

Food Facts

Five Questions And Answers About Rising Food Prices

(NAPSA)—If you are a budget-conscious shopper, you may have noticed the rising prices of bacon, chicken breasts and pork chops. You may also wonder why prices are rising and how to stretch your budget.

Here are the answers to some common questions, along with tips to make your shopping budget go further:

Why are meat and poultry prices rising?

While many things contribute to food prices, there is one underlying factor that drives up not only meat and poultry prices, but other foods as well: the rising cost of corn.

Why is corn so expensive?

In 2007, Congress mandated that ethanol be used in the nation's gasoline supply. Ethanol in the U.S. is made almost entirely from corn. This mandate placed tremendous pressure on the corn supply by increasing demand from the energy industry. The price of corn has skyrocketed ever since, doubling in the past year.

About 40 percent of the nation's corn crop has been diverted away from animal feed and human food and into fuel for cars. Eventually, more than half the U.S. corn supply could be diverted to fuel.

How does corn affect the price of food like meat and poultry?

Corn is an important part—and in some cases, the largest part (up to 85 percent)—of the diets of animals such as chickens, turkeys, cattle and pigs. Corn is also an important component of many foods and drinks.

Corn became so expensive that it was no longer profitable for many farmers and ranchers to continue feeding their livestock and poultry. Some reduced the number of animals they raised or



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stopped raising them altogether. That means a smaller supply of meat and poultry and higher prices at the grocery store.

Is corn ethanol the only factor? How much does it contribute to the increase in food prices?

Food prices can be nudged upwards by factors such as the weather—but burning food and feed in our gas tanks is something that can be controlled. The Congressional Budget Office estimates that the production of corn ethanol contributes up to 15 percent of the rising cost of food.

What can I do about it?

Visit www.CornForFoodNotFuel.com for more information and steps you can take. The site also offers tips for stretching your meat dollar at the grocery store.

You can also send a stamped, self-addressed envelope to AMI, 1150 Connecticut Ave., NW, Washington, DC, 20036 for a free "Stretch Your Meat Dollar" brochure.