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Jackie McClaskey, Secretary

Governor Sam Brownback

**Excerpt from the Kansas Department of Agriculture Marketing Update
To the House Agriculture and Natural Resources Committee
by Jackie McClaskey
Secretary of Agriculture
January 21, 2015**

The Kansas Department of Agriculture is committed to serving Kansas farmers, ranchers, agribusinesses, and the customers/consumers they serve. We have a responsibility to help provide an environment that fosters economic growth and supports and advocates for agriculture.

As we all know, every Kansan is touched by some aspect of the agriculture industry every day. However, few people truly understand that agriculture is our state's largest industry, employer (12 percent of work force), and economic driver, valued at over \$53 billion dollars and making up nearly 37 percent of economic activity. When the retail food industry is included, the workforce percentage grows to 19% and the economic contribution rises to \$63 billion (44 percent of the economy). Agriculture is also Kansas' Number 1 export. Agriculture and food products account for 40 percent or \$4.8 billion of total exports annually. (\$12.45 billion total state exports; 2013 Data provided by Kansas Department of Commerce and Euromonitor)

We are proud of the work being done growing agriculture in Kansas. Chair Schwartz asked us to specifically provide updated information on the Trademark program and the Ag Marketing Division. Ag Marketing was originally created in the Board of Agriculture but was transferred to Commerce in 1995. In 2011, Governor Brownback transferred the program back into the Department of Agriculture. Since then, we have re-focused the program into four areas: Trademark (local markets), International, Business Development, Education and Advocacy.

Efforts have and will continue to focus on how the state can encourage and help develop growth opportunities in all aspects of the agriculture industry by developing innovative programming and delivering solutions designed to create an environment that facilitates growth and expansion of agriculture and rural Kansas. A few examples of program success include over 200 members representing 67 counties in the newly revamped *From the Land of Kansas* program, 7 outbound trade missions and 6 inbound trade and buying missions in FY14 (with at least 6 outbound trips and 4 in-bound trips expected to be completed in FY15), over 30 individual businesses assisted by the business development team, development of business licensing guides, launch of a barcode initiative to help small business integrate into retail chains, held first Trademark and farmers' market conference, 38 students from 9 high schools earned the Kansas Ag Skills and Competencies certificate (recognized under SB 155), and the first annual Sunflower Supreme Heifer Sale, coordinated in conjunction with K-State Research and Extension, was held this past fall.

2014 Export Receipts not confirmed at this time. Information reflects 2013 totals.

The Agricultural Marketing Division offers a variety of programs and services to assist Kansas farmers, ranchers and agribusinesses market their products and services overseas. Kansas exports account for one-third of total exports leaving the state.

Kansas Department of Agriculture international marketing services include: assisting with overall international marketing strategies and plans; assisting with market research and basic understanding of export/import protocols and regulations; hosting foreign buying teams; leading industry-specific trade missions; and membership in national and international trade associations that give Kansas farmers, ranchers and agribusinesses access to a variety of programs and services. Memberships include:

- o U.S. Livestock Genetic Export, Inc.
- o Livestock Exporters Association
- o Food Export Association of the Midwest
- o North American Agriculture Marketing Officials
- o U.S. Meat Export Federation

2013 Kansas Ag Exports, By Product Category

Rank	Product	2013 Exports	Percent
1	Cereal Grains	\$1,751,272,188	36%
2	Meat, raw	\$1,377,641,194	28%
3	Oil seed	\$932,794,575	19%
4	Animal and Pet Foods	\$474,779,138	10%
5	Animal and Vegetable Fats	\$120,758,285	2%
6	Milling Products	\$64,361,126	1%
7	Misc Edible Grains	\$54,745,948	1%
8	Other Animal Products	\$19,417,649	0.4%
9	Flour	\$17,560,924	0.4%
10	Meat, prepared	\$14,479,971	0.3%
11	Fruit and Vegetables, prepared	\$9,172,394	0.2%
12	Dairy Products	\$5,708,715	0.1%
13	Live Animals	\$3,365,136	0.1%
14	Sugars	\$2,623,816	0.1%
15	Vinegar and Alcohol	\$2,513,448	0.1%
16	Chocolate	\$2,358,755	0.0%
	Others	\$3,819,130	0.1%
Total		\$4,857,372,392	

