Production

According to the USDA's recently released 2007 edition of GEORGIA POULTRY FACTS, Georgia remains the top poultry state in the U.S. In overall value, Georgia's \$3.11 billion in total production in 2006 outpaced number two state Arkansas' \$2.97 billion production value. The year 2006 also marked the twenty-third consecutive year Georgia has been the leader in broiler production with 1.38 billion birds. Georgia accounted for 16 percent of the number and 15 percent of pounds of the Nation's broiler production in 2006.

However, the total farm value of poultry and eggs produced in Georgia was actually 5 percent lower than what was produced in 2005. Dollars earned from broiler production was also down 6 percent from 2005 at \$2.73 billion in value. Egg producers on the other hand saw a 6 percent increase in value from 2005 at \$369 million.

GEORGIA POULTRY FACTS is produced annually through cooperation of the Georgia Department of Agriculture and USDA's National Agricultural Statistics Service. For more information go to [www.unitedpoultrygrowers.com](http://www.unitedpoultrygrowers.com) for a link to this government publication. ❖



## Georgia Poultry Highlights

### 2006 FARM VALUE OF PRODUCTION

All Poultry and Eggs.....	\$3,108,687,000
Broilers .....	\$2,731,022,000
Eggs.....	\$368,736,000
Chickens.....	\$8,929,000

### 2006 GEORGIA NATIONAL RANK

Broilers Value of Production - 1st
Chickens Value of Sales - 2nd
Broilers Produced - 1st
Eggs Value of Production - 2nd
All Poultry Value of Production - 1st
Chickens Sold (excludes broilers) - 3rd
Eggs Produced - 7th