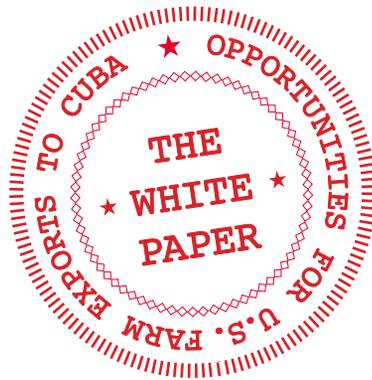


THE WHITE PAPER

OPPORTUNITIES FOR U.S. AGRICULTURE EXPORTS TO CUBA

**A Look at the \$2 Billion Cuban Food Market and
The Potential Sales of Farm Goods from 16 U.S. States**



brought to you by

Cuba Trade Magazine and The U.S. Agriculture Coalition for Cuba

CUBA★TRADE





FAMILY FARMER OWNED

RICELAND READY TO SERVE CUBA

Riceland Foods and its family farmers have provided the world with wholesome, nutritious rice since 1921. Grown in the United States, our rice is known for its high quality and versatility, and that's why Riceland has become a trusted brand around the globe.

Riceland provides marketing services for rice and soybeans grown by its 5,500 farmer-members in Arkansas and Missouri. Each year, its 1,500 employees receive, store, transport process and market more than 125 million bushels (2.5 million metric tons) of grain.

Riceland is the world's largest miller and marketer of rice and one of the Mid-South's major soybean processors.



THE WHITE PAPER

METHODOLOGY

This report consists of estimates of potential agriculture exports from the entire U.S. and from 16 states. The states chosen were those with the greatest potential for agriculture commodity sales to Cuba, based on commodities produced, demand from Cuba, logistic proximity, historic sales to Cuba, and diplomatic outreach.

The sources for the data used include the U.S. Department of Agriculture (Farm Income and Wealth Statistics), the U.S. International Trade Commission, U.S. Census Bureau Trade Data (U.S. State Export Data), the Global Trade Atlas database, the MIT Media Lab OEC, and the Cuban government.

Estimates of Cuban imports for any commodity are based on the average import, by commodity, for the years 2012, 2013, and 2014. Overall estimates of potential U.S. agriculture sales to Cuba are based on the recent and historic patterns of Cuban food imports, coupled with the competitive strengths of those commodities as produced by U.S. farmers.

State-by-state estimates are based on their current worldwide commodity exports, state rankings as producers of those commodities, historic patterns of exports to Cuba, proximity & ease of transportation to Cuba, established relationships with the Cuban government, and current political leadership with an interest in Cuba.

This report was produced in consultation with Dr. C. Parr Rosson, head of the Department of Agricultural Economics at Texas A&M University, Dr. William Messina, agriculture economist at the University of Florida, and Steven Zahniser, agriculture economist at the USDA. Estimates

of the potential U.S. capture of key commodity markets come from C. Parr Rosson, based on historic trends of U.S. shares of exports to Cuba and secondary work done by the United States International Trade Commission.

There are only two exceptions to these estimates. One is of potential poultry shipments, estimated at between 50 and 65 percent by Dr. Rosson, but revised to between 50 and 75 percent to reflect actual U.S. shipments 2012 to 2016. The other is for dairy, which is estimated at 50 percent for the full market potential in Cuba; Dr. Rosson's estimate was only for powdered milk.

In all cases a conservative approach was taken to estimates. For most states, overall projections were based on a basket of commodities comprising soybeans, soymeal, wheat, corn, poultry, dairy products, and rice. Not factored into is the potential for a variety of commodities and food products for which the market in Cuba is still small and developing, products which could see strong future demand as tourism and buying power grows in Cuba.

What is factored in for states on the Gulf of Mexico, the Mississippi River and the south Atlantic Coast is an increase of 25 percent over national averaged exports in the commodities being tracked, based on the gravity model of international trade. Exports to Cuba from these states should see higher percentages than their national averages, based on the competitive advantage of proximity to market. Even this is a conservative estimate; some states estimate as much as a 100 percent gain from proximity. The only exception is Louisiana, for which state products are given a 50 percent increase based on the high historic volume of exports to Cuba from that state.

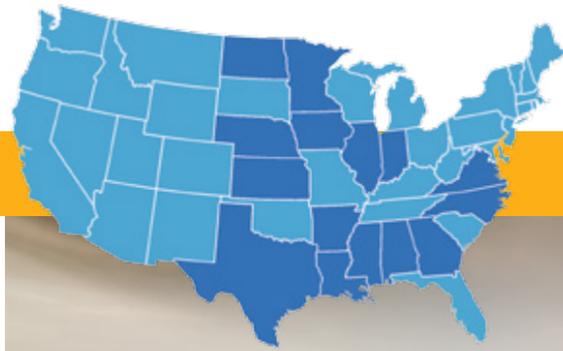
For a more detailed breakdown of state-by-state methodology, go to Methodology Addendum on page 32.

CUBATRADE

| | | | | |
|-------------------------------------|--|--|---|--|
| Publisher Richard Roffman | CEO Todd W. Hoffman | Art Director Jon Braeley | Managing Editor Julienne Gage | Vice President Sales Sherry Adams |
| Editor-in-Chief J.P.Faber | Director of Operations Monica Del Carpio-Rauci | Production Manager Toni Kirkland | Associate Editor Nick Swyter | Manager, New Business Magguie Marina |

Cuba Trade Magazine (ISSN 2573-332X) is published each month by Third Circle Publishing, LLC, at 2 S. Biscayne Blvd., Suite 2450, Miami, FL USA 33131. Telephone: (786) 206.8254. Copyright 2017 by Third Circle Publishing LLC. All rights reserved. Reproduction in whole or part of any text, photograph or illustration without prior written permission from the publisher is strictly prohibited.

Postmaster: Send address changes to Third Circle Publishing, LLC, 2 S. Biscayne Blvd., Suite 2450, Miami, FL USA 33131. Subscription information domestic and foreign (786) 206.8254. Send general mailbox email and letters to the editor to info@cubatrademag.com. BPA International Membership applied for December 2016.
Cubatrademagazine.com Thirdcirclepublishing.com



THE WHITE PAPER

ALABAMA ARKANSAS GEORGIA ILLINOIS INDIANA IOWA KANSAS



OVERVIEW

ALONG WITH ALL other American products, food shipments to Cuba were banned by the full U.S. trade embargo that went into place in 1962. It would be nearly 40 years before U.S. food exports to Cuba resumed, when the Trade Sanctions Reform and Export Enhancement Act of 2000 (TSRA) permitted sales of agricultural and medical products.

A trickle of \$4.5 million worth of corn and poultry were shipped the following year, but in 2002 the total—which also included wheat, rice, soybeans, dairy, pork, beef, and fruit—climbed to just under \$140 million. Sales peaked at \$711 million in 2008 but have since fallen, to below \$149 million in 2015 and to below \$219 million in 2016.

From the point of view of U.S. farmers, this represents a failure. Cuba imports an estimated \$2 billion worth of food annually. The United States, with arguably the most efficient and productive agriculture on earth, accounts for barely 11 percent of food sales to this island nation just 90 miles from our coast.

There are several reasons why U.S. farm goods are not sold in Cuba, but among the top is the requirement that all shipments be paid for in advance, in cash. Not only is this a major deviation from standard trade practices, where instruments of credit are an integral part of the process, but it literally makes no sense, because U.S. banks face a maze of regulations and restrictions in how they can deal with Cuban banks—resulting in almost no corresponding relations.

The consequence is a byzantine process for payments and a distinct disadvantage for U.S. farmers and agriculture businesses.

Nonetheless, the U.S. has sold nearly \$5.4 billion of agriculture products to Cuba since such sales were authorized by TSRA. Indeed, the U.S. was the island's single largest source of agriculture imports from 2005 to 2010, and once again in 2012.

However, in recent years, the U.S. share of Cuba's food purchases has declined, as the country has fallen behind exporters such as the European Union, Brazil, and Argentina.

There are several reasons for this drop off in Cuban purchases of U.S. agriculture, including competition from lower quality products abroad, purchasing decisions by the Cuban government's importing agencies, and the productivity of Cuba's farms. But no reason looms larger than Cuba's inability to pay for the goods with credit, increasingly important after 2009, as the global recession meant Cuba had less cash to pay for any imports.

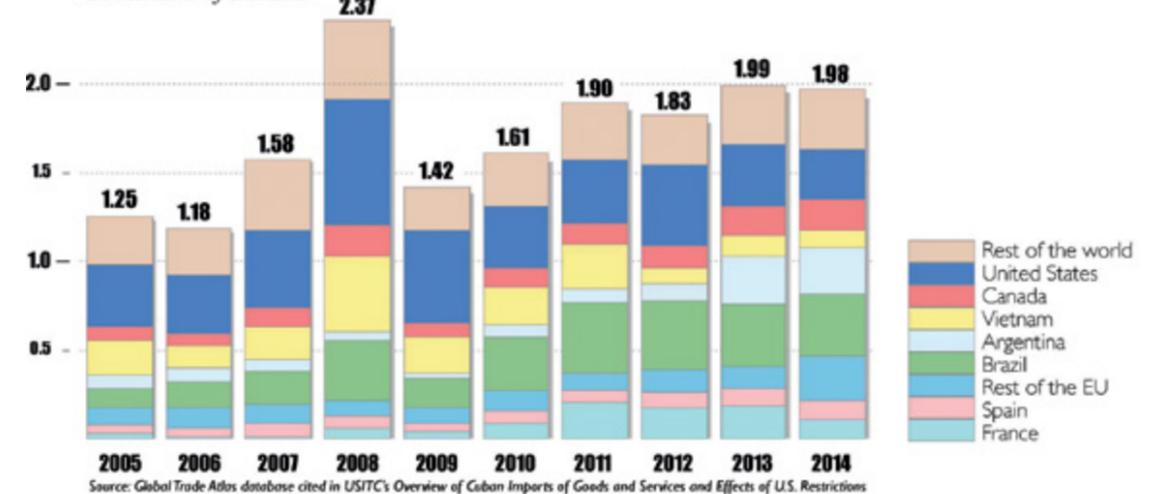
Allowing Cuba to pay for agriculture with credit is the most immediate action the U.S. can take to potentially boost agriculture exports to the island. A House bill introduced this year by Rep. Rick Crawford (R-Ark.) and a Senate bill introduced by Sens. John Boozman (R-Ark.) and Heidi Heitkamp (D-N.D.) would allow the private market to extend credit to Cuba for agriculture. Similar legislation did not reach the floor of the House or Senate for a vote in previous Congresses, but has a chance to reach the floor in 2017.

THE POTENTIAL FOR U.S. AGRICULTURAL EXPORTS TO CUBA

LOUISIANA MINNESOTA MISSISSIPPI MISSOURI NEBRASKA NORTH CAROLINA NORTH DAKOTA VIRGINIA TEXAS

CUBAN AGRICULTURAL IMPORTS BY COUNTRY, 2005-2014

In billions of dollars



THE CUBAN MARKET, YESTERDAY AND TOMMORROW

Cuba is estimated to import anywhere from 60 to 80 percent of its food to feed a population of 11.5 million. The Cuban diet includes many commodities that the country produces inefficiently or are not suited to grow in the island's tropical climate. Rice, wheat, corn, soybeans, and dairy products are some of the main agriculture products Cuba needs to import to make up for domestic shortcomings.

In the years leading up to the Revolution, Cuba was the ninth largest destination for U.S. agriculture exports, according to the USDA (at current prices, agriculture exports during fiscal years 1956 to 1958 would average about \$600 million annually). By 2016, USDA figures show that Cuba had fallen to the 55th largest destination for U.S. agriculture exports.

Although Cuba has a relatively low purchasing power, several factors may influence its import posture in the future. Increased remittances are helping create a middle class that is more likely able to afford agricultural imports. The country's growing tourism sector will also increase demand for food, especially for high-quality commodities that international visitors expect while on vacation.

With growing demand for commodities that the U.S. produces with great efficiency and quality, the paramount question is what percentage of the Cuba market the U.S. can win. The

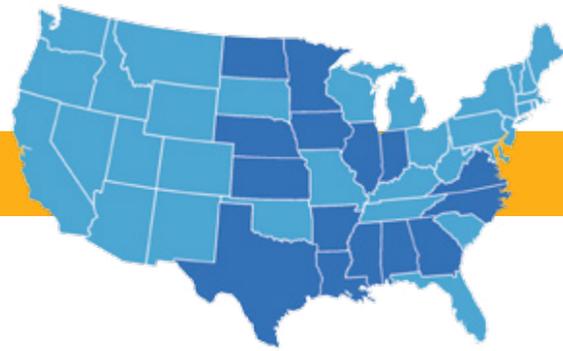
consensus among economists and Cuba pundits is that the U.S. should be able to capture half of the Cuba market, and perhaps as much as two thirds.

"I believe we can capture 60 percent of the Cuba market. That is based on logistics," says Paul Johnson, co-chair of the US Agriculture Coalition for Cuba. "If we have a normal relationship, Cuba will buy from all countries, but they certainly will go for the products from the U.S. because of proximity and quality."

