Team Message

February 2021

Greetings from the Domestic & International Marketing Program. My name is Davin Althoff, Division Director for the Missouri Department of Agriculture’s Division of Agriculture Business Development (ABD). I also have the privilege of serving as manager of ABD’s Domestic & International Marketing Program. We have a relatively new, but experienced team.

Many of our team members grew up on a Missouri farm and/or live and work on a farm today. Collectively, the team has tremendous knowledge and passion for agriculture, and a majority of our team members have extensive international trade experience.

The Domestic & International Marketing Program’s goal is to assist Missouri farmers and agribusinesses in growing sales through outreach efforts. Our team understands and appreciates this responsibility. We work hard each day to fulfill this mission through the following services: business education and outreach, agent/distributor searches, market research, export documentation issuance, trade missions/trade show facilitation and financial assistance. Our team is your resource.

As we close the book on another year, 2020 will be remembered for the challenges and changes brought on by COVID-19. These challenges and changes impacted many Missouri farmers and agribusinesses, and also how we deliver services. Our team has adapted, just as our farmers and agribusinesses have. As we enter 2021, our team is energetic, optimistic and ready to serve you.

DID YOU KNOW?

8 IN 10 MISSOURI PECAN TREES ARE NATIVE RATHER THAN GRAFTED

COVID-19 revealed weaknesses in the protein supply chain. Page four highlights efforts to strengthen Missouri’s local meat and poultry processing sector.

Upcoming Events

- **February 22-24**
  - Virtual Buyers’ Mission - Frozen Food
    - Food Export-Midwest
- **March 2-4**
  - Virtual Buyers’ Mission - Feed
    - Food Export-Midwest
- **March 4**
  - Become Export Ready Webinar
    - Food Export-Midwest
- **March 16-18**
  - Virtual Buyers’ Mission - Pet Food
    - Food Export-Midwest

Show-Me Success

In this issue, we introduce you to Missouri Northern Pecan Growers. Their 40,000 square foot facility processes pecans for consumers around the world.

Meat & Poultry Processing Grants
MEXICO

Country Spotlight
A glance into Missouri agriculture’s #1 export market

GDP:
$1.27 trillion dollars

Mexico is the world’s 11th largest single-state economy. Exports account for 38% of the Mexican GDP. million is Mexico’s population. It is estimated the Mexican population grows 1.04% annually.

Top 5 Missouri exports to Mexico in 2019

<table>
<thead>
<tr>
<th>Rank</th>
<th>Product</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Soybeans</td>
<td>$196,103,000</td>
</tr>
<tr>
<td>2</td>
<td>Corn</td>
<td>$134,034,000</td>
</tr>
<tr>
<td>3</td>
<td>Soybean Meal</td>
<td>$129,706,000</td>
</tr>
<tr>
<td>4</td>
<td>Dairy Products</td>
<td>$119,044,000</td>
</tr>
<tr>
<td>5</td>
<td>Dog &amp; Cat Food</td>
<td>$62,074,000</td>
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</tbody>
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AGRICULTURE TRADE

In 2019, Missouri agriculture exports to Mexico totaled $861 million. The U.S. and Mexico have a complementary trade relationship for agriculture products. Mexico supplies fresh fruits and vegetables throughout much of the year. By contrast, the U.S. produces major commodities more efficiently.

Mexico is the top destination for U.S. exports of corn, dairy products, poultry, meat and eggs, sugar and sweeteners, distillers dried grains and rice. Mexico is also the second or third largest market for additional products such as soybeans, beef, pork, horticulture and many processed foods and beverages.

Mexico’s economy is increasingly focused on the manufacturing sector. It is estimated agriculture comprises only 3.6% of Mexico’s GDP, compared to 31.9% for industry and 64.5% for services. This shift represents opportunities to supply the Mexican market with a range of U.S. agriculture products.

SOURCE: USDA GAT 2019

MORE FREE TRADE AGREEMENTS THAN ANY OTHER COUNTRY
In 1999, Missouri Northern Pecan Growers was formed by local pecan growers with a vision of adding value and building a better market for “sweet” native pecans. Today, more than 50 area farmers supply Missouri Northern Pecan Growers with high-quality wild pecans.

Missouri Northern Pecan Growers processes and packages pecans, pecan oil and pecan meal/flour in their 40,000 square foot peanut-free facility located in Nevada, Missouri. They have been certified organic since 2003 and their products are non-hybridized, non-GMO, gluten-free, kosher-certified and undergo minimal processing. Their pecans are an excellent choice for snacking, baking and cooking.

In 2013, Missouri Northern Pecan Growers began exporting pecans. Today, they supply organic pecans to distributors and food manufacturers across the United States, EU, Canada, United Arab Emirates and Asia. During their export years they have utilized market research, trade leads and buyer introductions offered by the Missouri Department of Agriculture’s Domestic & International Marketing Program. The Department’s team of highly skilled professionals has assisted Missouri Northern Pecan Growers in understanding export requirements of various countries and helped complete required documentation.

Thanks to the Missouri Department of Agriculture, Missouri Northern Pecan Growers were fortunate to meet Food Export-Midwest. Being a small, farmer-owned business, participation in activities, such as buyers missions organized by Food Export-Midwest, has played a vital role in their export success story. Food Export-Midwest’s wide range of services, webinars and reimbursement programs has also assisted Missouri Northern Pecan Growers in developing and implementing global marketing plans.

Missouri Northern Pecan Growers’ products can be found in health food stores, specialty grocery stores and food co-ops across the U.S. Additionally, their products can be purchased online at [www.mopecans.com](http://www.mopecans.com) or by phone at (417) 667-3201.

For the latest updates and product release announcements visit Missouri Northern Pecan Growers on Facebook and Instagram @growmopecans.
2020 was challenging, but challenges often have silver linings. This past year’s silver lining revealed improvement opportunities throughout the agriculture industry, particularly in the meat and poultry processing sector. COVID-19 revealed weaknesses in the protein supply chain and many Missourians turned to local meat and poultry processors when retail supplies were low. As a result, local processors were overwhelmed with demand. The State of Missouri recognized the stress COVID-19 was placing on local processors and the General Assembly allocated $20 million from Coronavirus Aid, Relief and Economic Security (CARES) Act funds to create a grant supporting meat and poultry processors and strengthen Missouri’s protein supply chain.

The Missouri Meat and Poultry Processing Grant supported small to medium-sized meat and poultry processing facilities. Depending on a processor’s inspection status, the grant offered $20,000, $100,000 or $200,000 in reimbursements related to increasing processing capacity. Jim Joerling, owner of Boone Country Meats, Inc. in New Melle, Missouri and grant recipient, explained,

“Since the large producers weren’t able to process, grocery stores didn’t have any product on their shelves,” said Jim Joerling, owner of Boone Country Meats, Inc. in New Melle, Missouri and grant recipient. “The public turned to the local butcher shop, like ours. We normally would sell 20-25 pounds of ground beef per day, but during the height of COVID-19 we were selling more than 200 pounds per day.”

The Meat and Poultry Processing Grant enabled processors to replace equipment, increase efficiency, improve refrigeration systems and more. As silver linings emerge, challenges evolve into opportunities and process improvement takes shape. The Missouri Meat and Poultry Processing Grant stabilized the food supply chain, improved the economic conditions of many rural communities and strengthened Missouri agriculture. The Missouri Department of Agriculture will be announcing comprehensive impact details on this program in the Spring at Agriculture.Mo.Gov.