

GROWING AGRICULTURE *together.*

GRAIN MARKETS

Farmers must decide how to market their grain after harvesting their crop. Choices include – putting grain in a bin on the farm to use or store, delivering to a local end-user, or delivering to a local elevator. The farmer who delivers their grain directly to the elevator either pays the elevator to store it for them or the farmer sells the grain to the elevator, and the elevator pays the farmer.

MARKETING OPTIONS:

1

STORE THE GRAIN

A farmer stores grain on the farm in hopes of better prices in the future

2

SELL IT TO PROCESSOR

A farmer receives payment for the grain sold

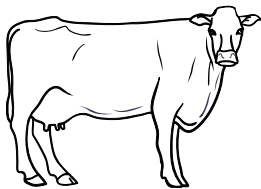
3

SELL IT TO A CO-OP

A farmer receives payment for the grain sold and patronage

DELIVERY TO AN END-USER

When a farmer sells grain to a co-op, the grain merchandiser at the cooperative has to find an end-user to purchase the grain. Some of top end-users in the US are feed lots, feed mills, soybean processing plants, and ethanol plants.



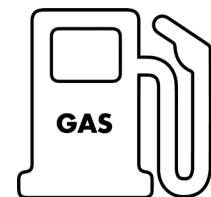
FEED MILL

Grain is processed to produce feed for livestock



SOYBEAN PLANT

Soybeans are processed for feed, cooking oil, and more



ETHANOL PLANT

Corn is processed for ethanol

GRAIN EXPORTS

Grain can also be shipped out of the United States. Grain merchandisers must coordinate trucks or trains to pick up the grain from locations for delivery to a ship so that it can be exported to end-users in other countries.