One bench mark is the quantity of U.S. exports to similar Caribbean nations, particularly the Dominican Republic. With a similar population (10.6 million) and none of the U.S. restrictions that Cuba faces, the DR last year imported \$1.17 billion of American farm products—about 60 percent of their total food imports. Likewise, Honduras (population 9 million) purchased 58 percent of their imported food from the U.S. last year (\$655 million).

THE COMPETITIVE ADVANTAGE

Few countries offer more cost-effective shipments of agriculture to Cuba than the United States. Most of the commodities Cuba needs are grown in states that line, or have easy access to, the Gulf of Mexico. From the U.S. Gulf ports, transit time is a matter of days—not weeks, as is the case with Vietnam, which currently supplies most of Cuba's rice imports. This is crucial because between 5 percent and 50 percent of the delivered price of any



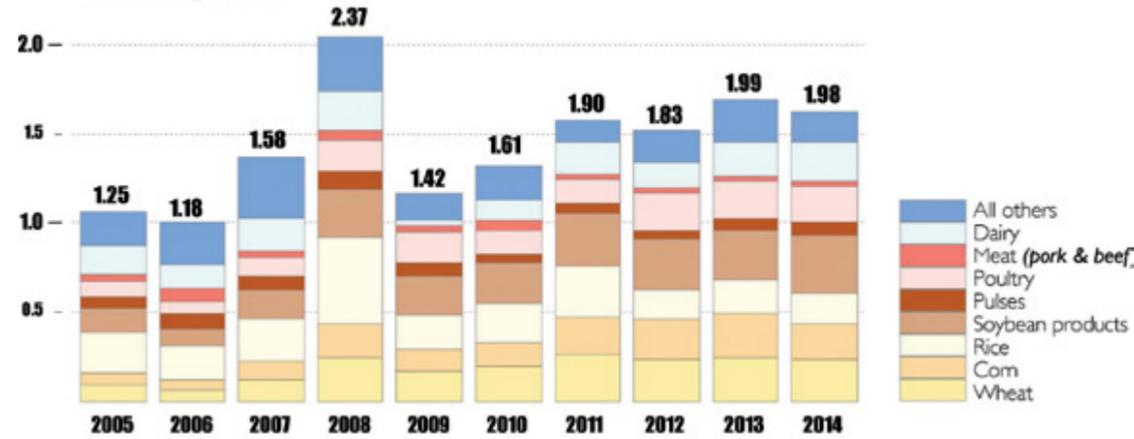
THE WHITE PAPER

ALABAMA ARKANSAS GEORGIA ILLINOIS INDIANA IOWA KANSAS

THE POTENTIAL FOR U.S. AGRICULTURAL EXPORTS TO CUBA

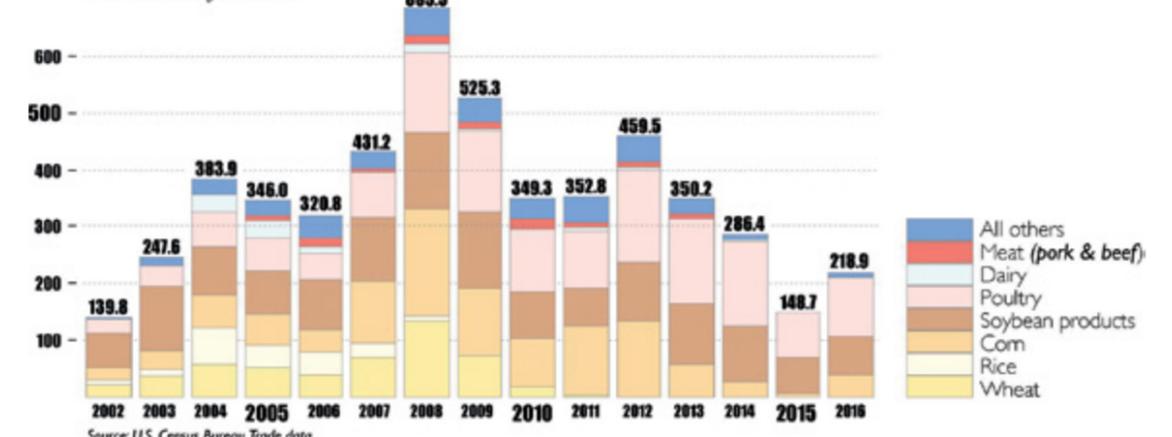
LOUISIANA MINNESOTA MISSISSIPPI MISSOURI NEBRASKA NORTH CAROLINA NORTH DAKOTA VIRGINIA TEXAS

CUBAN IMPORTS OF AGRICULTURAL PRODUCTS BY COMMODITY, 2005-2014
In billions of dollars



Source: Global Trade Atlas database cited in USITC's Overview of Cuban Imports of Goods and Services and Effects of U.S. Restrictions

U.S. EXPORTS TO CUBA BY COMMODITY, 2002-2016
In millions of dollars



Source: U.S. Census Bureau, Trade data

commodity derives from the logistics of delivery.

Not only does the proximity of U.S. ports to Cuba keep transport time (and cost) low, the U.S. is able to ship goods to multiple Cuban ports on smaller ships, while competitors depend on larger ships that can only dock at its largest ports. This is helpful because Cuba's internal distribution systems are limited.

Perishable commodities from the U.S. also enjoy an advantage because they can be shipped quickly as needed, rather than depend on Cuba's finite storage facilities. Prices for U.S. exports are also relatively low due to the massive scale and mechanization of the U.S. agriculture sector.

THE IMPEDIMENTS TO TRADE

While the absence of credit facilities is a major restraint to U.S. exports to Cuba, it is not the only impediment.

One governing factor may be hesitation on the part of the Cuban government to become so dependent on products from a single source, i.e. the United States. "You have to overlay that [demand] with the fact it is not a market economy by any means; it is really at the whim of the Cuban government," says Dr. C. Parr Rosson, head of the Department of Agricultural Economics at Texas A&M University. "Economic models may indicate one direction, but they may decide to buy instead from Vietnam or Thailand."

Indeed, all U.S. agriculture imports must also go through the government's Alimport importing agency. This centralizes

purchasing decisions and may artificially restrain sales; from the point of view of the Cuban government, it allows Cuba to avoid overdependence on U.S. imports. "Cuba may not want to put itself in a position where it can be held hostage by the U.S. government," says William Messina, agriculture economist at the University of Florida.

Another additional cost not faced by competitors is that the U.S. imports close to nothing from Cuba, which adds to shipping costs as cargo vessels traveling to Cuba return with empty containers. In theory, that will change if agriculture trade relations between the U.S. and Cuba are normalized.

Cuba may also be interested in purchasing food from countries that have loaned it money for development projects and forgiven some of its outstanding debt. Last year Cuba made its first debt payment to several Paris Club members that agreed to forgive large portions of their outstanding debt, and it may wish to reward these countries with food purchases. Unlike other countries, the U.S. and Cuba have made little progress on negotiating their debt claims.

Other factors that may limit U.S. dominance of Cuban agriculture markets include quality and credit terms. A perfect example is the high-quality rice that the U.S. produces. Vietnamese rice stays competitive because its low quality keeps prices low. It is also purchased through government-to-government sales, with credit terms of up to 720 days, according to a USITC report. It's doubtful the U.S. will be able to offer such favorable credit terms.

THE OUTLOOK

Assuming the Trump and Castro governments do not re-establish a Cold War-era relationship, the U.S. will likely continue to be a major supplier of food to Cuba. Commodities such as poultry, soybeans, and corn will probably remain competitive as Cuba's growing middle class and tourism sector increases their demand for food.

It will be difficult, however, for the U.S. to resume regular shipments of rice, wheat, dairy products, and dry beans to Cuba without lifting financing restrictions. And, unless it once again ships these commodities, it's unlikely the U.S. will be able to regain its position as the top supplier of agriculture to the island.

If all restrictions for agriculture trade with Cuba are lifted, the probability that the U.S. could dominate any of the important categories of poultry, soy, corn, rice, wheat, and dairy improves dramatically. Dr. Rosson believes the U.S. could capture 65 percent of the poultry market, 50 to 80 percent of the soy products market, 85 to 90 percent of the corn market, and 50 percent or more of the rice market. He does not feel that the current data would permit any predictability for wheat or rice. Nonetheless, David Schemm, president of the National Association of Wheat Growers, predicts that the U.S. could take 75 percent of that market.

Having said this, the size of the Cuban market—even at \$2 billion or more—is still relatively small compared to China or Mexico, for example. Nonetheless, even a small additional uptick

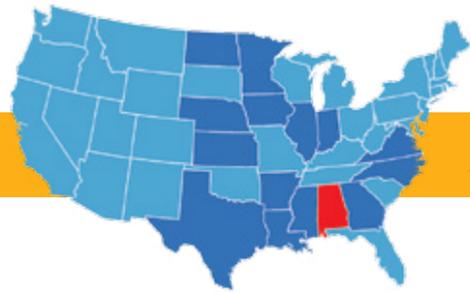
in demand could have a powerful rippling effect for pricing. And this may be the greatest benefit to U.S. farmers.

"There is financial stress in many parts of [U.S.] agriculture, and that stress is due in large part to lower prices. Farmers and ranchers understand prices are all about supply and demand," says Kevin Paap, president of the Minnesota Farm Bureau. "The easiest way to increase prices is to increase demand, even slightly."

"If we can increase our market demand, the effect is exponential," says wheat's Schemm, who is also a farmer. "If I take my wheat that is \$3.10 per bushel, and increase the price by ten percent from new market demand, that is 30 cents more times 30 bushels per acre times 3,000 acres. That is exponential."

What follows is a state-by-state look at the potential sales impact for the 17 states most likely to benefit from eliminating restrictions on U.S. agriculture sales to Cuba, based on their history of trade with the island, their basket of commodities that Cuba needs, their relationship with the Cuban government to date, and their proximity to the market. Altogether these states have the potential to generate between \$500 million and \$1 billion in sales to the Cuban market out of a U.S. potential that economists estimate at \$1 billion to \$1.4 billion.

"The Cuban market is relatively small by comparison," says Congressman Rick Crawford (R-AR), "[but] as you start to see the [Cuban] economy improve, we will see that market expand... We need to occupy that economic space in Cuba. It benefits small-town America and rural America." ★



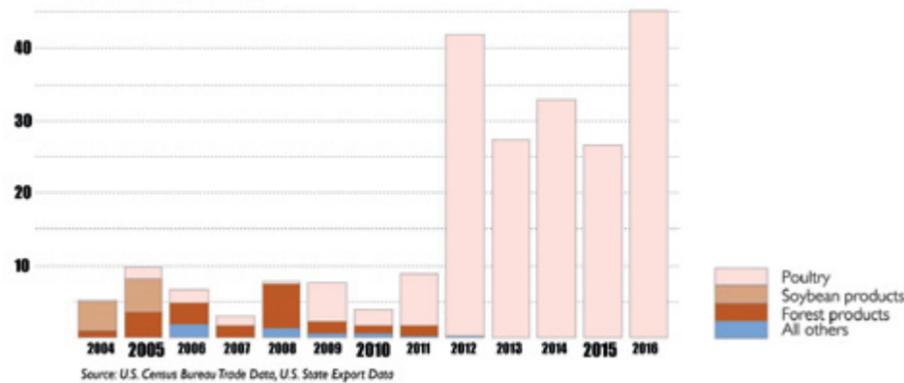
ALABAMA

A TESTED PATHWAY TO CUBA

2016 AG SALES TO CUBA: \$45 MILLION

POTENTIAL AG SALES TO CUBA: \$33.4 MILLION to \$98 MILLION

ALABAMA AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



ALABAMA has sold about \$251 million worth of agriculture products to Cuba since 2004, according to the USDA, including shipments in the first half of 2017. About 87 percent of those exports have been poultry meat. The state has also intermittently sold corn, soybeans, vegetable oil, pork, processed foods, and forest products to Cuba.

“We are averaging somewhere between 9,000 and 10,000 tons of frozen leg quarters per month [to Cuba],” says Alabama agriculture commissioner John McMillan. “It’s definitely not all from Alabama—some of it comes from Georgia and Arkansas—but a lot of it is processed in Alabama.” And a lot of it does come from the state, which produced \$2.8 billion worth of broilers in 2016.

Lifting financial restrictions for agriculture exports to Cuba is unlikely to dramatically impact Alabama’s poultry

meat sales to Cuba. In recent years, the U.S. has supplied about three quarters of Cuba’s annual imports of poultry meat (2012-2014), though in the last two years this has fallen to about half (2015-2016).

U.S. poultry sales may get a boost as per capita consumption of poultry in Cuba has been rising steadily since 2005. The per capita consumption was 19.5 kilograms in 2014—up from 12.6 kilograms in 2005, according to a USITC report. At the same time, Cuba’s limited domestic production has remained steady.

