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GMA

Representing the Makers of the World's Favorite Food, Beverage and Consumer Products



Agriculture Outlook Forum 2011

Scott Faber
Vice President for Federal Affairs
Grocery Manufacturers Association

www.gmaonline.org

Grocery Manufacturers Association



* Represents a sample of GMA's Members

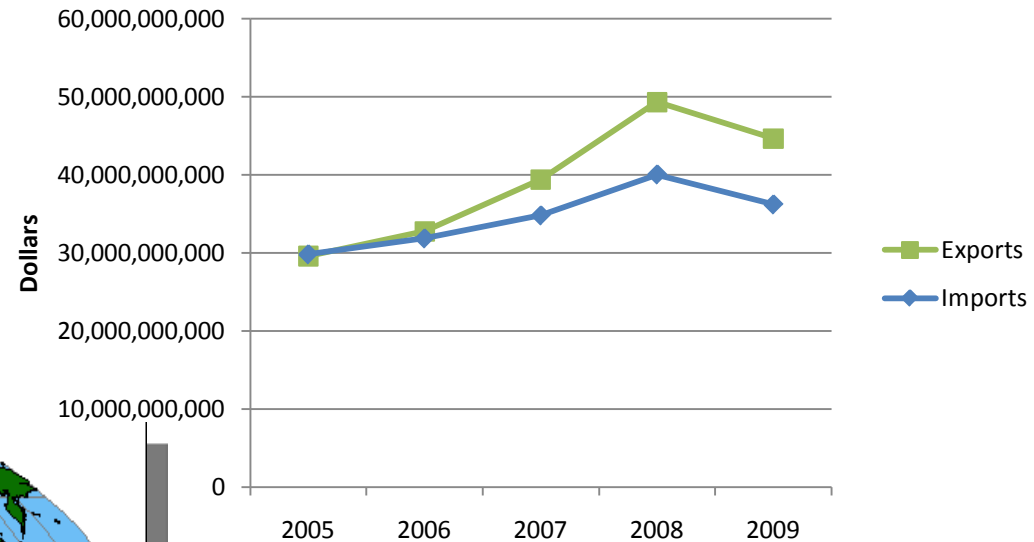
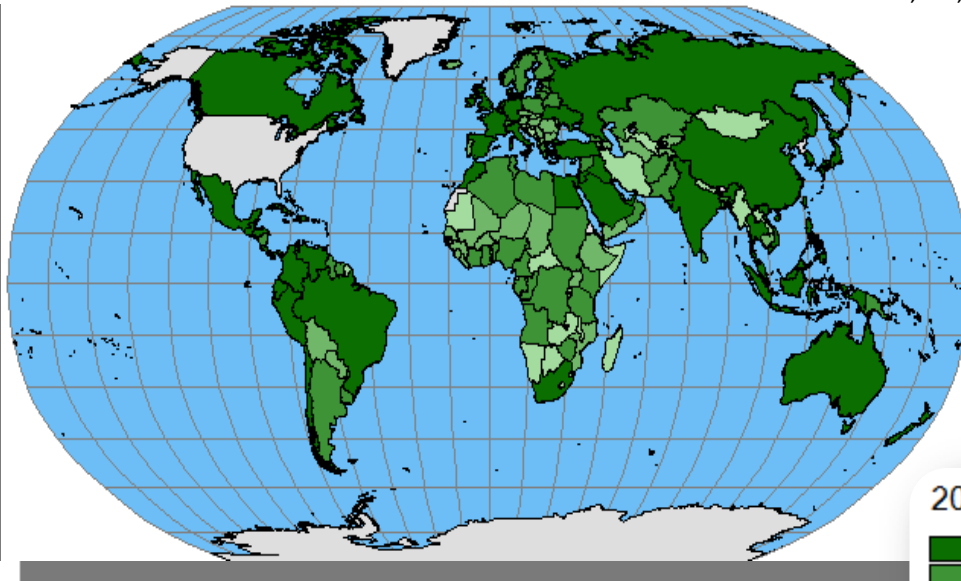
Consumer Packaged Goods

- 1.7 million direct jobs or 14% of U.S. manufacturing jobs
- The industry as a whole supports 14 million jobs
- \$600 billion in sales or 4% of GDP

