

Coalition for Balanced Food and Fuel Washington, DC

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**Meat, Livestock and Poultry Coalition Launches Web Site Calling
for Balanced Food and Fuel Policy**

*BalancedFoodandFuel.org Details Impact of Ethanol Policy on Meat and Poultry
Industry, Consumers*

Washington, DC, June 11, 2007 – A coalition of meat, livestock and poultry organizations today unveiled www.balancedfoodandfuel.org, a Web site dedicated to informing policy-makers, the media and the public about the impact of national ethanol policy on the industry and on consumers.

The timely Web site features economic analyses, charts, third-party experts, important reading and basic facts about ethanol policy. Coalition member sponsors include the American Meat Institute, National Chicken Council, National Cattlemen's Beef Association, National Meat Association, National Milk Producers Federation, National Pork Producers Council, National Turkey Federation and United Egg Producers.

A national mandate for the fuel industry to utilize 7.5 billion gallons of renewable fuels each year, a \$0.51 per gallon tax incentive for ethanol blenders, and a tariff on imported ethanol have all stimulated demand for ethanol and driven up the cost of corn, which is the primary feedstock for ethanol production in the United States.

But as BalancedFoodandFuel.org points out, livestock and poultry producers rely on corn to feed their animals. The rising cost of corn has driven up the cost of feed and with it the cost of meat, dairy and poultry products, causing some producers to cut back production.

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According to the coalition, these economic shifts will affect consumer purchasing behavior, potentially reducing animal protein consumption.

“Our nation’s current ethanol policy may be good news for petroleum blenders, but it’s a raw deal for animal agriculture and consumers,” the site says. “A more rational policy, however, can help avert the coming economic crisis. “

The coalition says that food and fuel policy can be balanced by taking the following actions:

Renewable Energy and Byproduct Research – Federal funding should be provided for broad-based applied research into renewable energy technologies, economics, and by product safety, quality, and usability.

Emerging Bio-Energy Mandates – New mandates should be limited to energy from emerging bio-based sources (i.e. cellulosic, methane) that do not adversely affect animal feed availability.

Incentive Neutrality/Counter-Cyclical – Global energy demand will increase by more than 50 percent by 2030. Subsidies and tax credits for agriculture-based energy sources should be equally available among all forms of energy and source-neutral as a means to grow opportunities for all forms of energy. Fuel-based tax credits should function inversely to oil prices.

Energy Infrastructure Incentives – We support subsidies/tax credits to grow agriculture-based energy infrastructure. Infrastructure incentives should be source/feed stock and renewable energy neutral.

Conservation Reserve Program (CRP) – We believe that policy-makers should provide producers regulatory and legislative policy options to opt out of CRP to respond to market forces. Support a working lands approach to reintroduce acres into crop production.

Import Tariffs – We support exposing consumers to more renewable fuels choices by allowing the current ethanol tariff to expire in December 2008.

“We hope this site will be a valuable resource on this important national issue,” said AMI President J. Patrick Boyle, whose association is a member of the coalition. “Our ethanol policy is having enormous consequences in the food and agriculture sector, and we believe that informed policy-makers can make better decisions to balance food and energy needs.”