If Alabama were to hold its average share of U.S. poultry exports to Cuba 2014-2016 (21 percent), and the U.S. supplied half of the Cuba market for poultry, that would mean about \$22 million in annual sales for the state. If Alabama were to hold its 2016 share of U.S. poultry exports to Cuba (48 percent), that would rise to \$48 million. And if the U.S. were to

Alabama’s Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Broilers | 2,864 |
| 2 | Cattle and calves | 419 |
| 3 | Chicken Eggs | 368 |
| 4 | Cotton | 199 |
| 5 | Soybeans | 163 |
| 6 | Corn | 131 |
| 7 | Catfish | 120 |
| 8 | Peanuts | 116 |
| 9 | Wheat | 59 |
| 10 | Hay | 52 |

Source: USDA/ERS Farm Income and Wealth Statistics

Alabama’s Top 10 Agriculture Products (2015, in millions of \$)

| Rank | Commodity | Sales |
|------|-----------------|-------|
| 1 | Broiler meat | 347 |
| 2 | Cotton | 143 |
| 3 | Soybeans | 94 |
| 4 | Beef and veal | 45 |
| 5 | Wheat | 41 |
| 6 | Feeds | 39 |
| 7 | Corn | 26 |
| 8 | Soybean meal | 24 |
| 9 | Vegetable oils | 24 |
| 10 | Processed grain | 15 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

return to its previous role as the supplier of 75 percent of Cuba’s poultry needs, those figures would rise to \$32 million and \$74 million respectively.

Alabama could see sales of soybeans and corn to Cuba; currently it supplies neither commodity to the island, but they were Alabama’s 6th and 7th most valuable products in 2016, according to the USDA. If the U.S. were to capture half of Cuba’s soybean market and most of its corn market, and Alabama supplied just 2 percent and .3 percent of the U.S. total (its current share of world exports), it would mean sales of about \$1.2 million.

McMillan would also like to explore the sale of forest products. “My father had a small export pine sawmill, and almost all of our production went into the Caribbean, mainly Cuba... When Congress does relax restrictions, this represents business.” ★

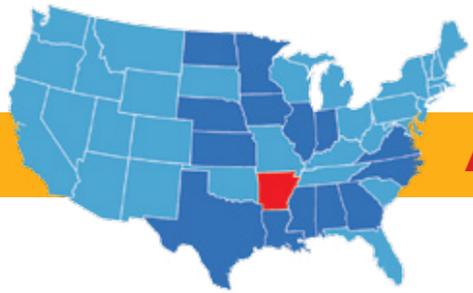


Efficiency:
WE WEAR IT WELL.



THE PORT OF MOBILE
Alabama State Port Authority

www.asdd.com

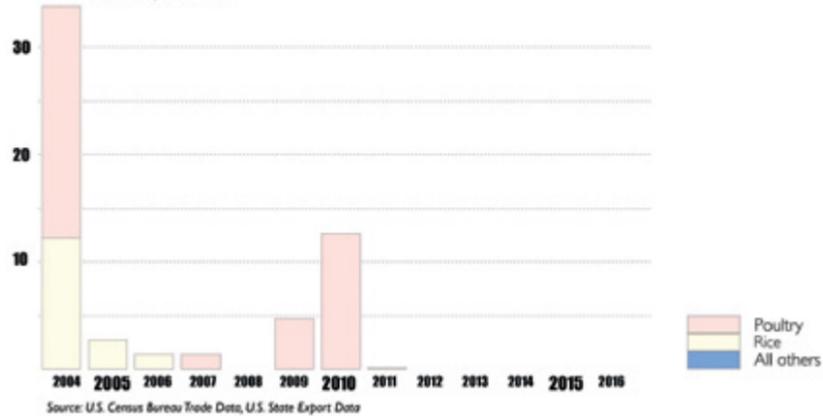


ARKANSAS RICE COUNTRY

2016 AG SALES TO CUBA: \$0

POTENTIAL AG SALES TO CUBA: \$51 MILLION to \$60 MILLION

ARKANSAS AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



ARKANSAS has sold no agricultural products to Cuba since 2010, outside of a small amount of pork, according to the USDA. In the half dozen years before 2010, however, Arkansas sold about \$56 million worth of commodities to Cuba,

Most of what Arkansas sold to Cuba in those years was poultry meat—about 71 percent of the total—with nearly all the remaining exports being rice.

As the nation's top rice-producing state, however, Arkansas stands to benefit significantly from increased agriculture sales to Cuba, which has the highest per capita rice consumption in the Western Hemisphere.

Cuba imported an average of \$174 million worth of rice per year from 2012 to 2014, but none of it came from the U.S., according to a 2016 USITC report. Instead, Cuba's rice has come from

countries such as Vietnam, Brazil, and Argentina.

"This is a simple, easy market 90 miles off the coast that the U.S. should be participating in," says Wes Ward, Arkansas's commissioner of agriculture. "We export 30 to 40 percent of production every year, and income is down. The answer is more demand and having access to these markets... Cuba is not the same as China, but they still consume a lot of rice."

Assuming that the U.S. is able to capture half the Cuban market for rice, and assuming that Arkansas maintains its market share of all U.S. rice exports (43 percent), that could mean annual rice sales to Cuba of \$37.4 million.

By the same logic, if Arkansas maintained its share of all U.S. exports of broiler chickens (11.5 percent), and the U.S. captures half of the Cuban market

Arkansas's Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Broilers | 3,136 |
| 2 | Soybeans | 1,437 |
| 3 | Rice | 1,028 |
| 4 | Cattle and calves | 489 |
| 5 | Chicken Eggs | 485 |
| 6 | Turkeys | 433 |
| 7 | Corn | 393 |
| 8 | Cotton | 201 |
| 9 | Hogs | 64 |
| 10 | Hay | 52 |

Source: USDA/ERS Farm Income and Wealth Statistics

Arkansas's Top 10 Agriculture Products (2015, in millions of \$)

| Rank | Commodity | Sales |
|------|-----------------|-------|
| 1 | Rice | 859 |
| 2 | Soybeans | 790 |
| 3 | Broiler meat | 346 |
| 4 | Soybean meal | 201 |
| 5 | Cotton | 166 |
| 6 | Vegetable oils | 123 |
| 7 | Feeds | 113 |
| 8 | Processed grain | 101 |
| 9 | Corn | 64 |
| 10 | Beef and veal | 56 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

for poultry (about \$103 million, based on 2012-2014 data), then Arkansas could enjoy sales of about \$12 million—the same amount that Arkansas shipped to Cuba in 2004. If the U.S. captures three quarters of the Cuban market, as it did between 2012 and 2014, that figure would rise to \$18 million.

Besides rice and poultry, Arkansas also exports soybeans, soybean meal, animal feeds, and corn—all commodities Cuba imports in large quantities annually. If Arkansas were to maintain its 2015 share of all U.S. exports of soybeans and soybean meal (4.2 percent), and the U.S. were to capture 50 percent to 80 percent of the soybean and soybean meal import markets for Cuba, that would mean additional sales of between \$4 million to \$7 million in these commodities. ★

ARKANSAS IS OUT-FRONT ON CUBA TRADE.

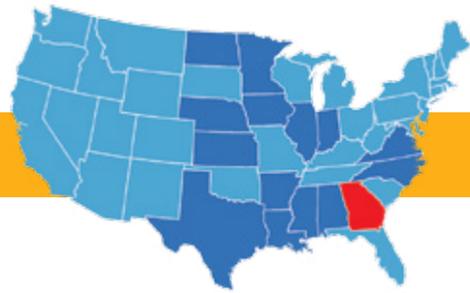


Arkansas is leading the U.S. in economic and agricultural collaboration with Cuba. And because Arkansas is the nation's number one producer of rice, as well as a national leader in poultry, we're a natural for sprinting to the front of the pack when it comes to food-source trade with Cuba.

In Arkansas, we're proud to help our neighbors to the south by sharing our resources and our expertise – which in the end will help both economies to grow and prosper.



ArkansasEDC.com/asa
1-800-ARKANSAS



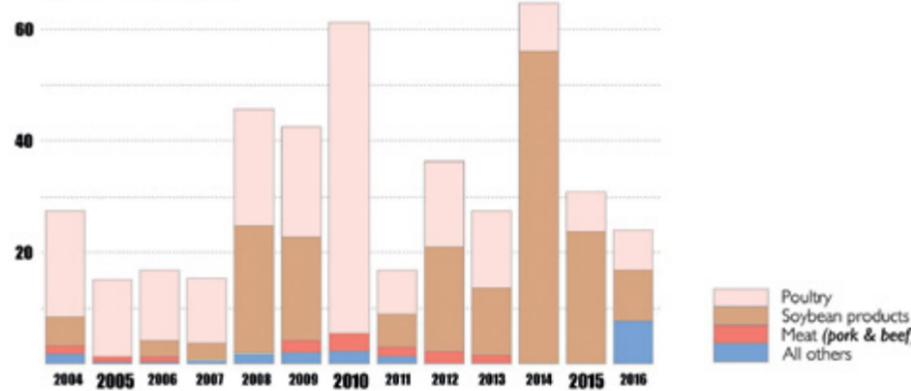
GEORGIA

WINNER OF CUBA'S CHICKEN DINNERS

2016 AG SALES TO CUBA: \$24 MILLION

POTENTIAL AG SALES TO CUBA: \$43 MILLION to \$72 MILLION

GEORGIA AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



GEORGIA'S top exports to Cuba are poultry meat and soybean meal. While Georgia tops all states for poultry exports worldwide, it comes in at No. 2 for Cuba (behind Alabama). With \$214 million worth sold to the island since 2004, it constitutes about 23 percent of U.S. poultry sales to Cuba for that period, according to the USDA. The state has also sold about \$164 million worth of soybean meal since 2004, making up about 32 percent of U.S. soybean meal sales. Soybeans, snack foods, pork and meat products comprise most of Georgia's remaining historic exports to Cuba, which total about \$435 million since 2004.

As the nation's leading producer of broiler chickens, Georgia is an excellent position to increase sales to Cuba, which imported an average total of \$206 million annually from 2012 to 2014. While the U.S. supplied about half of Cuba's poultry

imports in 2015 and 2016, those exports could climb to 75 percent, the percentage the U.S. held from 2012 to 2014.

Based on Georgia's average annual percentage of U.S. poultry sales to Cuba since 2004, that could mean sales of about \$35 million.

"The largest U.S. export to Cuba is poultry and Georgia is the nation's top poultry exporter, exporting \$1.2 billion worth of poultry in 2013," notes Georgia Farm Bureau President Gerald Long. "With only \$13.7 million going to Cuba [that year], [Georgia] poultry has a tremendous opportunity to gain market share in Cuba."

Georgia likewise has an opportunity to increase its soybean sales to Cuba. Even though Georgia ranks 23rd in the nation for soybean exports worldwide, it has averaged \$24 million in soybean meal sales

Arkansas's Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Broilers | 3,855 |
| 2 | Cotton | 737 |
| 3 | Peanuts | 589 |
| 4 | Chicken Eggs | 563 |
| 5 | Cattle and calves | 349 |
| 6 | Dairy Products | 318 |
| 7 | Pecans | 272 |
| 8 | Corn | 189 |
| 9 | Cottonseed | 113 |
| 10 | Onions | 122 |

Source: USDA/ERS Farm Income and Wealth Statistics

Arkansas's Top 10 Agriculture Products (2015, in millions of \$)

| Rank | Commodity | Sales |
|------|------------------|-------|
| 1 | Cotton | 617 |
| 2 | Broiler meat | 444 |
| 3 | Tree Nuts | 223 |
| 4 | Proc. Vegetables | 99 |
| 5 | Soybeans | 63 |
| 6 | Vegetable oils | 55 |
| 7 | Fresh Fruit | 54 |
| 8 | Dairy Products | 52.5 |
| 9 | Processed Fruit | 52 |
| 10 | Fresh Vegetables | 51 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

to Cuba over the last five years (though just \$9 million last year).

Assuming the U.S. can capture 50 to 80 percent of the market for soybean meal (Cuba has very little soybean crushing capacity), and assuming Georgia could maintain its share of U.S. soybean meal sales to Cuba since 2004 (32 percent, according to the USDA), the result would be sales of \$21.5 to \$34 million annually. However, it must be assumed that only a small percentage of this soybean meal is grown in Georgia—perhaps \$2 million worth, based on their share of national soy production.

Demand for soybean meal in Cuba (as livestock feed) should rise with an emerging middle class and booming tourism sector, which may also increase demand for commodities such as snack foods and chocolate; Georgia sold \$7 million worth to Cuba last year. ★

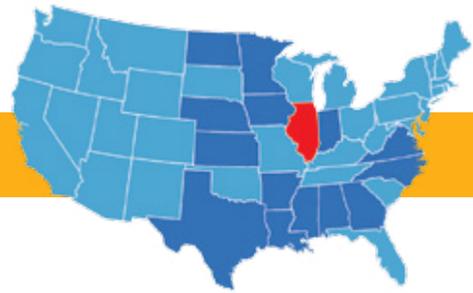
From the Heartland to Cuba

With our 26.7 million acres of farmland, 72,200 farms, the world's leading agricultural commodity exchange, and a location at the crossroads of America, Illinois is the center of food in the United States.