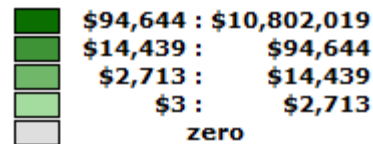


Consumer Packaged Goods

- Export to more than 200 Countries

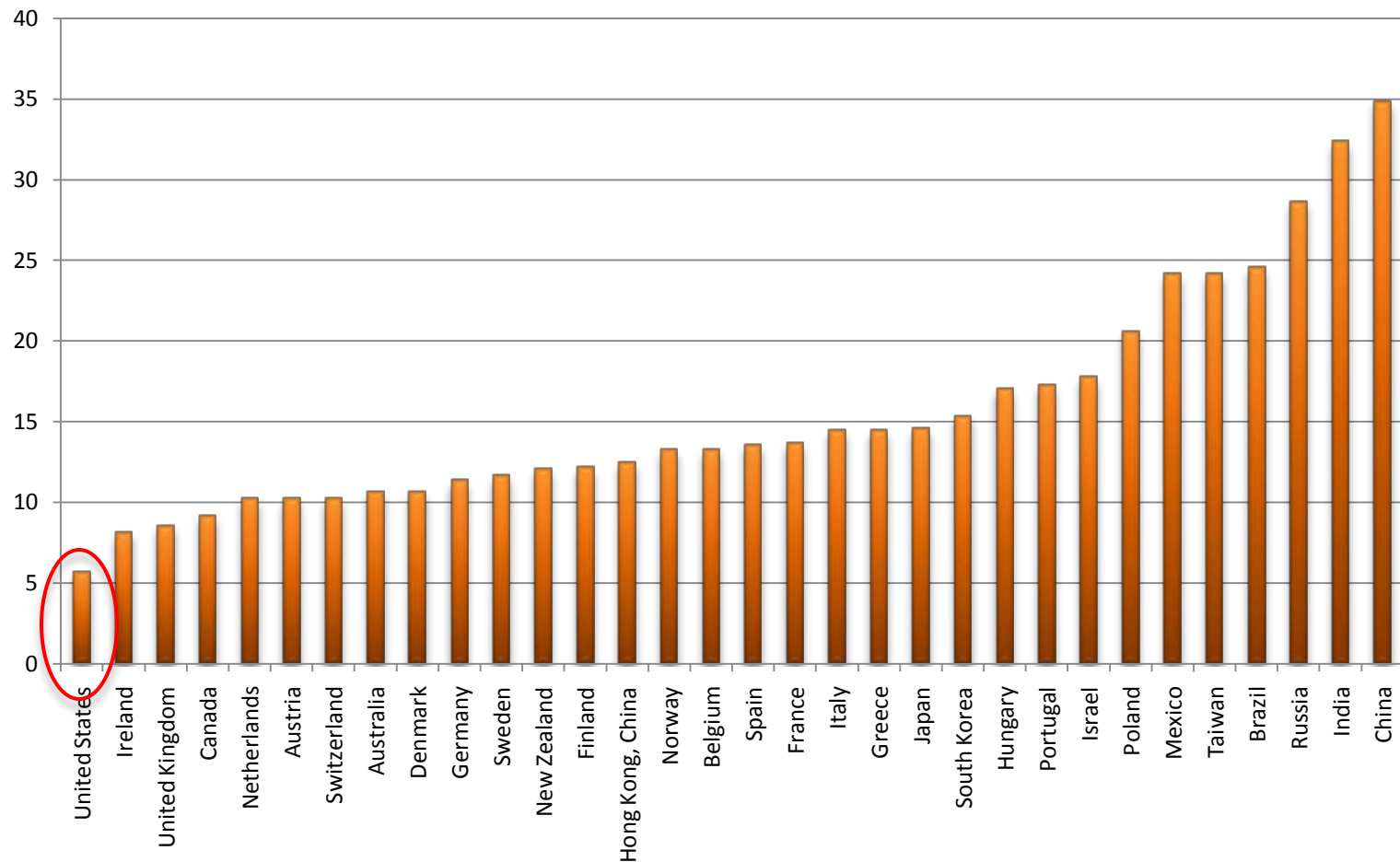


2009 Exports of NAICS 311



Feeding Americans for Less

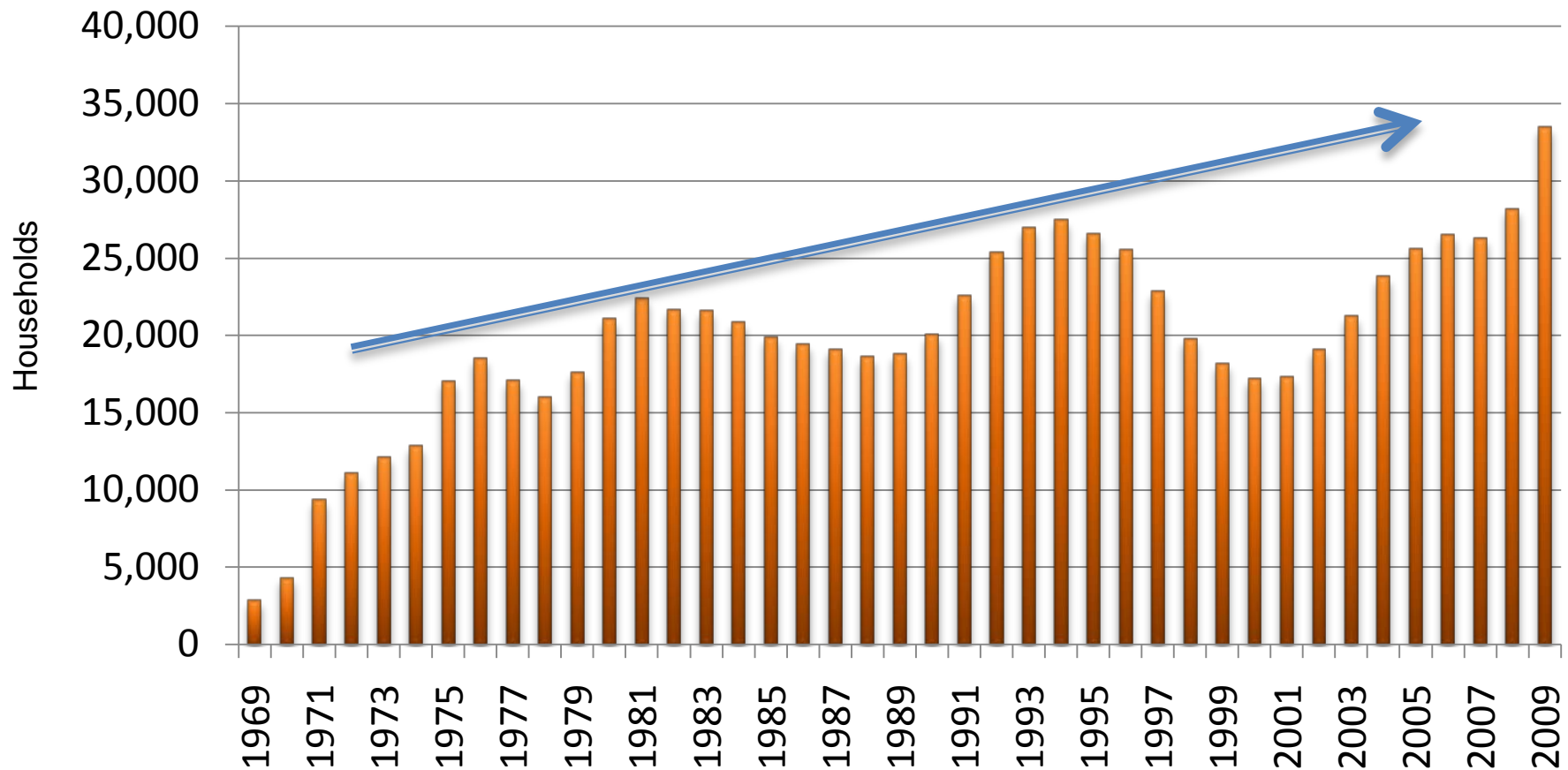
Food Expenditures by Country



*2006, as share of household final consumption expenditures, source: USDA