Kansas Ag Exports 2009-2013

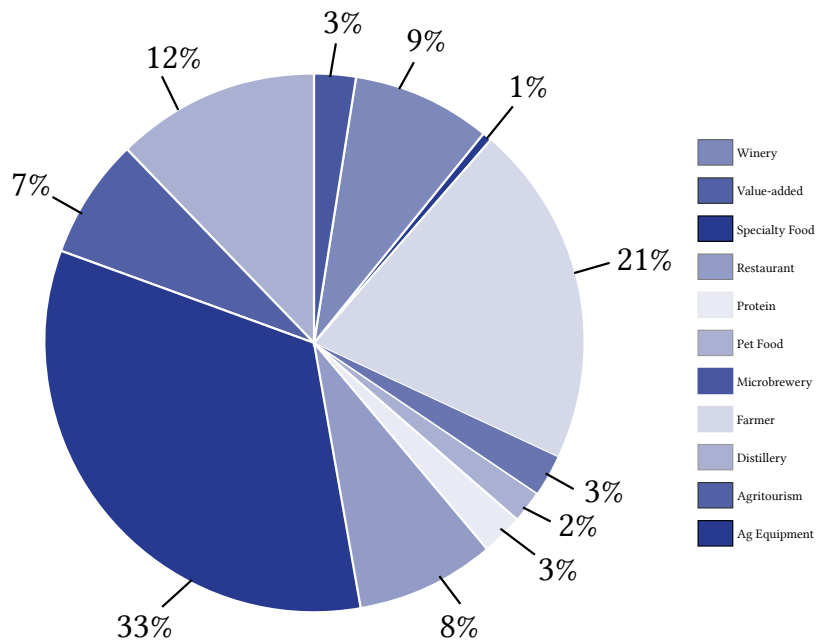
Year	Exports
2009	\$1,963,260,843
2010	\$2,377,074,014
2011	\$3,278,014,387
2012	\$3,587,930,954
2013	\$4,857,372,392

2013 Kansas Ag Exports, Top 10 Countries

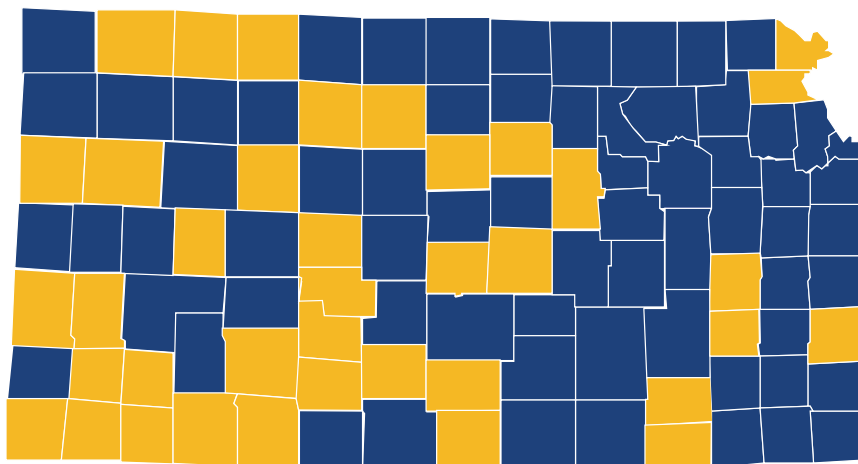
Rank	Country	2013 Exports	Percent
1	China	\$980,286,390	20%
2	Mexico	\$965,310,919	20%
3	Japan	\$669,470,586	14%
4	Canada	\$399,509,731	8%
5	Brazil	\$349,410,972	7%
6	Nigeria	\$293,833,181	6%
7	Egypt	\$124,144,192	3%
8	Taiwan	\$117,746,293	2%
9	Hong Kong	\$111,690,256	2%
10	South Korea	\$99,117,502	2%
	Others	\$746,852,370	15%
Total		\$4,857,372,392	

From the Land of Kansas, the state's agriculture trademark program, was rebranded and **relaunched in April 2013**. The program's goal is to help businesses that **grow, product, process or manufacture products in Kansas**. In addition, the program works with and supports restaurants using Kansas products and retailers selling Kansas products and ingredients.

From the Land of Kansas represents a variety of businesses from the farm all the way to the fork. The trademark program has five membership categories and members must fit into at least one to qualify for the program. Membership categories include: farmer/rancher, processor/manufacturer, value-added agriculture (non-food products), restaurants and agritourism. In order to serve our members better, we have developed business categories allowing us to cater marketing and promotional plans to support these companies better. The graph (right) represents what business categories our members fall into.