As such, we are excited to join the rest of the industry across the country in promoting legislation in Congress to lift agricultural restrictions, boost sales, and worth with Cuba people to provide quality food products. On behalf of all food and cattle growers in the Great Prairie State, we are:



www.ilcorn.org • www.illinoiscuba.org • www.ilfb.org • www.ilsoy.org



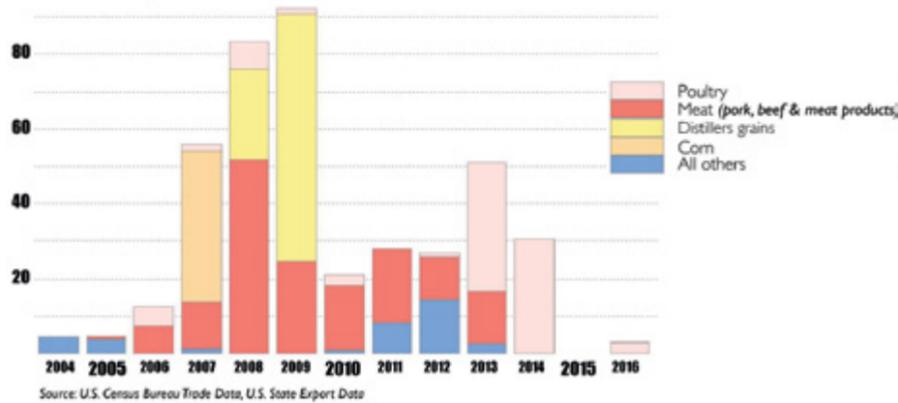
ILLINOIS

THE CORN AND SOYBEAN BASKET

2016 AG SALES TO CUBA: \$277 THOUSAND

POTENTIAL AG SALES TO CUBA: \$43 MILLION to \$90 MILLION

ILLINOIS AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



ILLINOIS has sold only about \$41 million worth of agriculture products to Cuba since 2004, and close to nothing in the last two years, according to the USDA. Yet, Illinois stands to reap benefits from access to the Cuban market. The state ranks as the nation's number two exporter of corn, and the top exporter of soybeans and soybean meal, all of which Cuba imports regularly.

The U.S. already has a competitive advantage over corn suppliers in Brazil, Argentina, Canada and Ukraine because of its proximity to the island. Economists estimate that the U.S. could capture 80 to 90 percent of the Cuban corn market, its share from 2002 to 2008. At Illinois' current share of all U.S. corn exports (16 percent) that would mean \$29 million to \$32.5 million in annual sales to Cuba.

The odds are that Illinois will take a larger share of the Cuban corn market, although predicting how much is limited by difficulties in sourcing corn shipments to Cuba. Since 2004, for example, Louisiana has sold Cuba 85 percent of the corn from the U.S. but produces only 3.5 percent of what Illinois produces. It is likely that much of what Louisiana ships comes from Illinois and other corn states.

The same analysis applies for soybeans and soybean meal. Based on Cuba's average imports of soybeans and soybean meal (about 8 percent each), that would result in annual sales of \$8 million to \$13 million combined, depending on how much the U.S. could capture of total soy imports by Cuba. If it could increase its share to 10 percent of projected U.S. sales to Cuba, based on proximity to market, that would mean \$10 million to \$16 million in revenue for Indiana.

| Illinois's Top 10 Agriculture Products (2016, in millions of \$) | | |
|--|-------------------|-------|
| Rank | Commodity | Sales |
| 1 | Corn | 7,256 |
| 2 | Soybeans | 5,332 |
| 3 | Hogs | 1,213 |
| 4 | Cattle and calves | 610 |
| 5 | Dairy products | 314 |
| 6 | Wheat | 137 |
| 7 | Chicken Eggs | 72 |
| 8 | Pumpkins | 52 |
| 9 | Hay | 52 |
| 10 | Mushrooms | 35 |

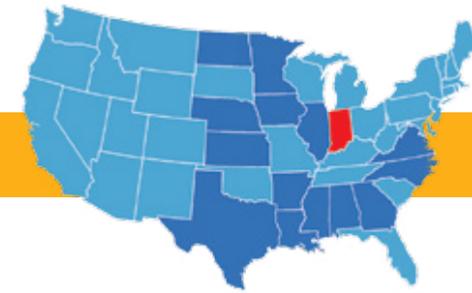
Source: USDA/ERS Farm Income and Wealth Statistics

| Illinois's Top 10 Agriculture Products (2015, in millions of \$) | | |
|--|-----------------|-------|
| Rank | Commodity | Sales |
| 1 | Soybeans | 2,698 |
| 2 | Feeds | 1,463 |
| 3 | Corn | 1,367 |
| 4 | Soybean meal | 685 |
| 5 | Processed grain | 423 |
| 6 | Pork | 334 |
| 7 | Wheat | 77 |
| 8 | Beef and veal | 55 |
| 9 | Dairy | 49 |
| 10 | Hides and skins | 48 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

Again, the odds are that Illinois will take a larger share of the Cuban market than the world market, due to proximity and ease of transport. It most likely already does; whereas Louisiana has been the top exporter of U.S. soybeans to Cuba—44 percent since 2004—it produces less than 2 percent of the nation's total. Hence it is likely Illinois is already shipping its soybeans to Cuba via ports in Louisiana.

"We raise a lot of corn, soybeans, cattle and hogs, and... we have a lot of food manufacturing, so besides corn and soybeans going to Cuba, there are other products—wheat, dairy products, meat products, fertilizers, machinery, and snack products," says Illinois Farm Bureau president Richard Guebert, "value added products that we would like to export to Cuba." ★



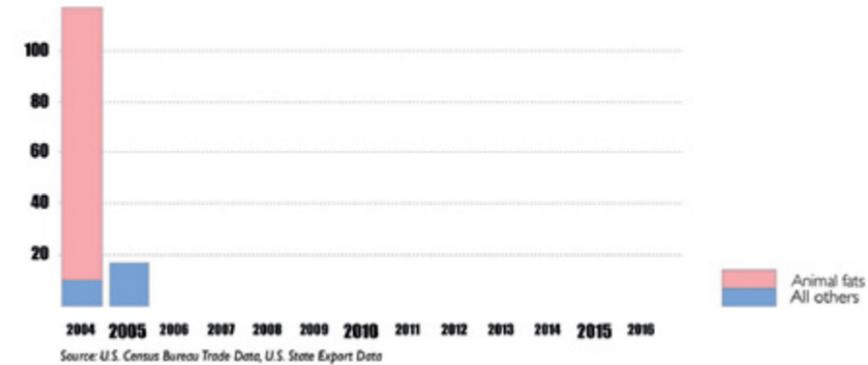
INDIANA

PUTTING THE HOOSIER STATE ON A PATH TO CUBA

2016 AG SALES TO CUBA: \$0

POTENTIAL AG SALES TO CUBA: \$21 MILLION to \$36 MILLION

INDIANA AGRICULTURAL EXPORTS TO CUBA 2004-2017
In thousands of dollars



Source: U.S. Census Bureau Trade Data, U.S. State Export Data

INDIANA has sold almost no food to Cuba to date, only about \$134,000 since 2004, according to the USDA. However, Indiana ranks among the top producers of corn, soybeans, and soybean meal, which Cuba imports regularly from the U.S. It is therefore likely that some quantities of all three commodities produced in Indiana made their way to Cuba via ports in Virginia and Louisiana. The state is also a top producer of soybean oil and other animal feeds, which Cuba used to import from the U.S. in greater quantities.

Indiana production and export of these goods is impressive, with \$1.4 billion in total soybean exports in 2015, along with \$638 million in corn exports, and \$368 in soybean meal exports.

Extending credit to Cuba will likely make Indiana's commodities more com-

petitive. The U.S. already has a competitive advantage over Brazil, Argentina, Canada and Ukraine, its competitors for the Cuba soy and corn markets, in terms its proximity to the island.

"We have a transportation edge that is unbelievable," says Robert White, Director of National Government Relations at the Indiana Farm Bureau. "We could be doing quite a business there. There is plenty of market opportunity. It is just how aggressively you want to pursue it."

While White predicts that the U.S. could capture as much as 80 percent of the Cuban food market, just how much of that will be sourced Indiana depends on numerous variables. Indiana has sent trade missions to Cuba, but it has not courted future sales there as much as some other states, especially those on the Gulf of Mexico.

| Indiana's Top 10 Agriculture Products (2016, in millions of \$) | | |
|---|-------------------|-------|
| Rank | Commodity | Sales |
| 1 | Corn | 3,156 |
| 2 | Soybeans | 2,838 |
| 3 | Hogs | 1,013 |
| 4 | Dairy products | 668 |
| 5 | Turkeys | 626 |
| 6 | Chicken Eggs | 404 |
| 7 | Cattle and calves | 367 |
| 8 | Broilers | 122 |
| 9 | Wheat | 92 |
| 10 | Hay | 70 |

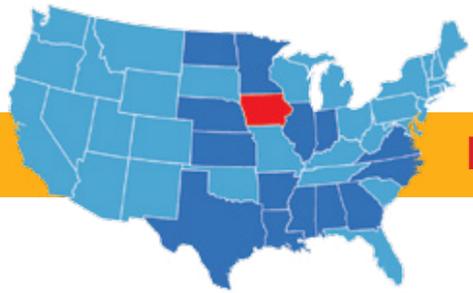
Source: USDA/ERS Farm Income and Wealth Statistics

| Indiana's Top 10 Agriculture Products (2015, in millions of \$) | | |
|---|-----------------|-------|
| Rank | Commodity | Sales |
| 1 | Soybeans | 1,449 |
| 2 | Feeds | 690 |
| 3 | Corn | 638 |
| 4 | Soybean meal | 368 |
| 5 | Pork | 294 |
| 6 | Vegetable oils | 226 |
| 7 | Processed grain | 201 |
| 8 | Dairy | 101 |
| 9 | Wheat | 50 |
| 10 | Hides and skins | 38 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

Still, if Indiana could capture even its overall percent of U.S. exports for soybeans and soybean meal (about 8 percent each), that would result in annual sales of \$8 million to \$13 million combined, depending on how much the U.S. could capture of total soy imports by Cuba. If it could increase its share to 10 percent of projected U.S. sales to Cuba, based on proximity to market, that would mean \$10 million to \$16 million in revenue for Indiana.

As for corn, Indiana supplies about 7.4 percent of total U.S. exports. If it maintained that share for total potential U.S. exports to Cuba, it would mean \$13 million to \$15 million in sales. If it could push its share to 10 percent, based on proximity to market, those numbers would rise to between \$18 million and \$20 million. ★

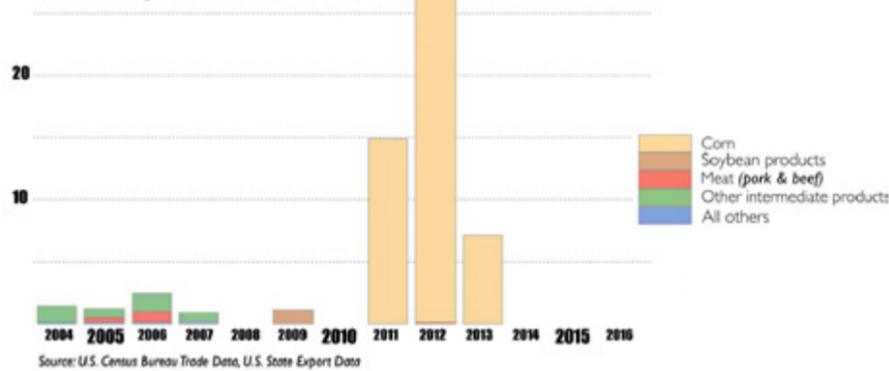


IOWA WHY THE HAWKEYE STATE IS WORTH EYEING

2016 AG SALES TO CUBA: \$0

POTENTIAL AG SALES TO CUBA: \$42.5 MILLION to \$73 MILLION

IOWA AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



IOWA is the top corn exporter in the U.S., should be able to dramatically increase its sales of the yellow staple to Cuba. That is because, except for a three-year spurt between 2011 and 2013, Iowa has sold no corn to Cuba, according to the USDA—though some may have been shipped to the island through ports in Louisiana and Mississippi.

Even during the height of its sales of corn to Cuba, Iowa exports averaged just \$16 million a year. If the state's corn sales to Cuba mirrored its share of total U.S. corn exports (16 percent), that would mean sales to Cuba of between \$29 and \$32 million annually, based on projections of the potential U.S. share of the Cuban corn market.

If, due to proximity to market and ease of shipping, Iowa could capture 20

percent of projected U.S. corn sales to Cuba—a market share within its grasp—the state's corn sales to Cuba could reach between \$36 and \$40 million annually.

Iowa also ranks as one of the nation's top producers and exporters of soybean and soybean meal—at second position for both, just behind Illinois. Solely based on retaining its share of U.S. exports to the world (about 13 percent), it could sell between \$13.5 and \$21 million worth of soybean and soybean meal combined to Cuba. Were it to capture 16 percent of potential U.S. soy sales to Cuba, due to proximity to market, that figure could rise to between \$16.5 million and \$25 million.

As the nation's top exporter of pork and its number four exporter of beef, Iowa also stands to boost its sales with the lifting of restrictions on agriculture, though

Iowa's Top 10 Agriculture Products
(2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Corn | 8,133 |
| 2 | Hogs | 6,351 |
| 3 | Soybeans | 5,180 |
| 4 | Cattle and calves | 3,859 |
| 5 | Dairy products | 833 |
| 6 | Chicken Eggs | 556 |
| 7 | Turkeys | 380 |
| 8 | Hay | 77 |
| 9 | Broilers | 31 |
| 10 | Oats | 4 |

Source: USDA/ERS Farm Income and Wealth Statistics

Iowa's Top 10 Agriculture Products
(2015, in millions of \$)

| Rank | Commodity | Sales |
|------|-----------------|-------|
| 1 | Soybeans | 2,516 |
| 2 | Pork | 1,988 |
| 3 | Feeds | 1,506 |
| 4 | Corn | 1,398 |
| 5 | Soybean meal | 639 |
| 6 | Processed grain | 428 |
| 7 | Vegetable oils | 392 |
| 8 | Beef and veal | 356 |
| 9 | Hides and skins | 292 |
| 10 | Dairy | 122 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

Cuba imports far more poultry meat and plant products than beef and pork. In fact, according to U.S. Census Bureau Trade Data, Cuba did not import any U.S. pork in 2015 or 2016, but in the preceding decade imported an average of \$9.5 million a year. If pork imports resume, Iowa stands to make additional sales of \$3 million based on its share of all U.S. pork exports (36 percent).