Hunger is a Growing Challenge

Participation in SNAP (Food Stamp Program): 1969-2009



Commodity Prices are Rising

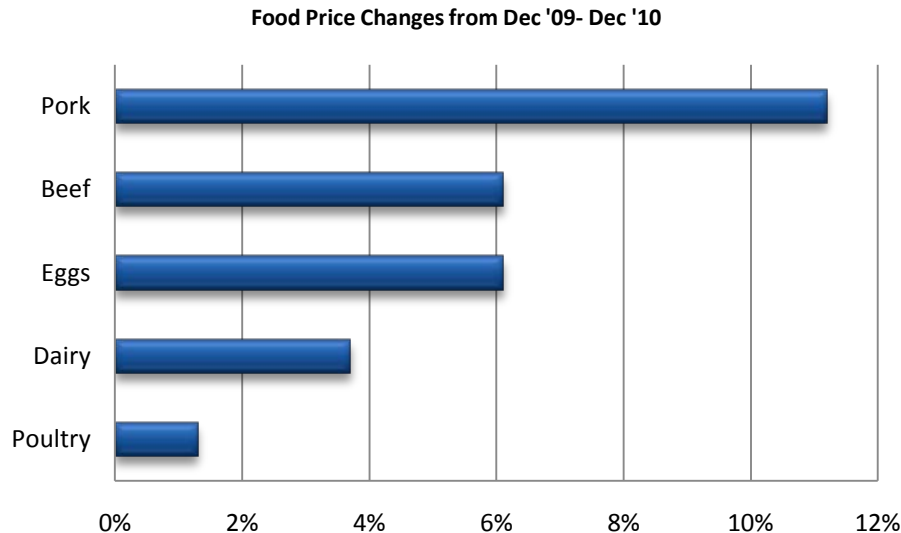
Nearby Daily Corn Futures Feb 2006-Feb 2011



USDA Projects
Corn \$5.05-
\$5.75/bu, a
record

Domestic Food Prices Rising

Cost of Staples on the Rise



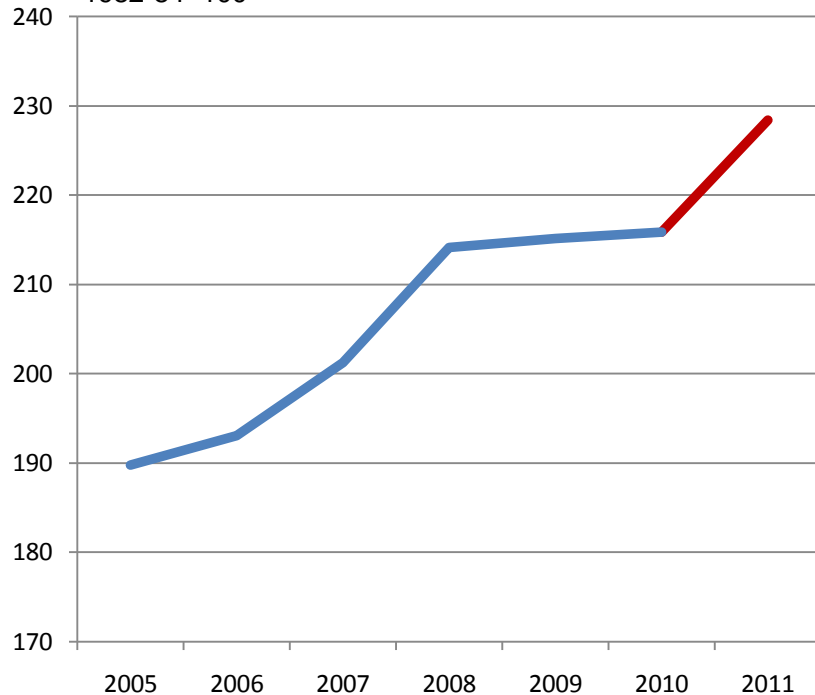
USDA Projects 2-3% rise in domestic retail food prices during 2011 – with higher rates for milk, meat and eggs

2009: The Congressional Budget Office estimates ethanol contributed 10-15% of rise in domestic food prices between April 2007-April 2008 – added \$600-\$900 million to cost of federal feeding programs in FY 2009

