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# Farmers planting more corn this year to meet ethanol demand

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Growing cotton is a family tradition on Webb Bozeman's farm in central Mississippi. But not this year.

Inspired by soaring demand for corn to feed the growing ethanol industry, Bozeman is joining a large number of farmers across the country who will plant corn instead of soybeans, wheat and cotton.

Some in the Midwest are ending their longtime practice of rotating plantings of soybeans one year and corn the next, opting to grow corn in consecutive years. Livestock farmers are turning pastures into cornfields.

"We have farmers half-joking about planting corn in their front yards," said Matt Roberts, an agricultural economist at Ohio State University. "A lot of farmers see this as an opportunity to have a very good year."

Prices for corn are up to \$3.40 a bushel and projected to approach \$4, reaching highs not seen in the last decade. At least 6 million to 8 million more acres of corn will be needed to supply ethanol plants, analysts say.

Ethanol production is expected to double as new plants are being built to turn corn into the gasoline additive, from around 5 billion gallons now to 11 billion gallons, according to industry estimates.

Private investments in ethanol plants have soared in the last year as government leaders have called for more production of renewable fuels.

That made the decision to go with corn easy, said Bozeman, who will plant about 3,500 acres on his farm near Flora where his father and grandfather have grown cotton for years.

"Mississippi is not known for its grain production; it's a cotton state," he said. "But if tradition isn't profitable, you've got to change it."

Farmers in the Midwest may be able to make \$50 more per acre by going with corn instead soybeans, Roberts said. "That's a tremendous difference," he said. "We have a lot of operators who are going to remove soybeans from their rotation."

Some farmers are contemplating planting continuous years of corn, but doing that can lead to pest problems and increased costs for fertilizer and seed, said Bruce Erickson, a Purdue University agricultural economist.

And those fields tend to produce less each year. That's why most farmers rotate their crops to maintain nutrients in the soil and stop insects and weeds.

"Most scientific research shows a 10 percent drop in yield when you plant corn on corn," Erickson said.

In Louisiana, the number of acres devoted to corn likely will double and could triple, said David Bollich, a grain marketing specialist with the Louisiana Farm Bureau.

"All you see is more and more ethanol production," he said. "Everybody wants to get into corn this year, some who have never planted it before."

Corn prices are so high, though, that it will cost chicken and pork producers more to feed their animals, and that could end up hiking prices at grocery stores.

Jim Harper, who grows cotton, rice and sugar cane near Alexandria, La., said he should make \$150 more per acre by growing corn rather than cotton if he has a good crop.

That has him thinking about not planting any cotton for the first time in 30 years. "It's just a better income opportunity," he said.

But he wonders what will happen to cotton gins and their workers if farmers pick corn over cotton. "If you don't have a supply, the gins will close," he said.

Business is booming for the makers of corn planters and storage bins. Farmers have a shorter window to plant corn than other crops so the rush to get in the ground will be greater this year. And because corn produces more bushels per acre than soybeans, some farmers are anticipating that storage space will be in short supply.

"If there's a lot of crop, I'm sure some corn will be sitting outside," said Bard Haas, a farmer in northwest Ohio near Weston.

He's contemplating scaling back on growing popcorn and replacing some of his soybean fields with corn. But it's not an easy decision.

"Do I go out and get another corn planter and let the soybean driller sit idle?" he asked. "The other thing is maybe beans will creep back up. Right now corn looks by far to be the safest bet."