“On the pork and beef, the first driver of that trade is going to be tourism, what I call the white table cloth restaurants for the tourist markets,” says Dave Miller, director of research and commodity services at the Iowa Farm Bureau. “I think it's going to be the resolution of some of the issues regarding tourism out of the U.S. to Cuba that will be the stimulus [for] demand for pork and beef.”★

Iowa farmers support trade with Cuba

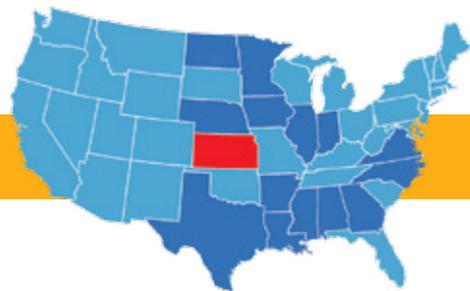


IOWA FARM BUREAU
PEOPLE. PROGRESS. PRIDE.®

iowafarmbureau.com



iowacorn.org



KANSAS MISSING OUT ON WHEAT SALES

2016 AG SALES TO CUBA: \$0

POTENTIAL AG SALES TO CUBA: \$29 MILLION to \$55 MILLION

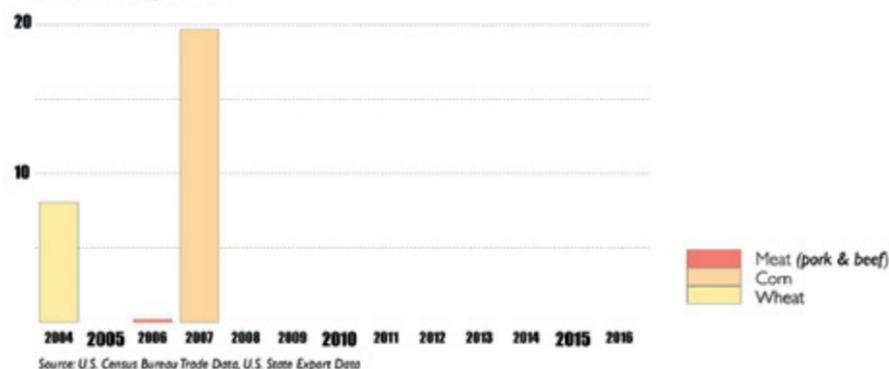
| Kansas's Top 10 Agriculture Products (2016, in millions of \$) | | |
|--|-------------------|-------|
| Rank | Commodity | Sales |
| 1 | Cattle and calves | 7,864 |
| 2 | Corn | 1,972 |
| 3 | Soybeans | 1,540 |
| 4 | Wheat | 1,397 |
| 5 | Sorghum | 738 |
| 6 | Dairy products | 530 |
| 7 | Hogs | 466 |
| 8 | Hay | 182 |
| 9 | Chicken Eggs | 41 |
| 10 | Sunflower | 21 |

Source: USDA/ERS Farm Income and Wealth Statistics

| Kansas's Top 10 Agriculture Products (2015, in millions of \$) | | |
|--|-----------------|-------|
| Rank | Commodity | Sales |
| 1 | Wheat | 809 |
| 2 | Beef and veal | 712 |
| 3 | Soybeans | 645 |
| 4 | Feeds | 545 |
| 5 | Corn | 334 |
| 6 | Processed grain | 231 |
| 7 | Hides and skins | 228 |
| 8 | Soybean meal | 164 |
| 9 | Pork | 124 |
| 10 | Vegetable oils | 103 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

KANSAS AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



Source: U.S. Census Bureau Trade Data, U.S. State Export Data

KANSAS is the nation's second largest producer and exporter of wheat, and that could become the state's biggest opportunity for sales to Cuba, followed by corn and soy products. In 2015, Kansas exported \$809 million worth of wheat to the world, along with \$645 million in soybeans, \$334 million in corn, and \$164 in soy meal. But, according to the USDA, it has sold none of these commodities to Cuba since 2004.

For Cuba, wheat is the largest single agricultural import outside of the combination of all soy products (beans, meal and oil). Since Cuba's tropical climate is not suitable for wheat production, the country relies on imports for its entire supply.

Currently, France is the largest source of wheat for Cuba, followed by Canada, and more recently, Germany. Kansas en-

joys a huge cost advantages over all three in shipping.

"Twenty to 30 percent of the cost is in the moving of the grain, so any time you can shorten the distance it has to move there is an immediate advantage for someone who is close to that market," says David Schemm, this year's president of the National Association of Wheat Growers and a long-time member of the Kansas Wheat Board.

Based on the historical pattern of sales to other Caribbean nations, Schemm believes the U.S. can win 75 percent of the Cuban market. "They [Cuba] will be pulling primarily from the Southern states, but I would hope that Kansas could supply a good share of the wheat going into Cuba," says Schemm.

Assuming the U.S. captures half of

Cuba's wheat market, Kansas could export \$11 million annually, based on its share (9.4 percent) of all U.S. wheat exports. If the U.S. took three quarters of the market, this figure could climb to \$16 million. If Kansas supplies more of the U.S. wheat exports to Cuba based on proximity—say 12 percent—those numbers would grow to between \$14 million and \$21 million.

If you add corn and soy products to the mix, Kansas could see another \$11 million to \$27 million in sales—depending on what share the U.S. captures of corn and soy exports to Cuba, and what percentage of those exports Kansas supplies. Currently Kansas exports 4 percent of all U.S. corn, and 3.4 percent of all soybeans and soy meal. With proximity factored in, those numbers could grow to 5 percent and 4 percent respectively for Cuba. ★

THE QUALITY YOU NEED FOR THE PRODUCT YOU WANT.



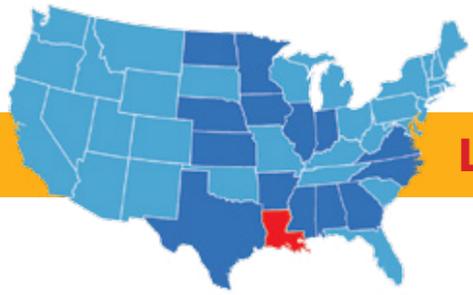
A trusted partner for Cuban trade.

www.kansaswheat.org



The world's most reliable choice.

www.uswheat.org



LOUISIANA THE GO-BETWEEN FOR AG SALES TO CUBA

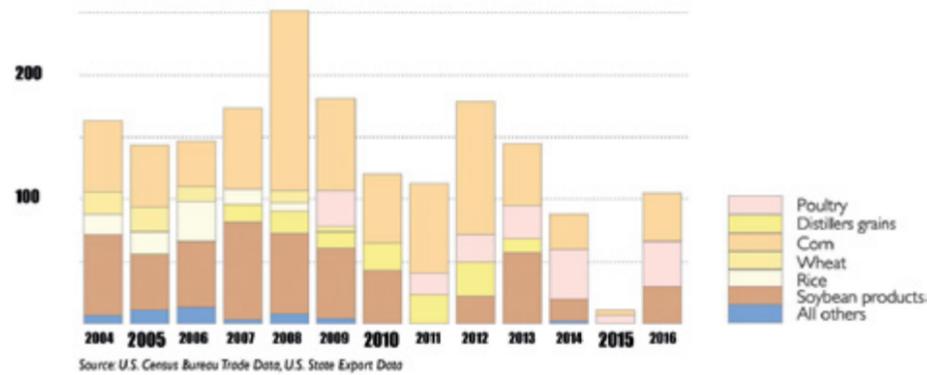
2016 AG SALES TO CUBA: \$105 MILLION.

POTENTIAL AG SALES TO CUBA: \$100 MILLION to \$259 MILLION

(\$30 MILLION TO \$40 MILLION LOCAL

LOUISIANA AGRICULTURAL EXPORTS TO CUBA 2004-2017

In millions of dollars



LOUISIANA has sold about \$1.9 billion worth of agriculture products to Cuba since 2004, making it the largest U.S. state supplier of food to the island, according to the USDA. Most of those commodities were produced by inland states and shipped through Louisiana, though some was produced locally.

“We are the gateway of the heartland of America,” says Mike Strain, Louisiana’s commissioner of agriculture. “In addition to Louisiana produce, most of what is exported to Cuba will come through Louisiana.”

Corn has accounted for the bulk of agriculture shipments from Louisiana, about 43 percent of Louisiana’s agriculture sales to Cuba since 2004, with soybean products and poultry accounting for another 29 percent and 11 percent respectively.

Soybeans and poultry are the top two commodities produced by Louisiana itself,

respectively, followed by corn and rice. But as a percentage of total U.S. exports and production, Louisiana soybeans and poultry make up just a small fraction (.6 percent and 3 percent). In terms of what is produced in Louisiana, rice is a more viable commodity.

Even with its export numbers inflated by pass-through commodities, Strain says that Louisiana itself will produce a sizeable part of what it exports to the island market. “We have poultry, eggs soybeans, rice, and dairy. The potential for us is tremendous. We have the largest poultry export facility in the world. We also have tremendous rice exports.”

No rice has been shipped from the U.S. to Cuba since 2008, but based on its share of all potential U.S. rice exports to the island nation (13.5 percent of \$87 million) and its proximity to Cuba, Louisiana could export \$17 million worth of rice

Louisiana’s Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Soybeans | 569 |
| 2 | Broilers | 445 |
| 3 | Rice | 307 |
| 4 | Sugarcane | 304 |
| 5 | Corn | 291 |
| 6 | Cattle and calves | 216 |
| 7 | Cotton | 60 |
| 8 | Chicken Eggs | 53 |
| 9 | Sweet Potatoes | 33 |
| 10 | Dairy products | 28 |

Source: USDA/ERS Farm Income and Wealth Statistics

Louisiana’s Top 10 Agriculture Products (2015, in millions of \$)

| Rank | Commodity | Sales |
|------|-----------------|-------|
| 1 | Soybeans | 316 |
| 2 | Rice | 269 |
| 3 | Soybean meal | 80 |
| 4 | Cotton | 76 |
| 5 | Feeds | 62 |
| 6 | Broiler meat | 52 |
| 7 | Vegetable oils | 49 |
| 8 | Corn | 48 |
| 9 | Processed grain | 39 |
| 10 | Beef and veal | 29 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

there annually.

As for poultry, Louisiana has historically shipped 19 percent of total U.S. exports to Cuba; in 2016, with \$36 million in shipments to Cuba, it was beaten only Alabama. However, Louisiana produces just 3 percent of the nation’s poultry; on that basis, even with a boost for proximity to market, probably only about \$5-\$7 million of those exports come from the state itself.

Corn shows even a greater discrepancy between what is shipped from Louisiana and what is grow there. Historically, 85 percent of all corn shipped to Cuba has come from ports in Louisiana. However, Louisiana produces less than 1 percent of nation’s corn crop. So, while Louisiana has the potential to export between \$153 million and \$172 million worth of corn to Cuba, only about \$1 million will come from the state itself. ★

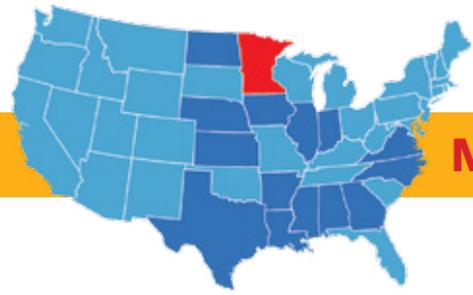
10 commodities contribute \$10 billion to Louisiana’s economy. Imagine what it could do for Cuba.