Domestic Food Prices Rising

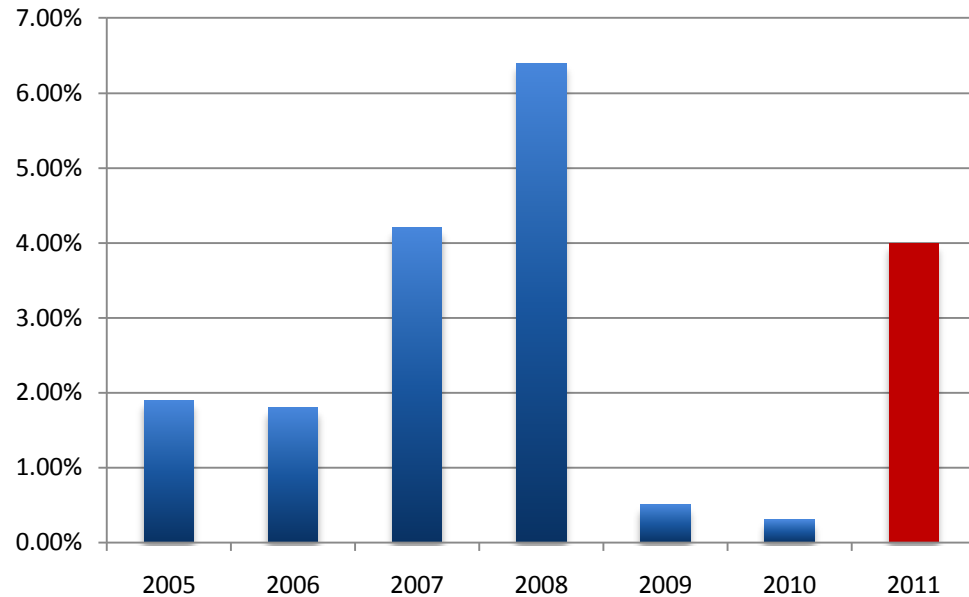
Consumer Price Index-Food at Home

1982-84=100



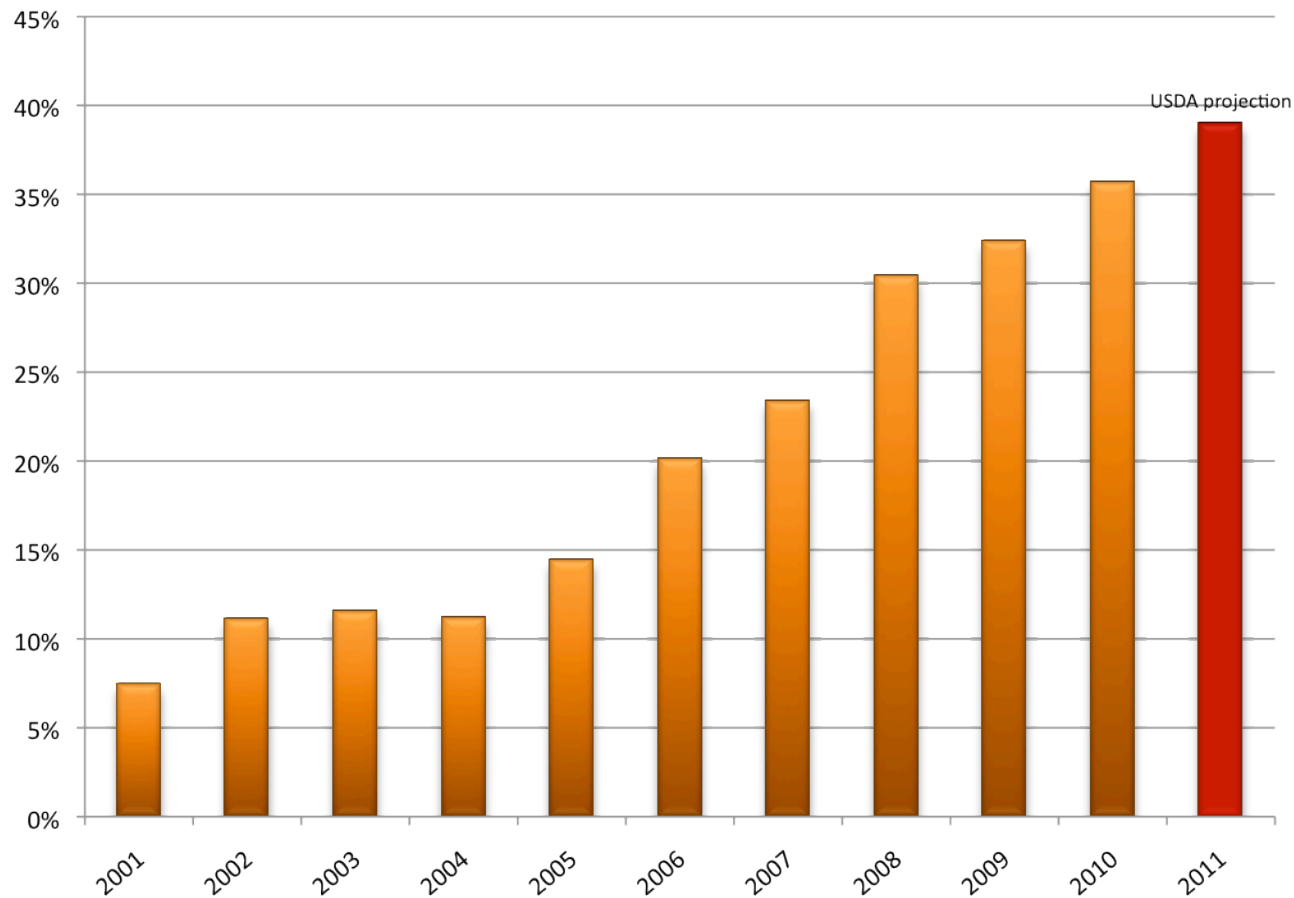
Consumer Price Index-Food at Home

Year Average Percent Change



USDA Projection for 2011= 3-4% increase

Ethanol's Growing Share of the Corn Crop

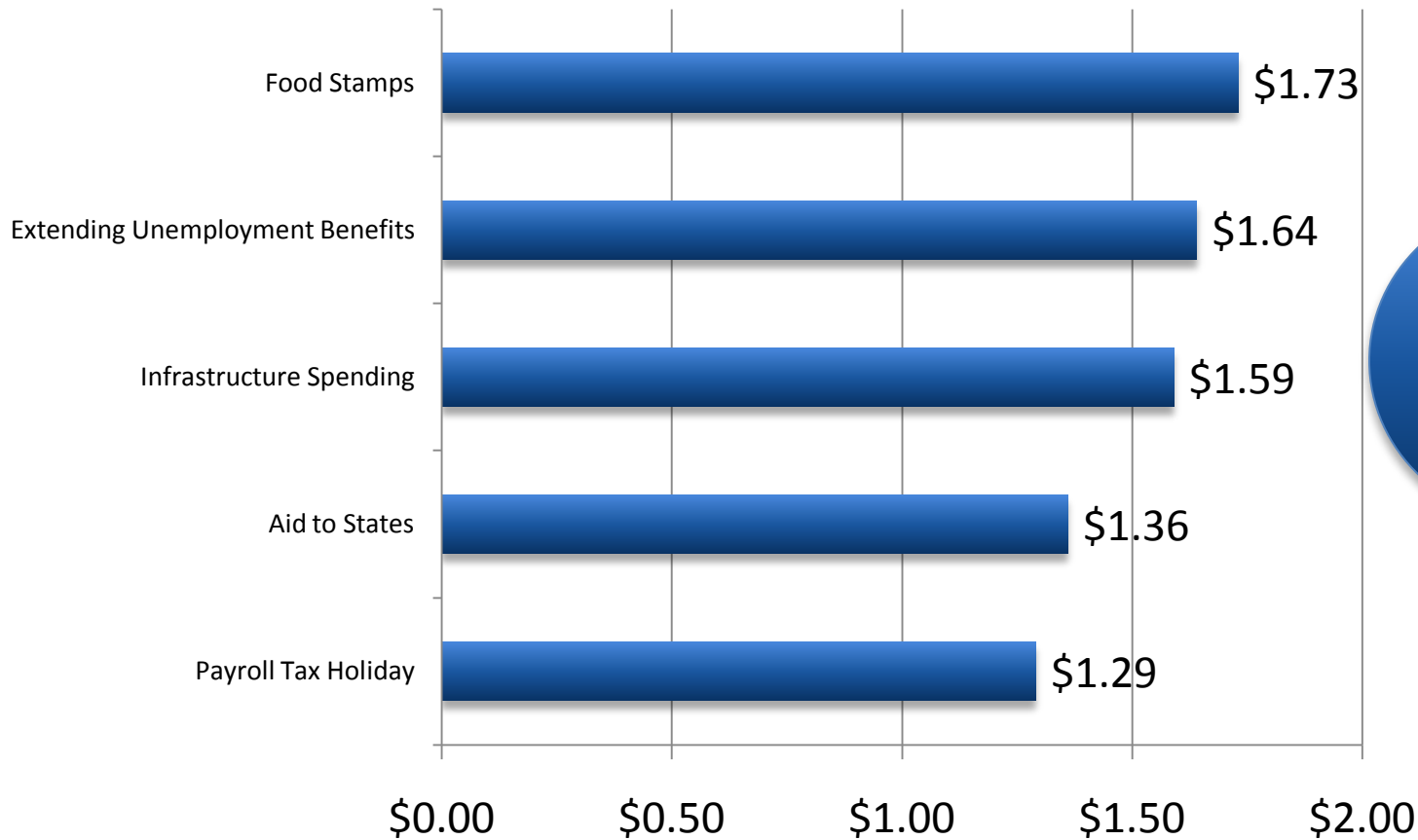


Ethanol will
consume 40% of
the corn crop this
