

The feed industry in 2012: opportunities and choices



It's 2012, and folks keep popping up to remind us that this is the year that it all ends, at least according to the Mayan calendar. For those that are unfamiliar with this concept, it goes something like this (with apologies to all Mayan scholars): the Mayas were a civilization that lived

in the Yucatan peninsula of Mexico roughly 4,000 years ago. They were particularly adept at writing, mathematics and astronomy and created a highly accurate calendar, which ends on December 21, 2012. Then, inexplicably, the calendar resets to the year zero. This "reset" has been cause for endless speculation and disaster films which tend to involve earthquakes, polar ice shifts, volcanic eruptions, mega-tsunamis, icebergs and just about every other nasty natural event that one can dream up.

While I will admit that I am a little intrigued by this abrupt ending to the Mayan calendar, I tend to lean more toward the idea that the poor guy given the task of chiseling all these dates into rock finally got tired and just quit. After all, by that point he had chiseled an awful lot of numbers.

However, this is not to say that 2012 isn't going to be a significant year. As Joel Newman points out in his commentary in this issue, the feed industry can finally take some enjoyment in the ratification

of free trade agreements with Panama, Korea and Colombia. These were certainly long overdue and are expected to add thousands of jobs as well as increase export revenue by more than \$2 billion.

What's more, industry economists are expecting to see slightly lower costs for corn this year over 2011, and that's good news as well.

However, what looms over everything are the U.S. elections. Many see the failure of the bipartisan Special Joint Deficit Reduction Committee last year as indicative of a political system that is quite nearly broken. With that in mind, I repeat – and emphasize – what Joel Newman says:

"I encourage you to use the next 11 months to

THE FEED INDUSTRY CAN FINALLY TAKE SOME ENJOYMENT IN THE RATIFICATION OF FREE TRADE AGREEMENTS WITH PANAMA, KOREA AND COLOMBIA.

become familiar with how your candidates address the issues most important to your business and our country."

All things considered, and with respect to the Mayans, I'm beginning to think we might do well to use this opportunity in November to have a "reset" of our own at the end of the year. Minus the disasters, of course.

Ken

kjennison@wattnet.net