Louisiana–The Trade Gateway to Cuba



866.927.2476 • Idaf.state.la.us

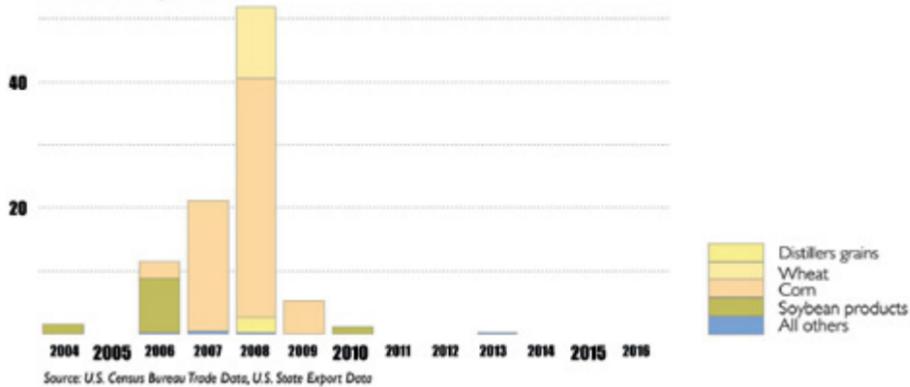


MINNESOTA A MIXED BASKET FROM THE FROSTY NORTH

2016 AG SALES TO CUBA: \$0

POTENTIAL AG SALES TO CUBA: \$47 MILLION to \$119 MILLION

MINNESOTA AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



Minnesota's Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Corn | 4,465 |
| 2 | Soybeans | 3,497 |
| 3 | Hogs | 2,276 |
| 4 | Cattle and calves | 1,846 |
| 5 | Dairy Products | 1,606 |
| 6 | Turkeys | 912 |
| 7 | Sugar Beets | 554 |
| 8 | Wheat | 367 |
| 9 | Potatoes | 166 |
| 10 | Broilers | 141 |

Source: USDA/ERS Farm Income and Wealth Statistics

Minnesota's Top 10 Agriculture Products (2015, in millions of \$)

| Rank | Commodity | Sales |
|------|-----------------|-------|
| 1 | Soybeans | 1,611 |
| 2 | Feeds | 770 |
| 3 | Corn | 699 |
| 4 | Pork | 669 |
| 5 | Soybean meal | 409 |
| 6 | Vegetable oils | 254 |
| 7 | Dairy Products | 242 |
| 8 | Processed grain | 238 |
| 9 | Wheat | 208 |
| 10 | Beef and veal | 165 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

MINNESOTA has sold only about \$93 million worth of food to Cuba since 2004, according to the USDA. However, it has aggressively pursued a trade relationship with Cuba—and it produces much of what Cuba imports: soybeans, soy meal, corn, dairy, and wheat.

“Lifting the restrictions on U.S. food exports to Cuba is absolutely the right thing to do,” says Minnesota Department of Agriculture Commissioner Dave Frederickson. In terms of Minnesota exporting to Cuba. “Certainly, corn and soybeans would be possibilities [and] we can expand the market... It’s not the biggest market in the world, and we are up the river a little farther than, say Louisiana, but every little bit helps.”

If Minnesota can take advantage of easy transportation via the Mississippi River, along with its position as a top

exporter of the commodities that Cuba wants, those little bits could add up.

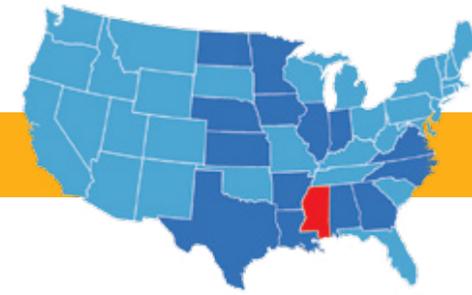
Minnesota already exports 8.5 percent of the nation’s soybeans and soy meal. If it captured the equivalent share of potential U.S. soy exports to Cuba, that would mean combined sales of between \$9 million and \$14 million. With proximity to market factored in, those numbers rise to \$10.6 million to \$17 million.

For corn, Minnesota exports 8 percent of the U.S. total. Based on that share of potential U.S. corn exports to Cuba, it would have sales of \$14 million to \$16 million; with market proximity factored in, those sales could reach \$18 million to \$20 million.

Dairy has the next greatest potential for Minnesota, which exports 4.6 percent of the U.S. total. Based on the U.S. capturing half the Cuban dairy market, that

share would be \$4.3 million; with market proximity added, those sales could reach \$5.6 million. For wheat, Minnesota’s current share of all U.S. wheat exports (2.4 percent) translates to between \$3 million and \$4.6 million in annual sales, depending the U.S. market share of Cuban wheat imports; with proximity added to the mix, this rises to between \$4 million and \$6 million.

Kevin Paap, president of the Minnesota Farm Bureau, believes that even slight increases in demand for commodities will have a significant impact for U.S. farmers. “The easiest way to increase prices is to increase demand,” he says. “Ninety six percent of the people who want to eat don’t live in this country, and they are looking for more sources of protein. For heaven’s sake let’s take advantage of one of those markets 90 miles off the coast.” ★

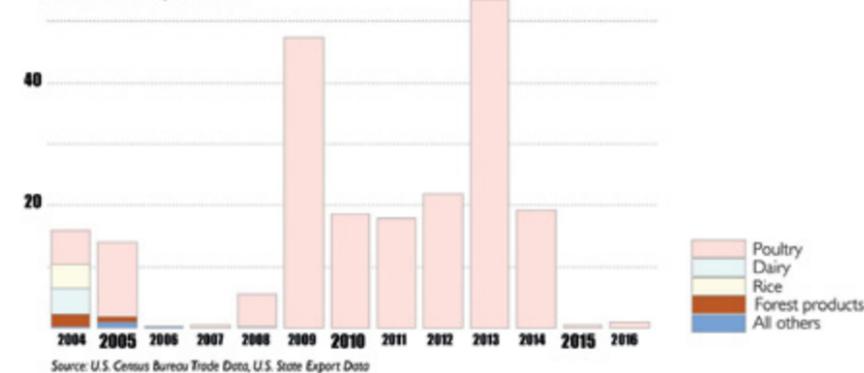


MISSISSIPPI CHICKEN & RICE. OH SO NICE!

2016 AG SALES TO CUBA: \$0

POTENTIAL AG SALES TO CUBA: \$16 MILLION to \$39 MILLION

MISSISSIPPI AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



Mississippi's Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Broilers | 2,226 |
| 2 | Soybeans | 964 |
| 3 | Corn | 381 |
| 4 | Cotton | 228 |
| 5 | Chicken Eggs | 222 |
| 6 | Catfish | 213 |
| 7 | Cattle and calves | 210 |
| 8 | Sweet Potatoes | 122 |
| 9 | Rice | 116 |
| 10 | Hogs | 86 |

Source: USDA/ERS Farm Income and Wealth Statistics

Mississippi's Top 10 Agriculture Products (2015, in millions of \$)

| Rank | Commodity | Sales |
|------|-----------------|-------|
| 1 | Soybeans | 555 |
| 2 | Broiler Meat | 256 |
| 3 | Cotton | 220 |
| 4 | Soybean Meal | 141 |
| 5 | Rice | 106 |
| 6 | Vegetable Oils | 89 |
| 7 | Feeds | 77 |
| 8 | Corn | 62 |
| 9 | Processed Grain | 32 |
| 10 | Pork | 28 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

MISSISSIPPI is a top rice producing state in the U.S., and as such stands to benefit from increased agriculture sales to a country that is the highest per-capita rice consumer in the Western Hemisphere. Cuba imported an average of \$233 million worth of rice per year from 2005 to 2014, but close to none of it has come from the U.S. since 2009, according to a 2016 USITC report—and none from Mississippi since 2004.

The ability to extend credit to Cuba would make Mississippi’s rice more competitive against countries such as Vietnam, Brazil, and Argentina, which currently supply most of the country’s imports. And Mississippi has pursued a relationship with Cuba.

“We had a great visit [to Cuba] with the governor, and I was impressed with

the openness and their desire to trade with Mississippi,” says Mike McCormick, president of the Mississippi Farm Bureau. “They talked to me about rice in particular and getting it from some Asian countries and it not being the same quality even though they have to pay the same because of the price of transportation.”

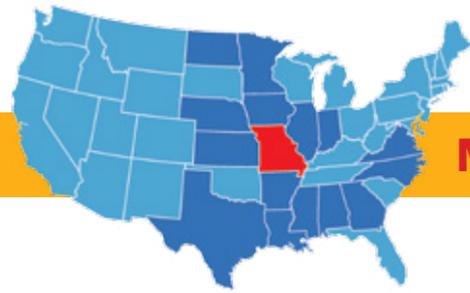
In the past, Mississippi has sold a fair quantity of poultry to Cuba—about \$203 million worth of since 2004, according to the USDA—but in 2015 and 2016 those sales fell to less than \$1 million per year. The U.S. did sell \$105 million in poultry to Cuba last year, about half the Cuban market, and has the potential to raise that by about \$50 million a year if the U.S. returns to its 75 percent share of the Cuban poultry market.

If Mississippi could capture just its

current share of all U.S. exports of poultry and rice (8.5 percent and 5 percent), it stands to increase exports by about \$13 million on the low end. If it could capture a little more of those markets based on proximity, it could enjoy combined sales of chicken and rice of about \$20 million.

Mississippi also exports about 3 percent of all U.S. soybeans and soy meal. Strictly on that basis it could add another \$3 million to \$4.5 million in sales, with a potential to jump those numbers to between \$4 million to \$6 million annually due to proximity.

“The U.S. is a better alternative than the countries Cuba now trades with. But the credit restrictions don’t make it favorable for us,” says McCormick. “It would be a big benefit to our farmers and our ports.” ★



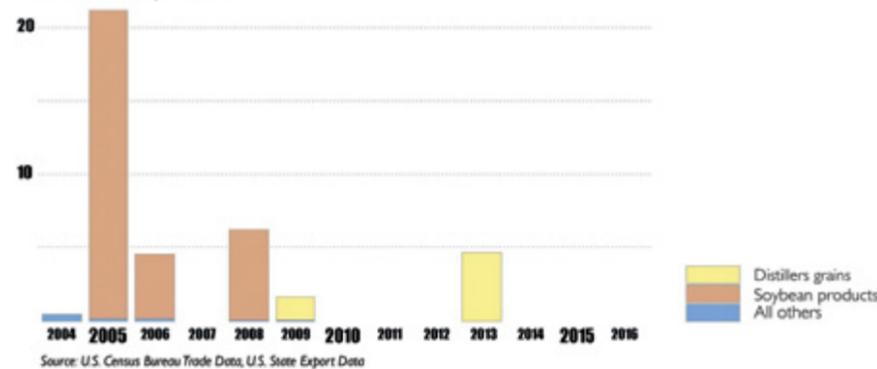
MISSOURI RICE, CORN, SOY AND A RELATIONSHIP

2016 AG SALES TO CUBA: \$0

POTENTIAL AG SALES TO CUBA: \$23.5 MILLION to \$44 MILLION

MISSOURI AGRICULTURAL EXPORTS TO CUBA 2004-2017

In millions of dollars



Source: U.S. Census Bureau Trade Data, U.S. State Export Data

MISSOURI has courted the Cuban market, with a visit by its governor last year that included a gift of two truckloads of rice. As one of the top rice producing and exporting states in the U.S., that gift made sense. Missouri also produces soy and corn, which Cuba regularly imports. In fact, Missouri's mixed bag of commodities includes a lot of what Cuba needs—rice, corn, soy, pork, poultry, and feeds. Its proximity via the Mississippi River makes Missouri even more likely to benefit from more open agriculture trade with Cuba.

Rice will lead the show. As the country's fourth largest producer, its 5.6 percent share of all U.S. rice exports translates into sales of nearly \$5 million to Cuba if that share is maintained for potential U.S. rice sales to Cuba. Add in the proximity factor

and that number rises to \$6 million

Next comes soybeans and soy meal, of which Missouri exports 5.7 percent of the U.S. total, according to the USDA. At that share of potential U.S. soy exports to Cuba, Missouri could sell between \$6 million and \$9 million worth. If proximity is factored in, those sales could reach between \$7 million and \$11 million.

Corn is another area where Missouri has a national export position. Missouri is the source of 3.8 percent of total U.S. corn exports. At that level, Missouri could export between \$6.8 million and \$7.7 million per year, depending on the amount of corn the U.S. exports to Cuba. If proximity to market is factored in, those sales figures could increase to \$7 million to \$10 million.

Missouri's Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Broilers | 2,094 |
| 2 | Corn | 1,618 |
| 3 | Cattle and calves | 1,555 |
| 4 | Hogs | 883 |
| 5 | Broilers | 686 |
| 6 | Turkeys | 517 |
| 7 | Dairy | 228 |
| 8 | Chicken Eggs | 189 |
| 9 | Cotton | 162 |
| 10 | Wheat | 143 |

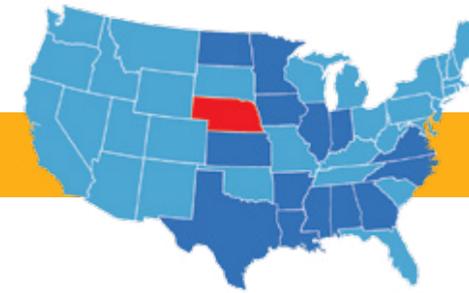
Source: USDA/ERS Farm Income and Wealth Statistics

Missouri's Top 10 Agriculture Products (2015, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Soybeans | 1,074 |
| 2 | Corn | 330 |
| 3 | Soy Meal | 273 |
| 4 | Pork | 248 |
| 5 | Cattle and calves | 167 |
| 6 | Cotton | 135 |
| 7 | Rice | 112 |
| 8 | Broilers | 79 |
| 9 | Wheat | 77.5 |
| 10 | Hides and skins | 74 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

In terms of poultry, Missouri is the source of 2.6 percent of U.S. exports to the world; if it could capture just that percent of potential U.S. sales of poultry to Cuba, that would add \$3 million to \$3.5 million in sales from Missouri to the Caribbean island. Factor in proximity, and those sales should reach \$3 million to \$4 million. Missouri itself is bullish on trade with Cuba. According to Chris Chinn, director of the Missouri Department of Agriculture, the state believes it can double its share of what the U.S. exports to the world (3 percent) when it comes to its share of what the U.S. could export to Cuba (6 percent). Based on their assumption that the U.S. can capture \$1.2 billion in sales to Cuba, that would be \$72 million a year. Our predictions are more modest. ★