year

Feeding Assistance: More Important Than Ever



SNAP Stimulates Spending



Economic Value
for Each Dollar
Spent

SNAP Supports Healthy Diets



SNAP Supports Healthy Diets



Proven Solutions



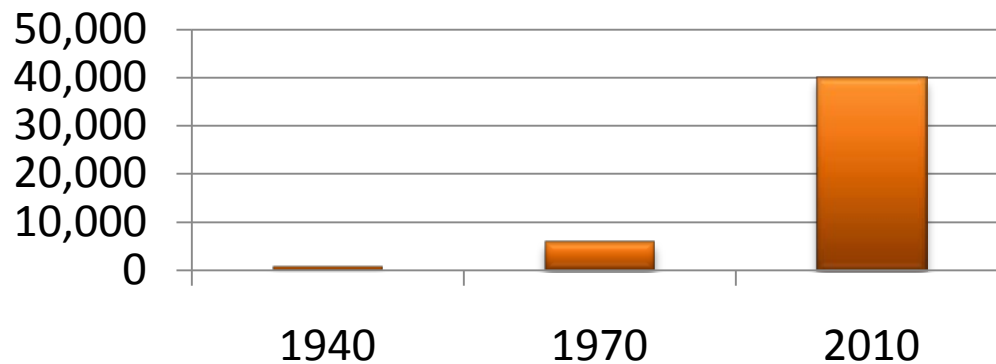


Industry: Doing Our Part

- New Recipes
- Calorie Commitment

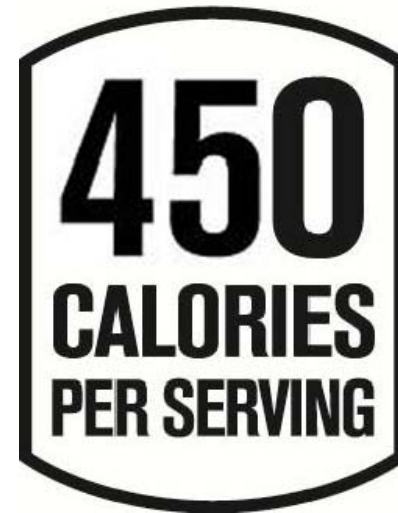
Convenience & Choice

Number of Products in the Average Supermarket 1940-2010



Industry: Doing Our Part

- New Recipes
- Calorie Commitment
- *Nutrition Keys* Label



Nutrition Keys

PER SERVING

450
CALORIES

5_g
SAT FAT
25% DV

360_{mg}
SODIUM
15% DV

14_g
SUGARS

500_{mg}
POTASSIUM
14% DV

3_g
FIBER
12% DV

Roadmap for 2011

- Access



- Affordable



- Activity



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