

the facts on



The real cost of food has very little to do with ethanol.

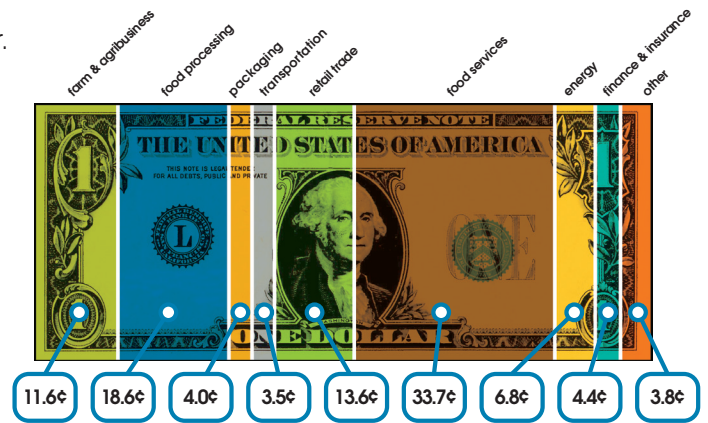
Before believing that ethanol's use of corn is causing the run-up in food prices, consider these facts:

○ **fact:** On-farm costs only account for 11.6 cents of your food dollar.

Grains, like corn, have very little to do with the retail price of food.

Processing, packaging, transportation, and energy costs account for nearly 3 times as much of the dollar.

The on-farm share has declined from 19.1 cents in USDA's previous analysis. (Source: "A Revised and Expanded Food Dollar Series: A Better Understanding of Our Food Costs," U.S. Department of Agriculture, February 2011)

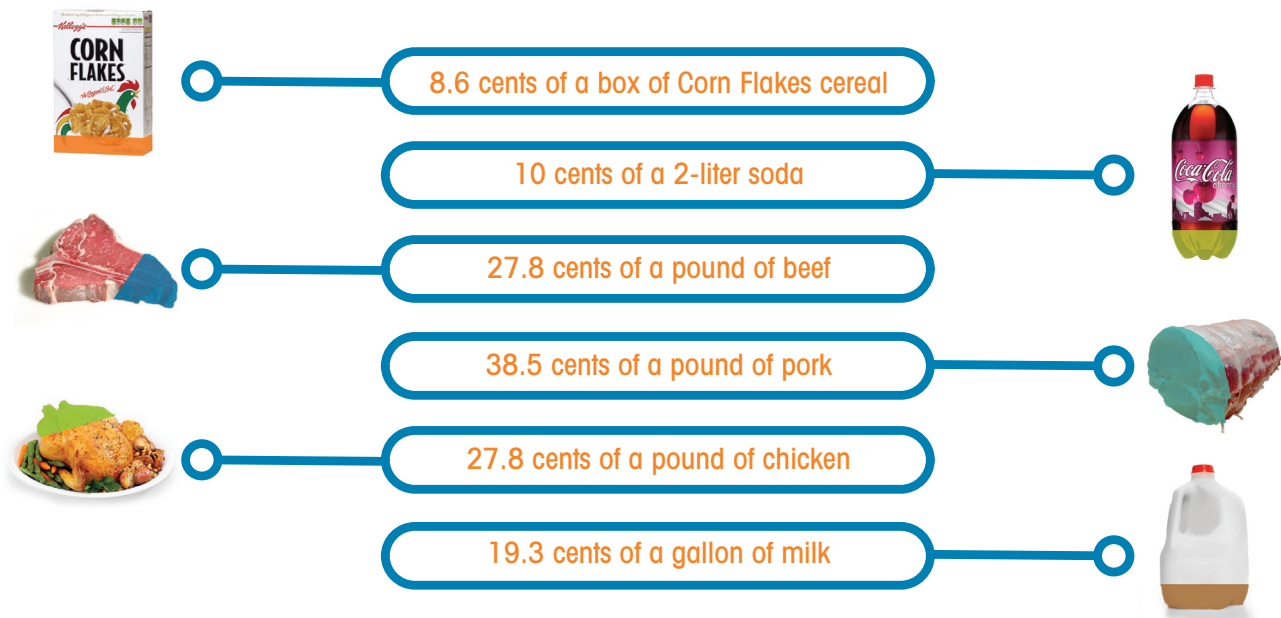


○ **fact:** Ethanol consumes only 3% of the total world grain supply.

1. USDA estimates the 2010-11 global grain supply at 2.67 billion metric tons.
2. The U.S. ethanol will use an estimated 126 million metric tons of corn in 2010-11.
3. This is 4.7% of the global grain supply; however, each ethanol plant returns one-third of the corn to the supply as distillers grain, a high-protein livestock feed.
4. This leaves the total net usage at 88 million metric tons, or 3.3% of the world grain supply.

(Source: Calculations by the Renewable Fuels Association)

○ **fact:** Corn accounts for only a few cents in the cost of common food products.



(Source: National Corn Growers Association, calculated using corn at \$6 per bushel)