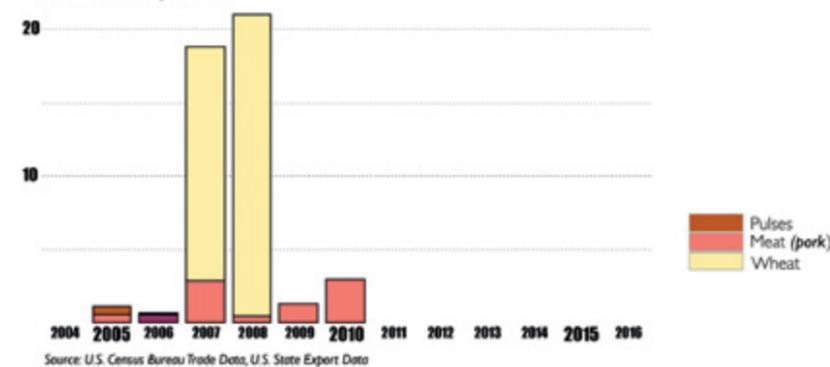
NEBRASKA SHARING THE GIFT OF THE CORNHUSKER STATE

2016 AG SALES TO CUBA: \$0

POTENTIAL AG SALES TO CUBA: \$28 MILLION to \$48 MILLION

NEBRASKA AGRICULTURAL EXPORTS TO CUBA 2004-2017

In millions of dollars



Source: U.S. Census Bureau Trade Data, U.S. State Export Data

Nebraska's Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|--------|
| 1 | Cattle and calves | 10,976 |
| 2 | Corn | 5,414 |
| 3 | Soybeans | 2,765 |
| 4 | Hogs | 733 |
| 5 | Dairy Products | 235 |
| 6 | Wheat | 200 |
| 7 | Hay | 140 |
| 8 | Chicken Eggs | 100 |
| 9 | Dry Beans | 73 |
| 10 | Sugar Beets | 66 |

Source: USDA/ERS Farm Income and Wealth Statistics

Nebraska's Top 10 Agriculture Products (2015, in millions of \$)

| Rank | Commodity | Sales |
|------|-----------------|-------|
| 1 | Soybeans | 1,396 |
| 2 | Feeds | 1,090 |
| 3 | Beef and Veal | 1,012 |
| 4 | Corn | 987 |
| 5 | Soybean Meal | 354 |
| 6 | Hides and Skins | 327 |
| 7 | Processed Grain | 322 |
| 8 | Vegetable Oils | 219 |
| 9 | Pork | 201 |
| 10 | Wheat | 135 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

NEBRASKA has sold only about \$45 million worth of food to Cuba since 2004, according to the USDA, but as one of the nation's leading producers of corn, soy beans, and soy meal, it stands to be one of the states to gain from reduced restrictions on commodity sales to Cuba.

As the third largest producer and exporter of corn—behind only Iowa and Illinois—it commands 11.4 percent of total U.S. exports. And as the fifth largest producer for soybeans and soy meal, it holds 7.3 percent of total exports for both.

Because the U.S. stands to capture most of the corn market, based on Nebraska's share of national production, the state should see sales of \$20 million to \$23 million; for soy beans and soy meal, Nebraska's share based on national production would be \$7.4 million to \$11.8 million.

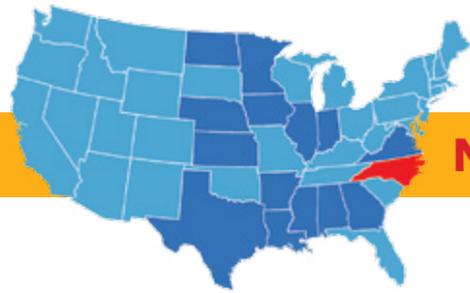
So far, Nebraska has not been aggressive in making market contacts with Cuba—though a Jim Miller, a Nebraska soybean farmer, led an American soybean and poultry delegation to Cuba last year. Nebraska also does not enjoy easy access to Cuba, so should not see any increase based on proximity.

While Cuba imports little beef (only about \$12 million a year from 2012 to 2014), that market stands to expand as tourism into Cuba increases. As the top producer and exporter of beef in the U.S., Nebraska could sell \$2 million annually to Cuba. Similar sales could be executed for hogs and hides.

“Nebraska's main ag exports are beef and beef products, pork and pork products, hides and skins, soybeans and soy meal, and corn,” says Wes Peterson, a professor

in agriculture economics at the University of Nebraska-Lincoln. “I suspect those would be the main commodities that the state would like to export to Cuba.”

Although USDA figures show U.S. sales of other animal feeds to Cuba never topped \$36 million per year from 2000 to 2016, it will also benefit Nebraska to contribute a larger share of Cuba's imports of that commodity. Cuba will need more animal feed as demand for meat increases due to the emergence of a middle class and a booming tourism sector. “Getting rid of all the sanctions on U.S. trade with Cuba would benefit Cuba quite a bit as they would be able to purchase cheaper food from the U.S. as well as many other goods, and they would also be able to export goods to the U.S.,” says Peterson. ★

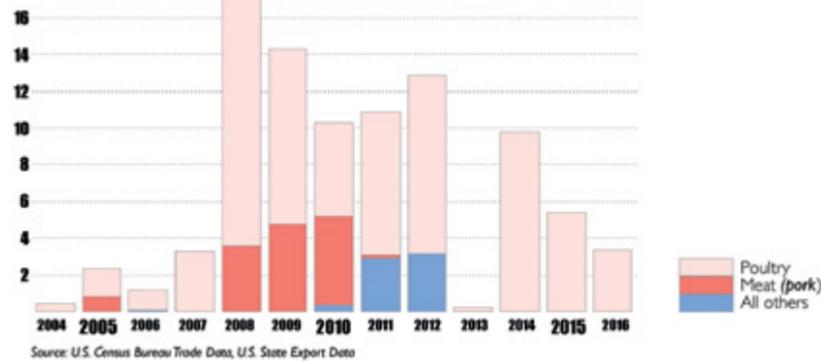


NORTH CAROLINA A REGULAR SUPPLIER AIMS HIGHER

2016 AG SALES TO CUBA: \$3.4 MILLION.

POTENTIAL AG SALES TO CUBA: \$12 MILLION to \$16 MILLION

NORTH CAROLINA AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



NORTH CAROLINA is the nation's second largest producer and exporter of broilers, one of the top food commodities that Cuba imports today, according to the Global Trade Atlas. Using the baseline of 2012 to 2014, Cuba imported an average of \$206 million annually of poultry, most of which was frozen broiler quarters.

Since 2004, North Carolina has sold about \$93 million worth of agriculture products to Cuba, according to the USDA, with poultry meat accounting for about 78 percent of those exports. The remaining exports were pork and cotton.

While the U.S. captured roughly half of the Cuban poultry market in 2015 and 2016, it previously held 75 percent of that market. If North Carolina could retain its national share of all broiler exports (12 percent) it could increase its sales from about \$3.3 million last year to \$12 million a

year based on current exports to Cuba, and up to \$18 million if the U.S. were able to return to its previous market share. Factor in proximity, and that figure could reach \$

As a top pork producing state, North Carolina may see a boost in pork sales with the lifting of financing restrictions. That boost may have a limited impact, however, as Cuba rarely imports more than \$30 million of pork annually, according to the USTIC. However, an emerging middle class and growing tourism may increase demand for pork.

Besides pork and poultry, North Carolina also produces corn, wheat and soybean products. All could see a small boost in sales if agriculture restrictions are lifted.

"If Cuba were to really open up... It would become a more traditional Caribbean island nation, and we could sell

North Carolina's Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Broilers | 3,091 |
| 2 | Hogs | 2,103 |
| 3 | Turkeys | 993 |
| 4 | Tobacco | 668 |
| 5 | Soybeans | 543 |
| 6 | Chicken Eggs | 444 |
| 7 | Corn | 429 |
| 8 | Sweet Potatoes | 342 |
| 9 | Cattle and calves | 255 |
| 10 | Dairy products | 164 |

Source: USDA/ERS Farm Income and Wealth Statistics

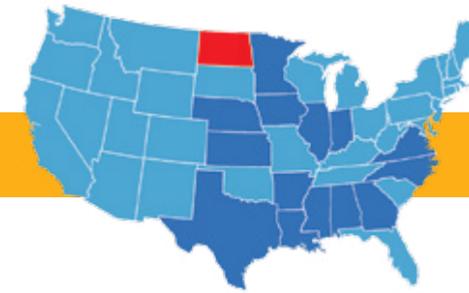
North Carolina's Top 10 Agriculture Products (2015, in millions of \$)

| Rank | Commodity | Sales |
|------|------------------|-------|
| 1 | Pork | 604 |
| 2 | Tobacco | 558 |
| 3 | Broiler Meat | 361 |
| 4 | Soybeans | 305 |
| 5 | Cotton | 174 |
| 6 | Proc. Vegetables | 112 |
| 7 | Wheat | 87 |
| 8 | Feeds | 84 |
| 9 | Soybean Meal | 77 |
| 10 | Corn | 67 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

them a larger range of agriculture goods," says Peter Thornton, an assistant director of international marketing at the North Carolina Department of Agriculture and Consumer Services. "The purchasing power of the population is the limiting factor. If that is addressed, they could be [a bigger market]."

North Carolina's Farm Bureau president, Larry Wooten—who has traveled to Cuba twice and led a delegation from North Carolina in 2015—believes the market for food products will grow as more Americans travel to the island, and that those sales should go to U.S. farmers. "Cuba is a potential market for North Carolina agriculture products," he says, "and one that we should lift restrictions on. Certainly, here at the North Carolina Farm Bureau, we see no reason why we shouldn't." ★

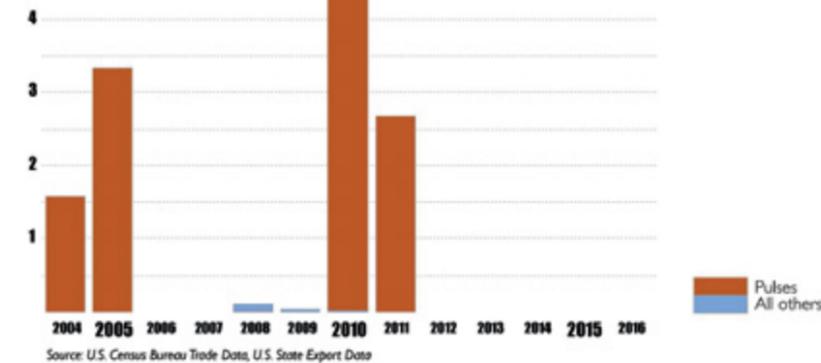


NORTH DAKOTA LOOKING TO GET WHEAT SALES AND MORE

2016 AG SALES TO CUBA: \$0

POTENTIAL AG SALES TO CUBA: \$25 MILLION to \$45 MILLION

NORTH DAKOTA AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



NORTH DAKOTA has seen almost no agriculture sales to Cuba—only about \$12 million worth of food to Cuba since 2004, according to the USDA. But North Dakota ranks among the nation's top exporters of wheat, soy beans and soy meal, all of which Cuba imports in regularly. It also produces a variety of other agriculture products, such as corn, cattle, and a variety of dry beans.

"We actually produce over 54 commodities locally and are number one in the production of almost a dozen commodities such as red spring wheat, dry beans, peas, and lentils, and we have barley, honey, flax, canola," says Doug Goehring, North Dakota's commissioner of agriculture. "Those are all things that have some marketing opportunities in Cuba [and] if you have a lot of small markets, that's just

as important or more important than just one large market."

Having said that, North Dakota is the nation's No. 1 exporter of wheat, and since Cuba's tropical climate is not suitable for producing wheat, the country relies on imports for all its supply. The island imported an average of \$189 million worth of wheat per year from 2005 to 2014, according to the USITC. From 2012 to 2014, that average rose to \$257 million annually. But since 2012, Cuba has imported none from the U.S.

Potential U.S. wheat sales to Cuba could range between \$129 million and \$193 million, based on the U.S. capture of 50 percent to 75 percent of the Cuban wheat market. If North Dakota simply kept its share of all U.S. wheat exports to the world (11.5 percent), it would enjoy

North Dakota's Top 10 Agriculture Products (2016, in millions of \$)

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Soybeans | 1,902 |
| 2 | Wheat | 1,602 |
| 3 | Corn | 1,068 |
| 4 | Cattle and calves | 894 |
| 5 | Canola | 422 |
| 6 | Sugar Beets | 275 |
| 7 | Barley | 253 |
| 8 | Potatoes | 239 |
| 9 | Dry Beans | 235 |
| 10 | Sunflower | 213 |

Source: USDA/ERS Farm Income and Wealth Statistics

North Dakota's Top 10 Agriculture Products (2015, in millions of \$)

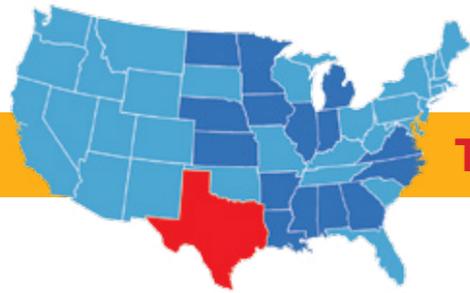
| Rank | Commodity | Sales |
|------|------------------|-------|
| 1 | Wheat | 988 |
| 2 | Soybeans | 863 |
| 3 | Feeds | 238 |
| 4 | Soybean Meal | 219 |
| 5 | Vegetable Oils | 187 |
| 6 | Corn | 164 |
| 7 | Processed Grain | 160 |
| 8 | Proc. Vegetables | 140 |
| 9 | Beef and Veal | 89 |
| 10 | Fresh Vegetables | 73 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

sales of between \$15 million to \$20 million to Cuba.

