As a result of recent interview data from new Iowa ethanol processing plants and soybean processing plants, a better understanding of marketing, distribution, and storage patterns for corn and soybeans is developing. For corn and soybean growers and processors, the rapid increase in local processing has brought many changes in production, marketing, and management strategies in a very short time. Major investment in processing facilities has come to a state where farm income has been largely based on federal subsidies for more than 50 years. The decision to process and use most or all of Iowa’s annual production of corn and soybeans within the state has been driven by bio-fuels production which has, in turn, caused changes in livestock feeding strategies and food production. These events become part of the “Food, Feed, and Fuel” discussion.

Economic development in rural communities is centering on bringing more and varied types of agricultural processing to Iowa. The ethanol and biodiesel industry have brought new wealth to rural communities. The next steps in attracting other types of processing will be made clearer with a comprehensive picture of current processing companies and their effect on infrastructure improvements, scientific and technically trained employees, and agricultural ingenuity in the rural communities.

With data from ethanol and soy processing industry interviews, coupled with crop production data and locations of processing industries, VAAP will compile a map (and electronic database) that will highlight areas that will be growing crops for food and other areas where crops are mainly used for feed and/or fuel. The map and accompanying report will predict the relative amounts of corn, soybeans, and other field crops (if any) that will need to be grown to support the food and fuel companies in Iowa. New and existing storage and handling facilities could be included as well. This map and accompanying report could serve as a planning tool for rural economic development in Iowa and as a resource for landowners who are supplying processing industries with agricultural materials.

**Objectives for FY2008**

1. Continue to update soybean and corn processing databases.
2. Gather new crop production and distribution data (working with Grain Flow Survey and others)
3. The livestock production for beef, dairy, swine, and poultry from the caloric balance project will be added.

**FY2008 Expected Outputs**

- Map and database showing grain processing by crop reporting district, processing using interview data, and livestock production trends in Iowa.
• Interpretive summary and forecast
• Summary of similar efforts by other researchers and sources.