NUMBER OF COUNTIES REPRESENTED



■ 63.81% of counties represented
 ■ 36.19% of counties not represented

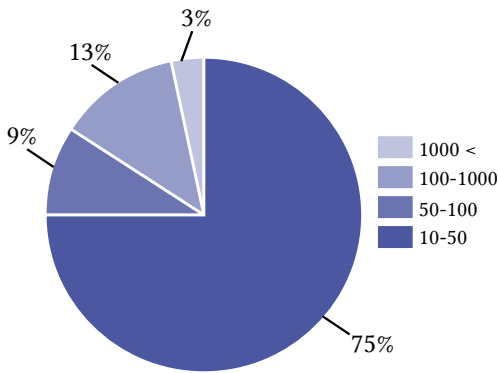
With just over a year under the program's belt, the program has more than **220 members and partners** representing nearly every corner of agriculture in Kansas. *From the Land of Kansas* members can be found in **67 of the 105 counties** in Kansas, more than 60 percent of the state.



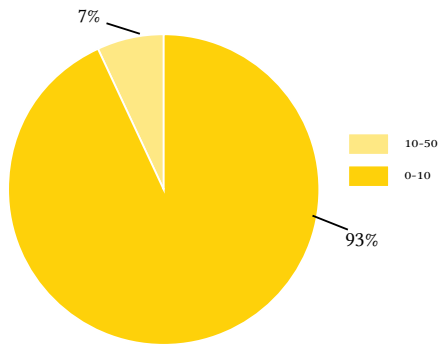
FROM THE LAND OF
KANSAS

Any Kansas company who grows, produces, processes or manufactures products in Kansas can be a member of *From the Land of Kansas*, regardless of size or experience. **We have a place for every business** - from small, family-owned businesses to large, multi-million dollar companies. We are proud of our members and excited to help develop and support them as they need. The following graphs represent the business demographics of our members and paints a clear picture to the true diversity of our members.

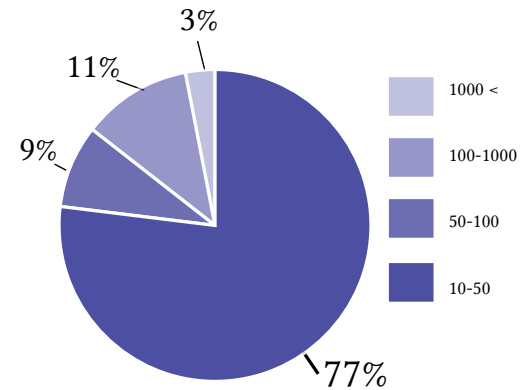
Full-time Employees



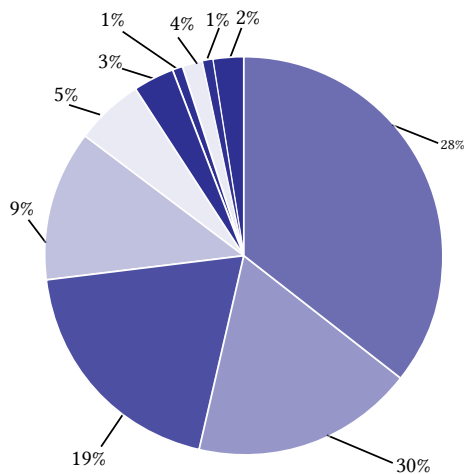
Part-time Employees



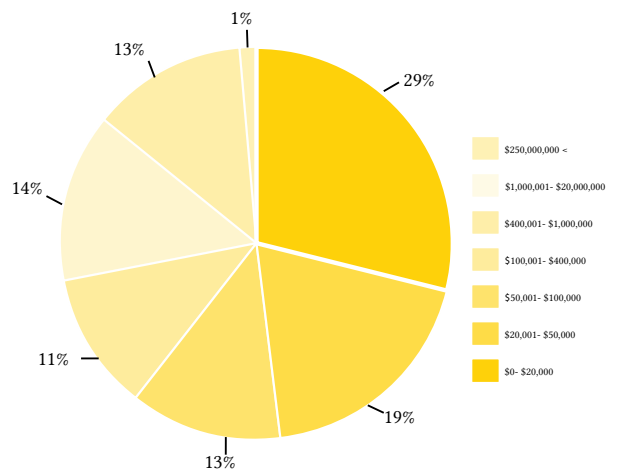
Number of Employees



Number of Years in Business



Average Sales per Year



For Profit vs. Non-Profit