Similarly, if North Dakota kept its share of all U.S. soybean and soy meal exports (4.6 percent) for soy sales to Cuba, it could see exports of \$4.7 million to \$7.4 million, based on the potential U.S. capture (50 to 80 percent) of the Cuban soy market.

Other markets for North Dakota would also contribute to sales. While North Dakota exports just 2 percent of U.S. corn worldwide, that would translate to between \$3.6 million and \$4 million in sales to Cuba. The island nation also imports about \$60 million annually in dry beans. If the U.S. can supply half that market, North Dakota—which produces more than a quarter of U.S. dry beans—could see sales of \$8 million annually. ★

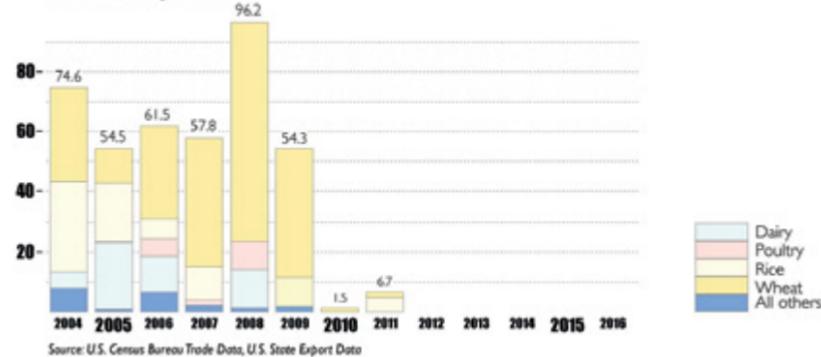


TEXAS NO LONE COMMODITIES FROM THE LONE STAR STATE

2016 AG SALES TO CUBA: \$133 THOUSAND

POTENTIAL AG SALES TO CUBA: \$23 MILLION to \$51 MILLION

TEXAS AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



TEXAS has sold about \$407 million worth of food to Cuba since 2004, according to the USDA, though very little since 2012.

Most of what Texas exported to Cuba was wheat, about 58 percent of the total. Rice accounted for about 16 percent, while dairy products accounted for about 12 percent. While Cuba has mostly stopped buying those commodities from the U.S., Texas is, however, the nation's sixth-largest exporter of wheat, rice, and dairy products, according to the USDA, as well as the sixth largest exporter of broiler chickens and twelfth largest exporter of corn—all regular Cuban imports.

For wheat, most of what passed through Texas ports to Cuba was likely grown elsewhere; Texas produces only 3 percent of the nation's crop yet was responsible for 67 percent of U.S. wheat

exports to Cuba from 2004 to 2011, according to U.S. Census Bureau Trade Data. A better gauge would be Texas' wheat exports to the Caribbean, about 9 percent for 2015 and 2016. On that basis, Texas would likely export \$11 million to \$17 million to Cuba.

For rice, the situation is parallel. About 40 percent of rice sales to Cuba to date have come through Texas, though it produces only about 5 percent of the nation's crop, according to the USDA. Even with proximity to Cuba, the state will probably capture no more than that, based on its rice exports to the Caribbean 2012-2016 (5 percent). Assuming the U.S. can capture half of all rice sales to Cuba, that would mean \$4 million annually.

Dairy exports are similar. Despite shipping 76 percent of U.S. dairy to Cuba

| Texas's Top 10 Agriculture Products (2016, in millions of \$) | | |
|---|-------------------|-------|
| Rank | Commodity | Sales |
| 1 | Cattle and calves | 8,470 |
| 2 | Cotton | 2,236 |
| 3 | Dairy Products | 1,848 |
| 4 | Broilers | 2,030 |
| 5 | Corn | 1,152 |
| 6 | Hay | 493 |
| 7 | Cottonseed | 440 |
| 8 | Sorghum | 403 |
| 9 | Chicken Eggs | 361 |
| 10 | Wheat | 293 |

Source: USDA/ERS Farm Income and Wealth Statistics

| Texas's Top 10 Agriculture Products (2015, in millions of \$) | | |
|---|-----------------|-------|
| Rank | Commodity | Sales |
| 1 | Cotton | 1,440 |
| 2 | Beef and Veal | 916 |
| 3 | Feeds | 398 |
| 4 | Hides and Skins | 284 |
| 5 | Wheat | 271 |
| 6 | Dairy Products | 267 |
| 7 | Broiler Meat | 212 |
| 8 | Corn | 200 |
| 9 | Processed Grain | 146 |
| 10 | Rice | 93 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

since 2004, Texas produces only 5 percent of the nation's dairy products; with proximity to Cuba factored in, it could capture about 6.5 percent of potential U.S. sales to Cuba, or \$6 million.

For poultry, Texas could sell \$7 million to \$9.4 million annually, based on its 7 percent share of all U.S. poultry exports. Factor in proximity and that climbs to \$9 million to \$12 million. Likewise, with corn: Based on Texas's 2.3 percent share of national output, sales should reach \$4 million, and with proximity factored in, \$5 million.

"Actually, it's a misnomer that we don't trade with Cuba," says Sid Miller, Texas' Commissioner of Agriculture. "We have traded in the past, selling rice and other things over the years. We haven't done a lot lately, because right now they are buying lower quality [elsewhere]."
★



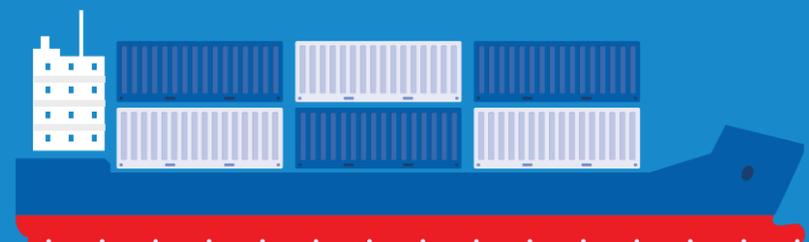
Connecting Texas Businesses to the World

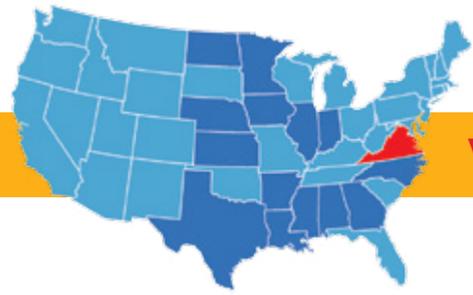
EXPAND YOUR BUSINESS TO WORLDWIDE MARKETS

The Trade and Business Development division of the Texas Department of Agriculture supports small and large businesses with programs to expand and diversify beyond the borders of Texas. We support businesses with many events and opportunities to meet with foreign wholesale and retail buyers, connecting your business to the world.



Ask about our programs today.
Email Export@TexasAgriculture.gov



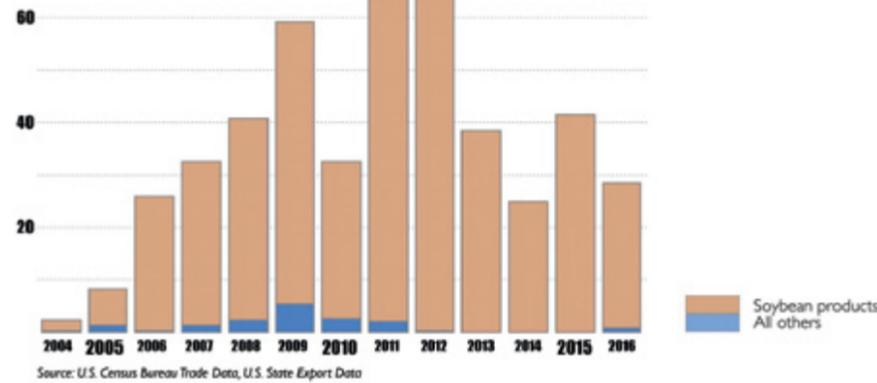


VIRGINIA THE SOY GATEWAY

2016 AG SALES TO CUBA: \$28.5 MILLION.

**POTENTIAL AG SALES TO CUBA: \$40 MILLION to \$63 MILLION
(\$5 MILLION GROWN IN VIRGINIA)**

VIRGINIA AGRICULTURAL EXPORTS TO CUBA 2004-2017
In millions of dollars



VIRGINIA, when it comes to current U.S. agriculture exports to Cuba, is the king of soy. From 2004 to 2016, nearly two thirds—some 64 percent—of all U.S. soybeans exported to Cuba came from Virginia’s ports. During the same period, Virginia exported almost one quarter—some 23 percent—of all U.S. soybean meal to Cuba.

Most of this soy, however, is most likely grown and supplied by other states, such as nearby Ohio, Indiana, and Illinois. All three are among the top six states producing soy products nationwide, whereas Virginia ranks 20th for soybean and soy meal.

“Virginia was one of the first states to start sending agricultural exports to Cuba in the early 2000’s when trade restrictions were loosened,” says Charles Green, the state’s deputy agriculture commissioner.

“Geographically, for that type of commodity [soy], Virginia’s a very competitive state.”

It is also a state that has continuously exported food product to Cuba since agriculture sales were permitted. From 2004 to 2016, Virginia exported \$463 million worth of agricultural goods to Cuba, nearly 9.5 percent of total U.S. exports to the island, according to the USDA.

If Virginia were to maintain its average market share of U.S. soybean and soy meal exports to Cuba for the last thirteen years, and the U.S. were to capture half of the Cuban soybean and soybean meal markets, Virginia could see exports reach \$22 million and \$15 million respectively. If the U.S. were to capture 80 percent of the Cuban soybean and soy meal markets, those figures would climb to \$35 million and \$24 million respectively.

On other hand, if Virginia’s soy

| Rank | Commodity | Sales |
|------|-------------------|-------|
| 1 | Broilers | 733 |
| 2 | Cattle and calves | 416 |
| 3 | Turkeys | 386 |
| 4 | Dairy Products | 308 |
| 5 | Soybeans | 200 |
| 6 | Corn | 172 |
| 7 | Hay | 119 |
| 8 | Tobacco | 110 |
| 9 | Chicken Eggs | 97 |
| 10 | Wheat | 54 |

Source: USDA/ERS Farm Income and Wealth Statistics

| Rank | Commodity | Sales |
|------|----------------|-------|
| 1 | Soybeans | 110 |
| 2 | Broiler meat | 83 |
| 3 | Tobacco | 79 |
| 4 | Beef and Veal | 54.5 |
| 5 | Feeds | 54 |
| 6 | Cotton | 52 |
| 7 | Dairy Products | 50 |
| 8 | Wheat | 42 |
| 9 | Corn | 29 |
| 10 | Soybean meal | 28 |

Source: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System)

exports were based upon the state’s overall share of U.S. production and exports, those figures would drop to \$1 million combined.

In the case of poultry, however, Virginia does produce just under 3 percent of the nation’s total. In 2016, it shipped \$732,000 worth to Cuba, and is on track to ship about \$3 million worth in 2017. That is consistent with Virginia’s share of national poultry production; if you factor in proximity to market, sales to Cuba could cross \$5 million if the U.S. were to increase its market share there from 2015-2016’s 50 percent to the 75 percent share it held in previous years.

Virginia has also shipped tiny amounts of beef, pork, and fresh fruit to Cuba, but overall soy products have made up 97 percent of its sales of food products to Cuba. ★

Virginia: A History of Leadership in Trade with Cuba



For almost 15 years, Virginia has been a top exporter to Cuba and has actively advocated for more open trade with this important neighbor and trading partner. Exports mean jobs and investment at home, and that is why four successive Virginia governors, including Governor Terry McAuliffe, have made expanding the Commonwealth’s relationship with Cuba a top priority. Virginia farmers and agribusinesses understand and depend on the benefits of exports and eagerly await new trade opportunities with Cuba, under the same terms extended to other customers. To benefit the citizens and economies of the U.S. and Cuba, we support efforts to normalize relations between us, and further grow Virginia’s historically strong partnership with Cuba.



www.vdacs.virginia.gov • +1-804-786-3530

ADDENDUM: DETAILS OF METHODOLOGY

CUBAN IMPORTS BY COMMODITY (in order of importance)

SOY & SOY PRODUCTS = **\$295m** average annual imports 2012-2104
Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**
Potential US capture:
50% = \$34.5m
80% = \$55m
Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**
Potential US capture:
50% = \$67m
80% = \$107m
Average annual Cuban imports of Soybean oil 2012-2014 = **\$92m**
Potential US capture:
50% = \$46m
80% = \$74m

WHEAT

Average annual Cuban imports of Wheat 2012-2014 = **\$257m**
Potential US capture:
50% = \$129m
75% = \$193m

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**
Potential US capture:
80% = \$180m
90% = \$202m

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**
Potential US capture:
50% = \$103m
75% = \$154m

DAIRY

Average annual Cuban imports of Dairy 2012-2014 = **\$187m**
Potential US capture:
50% = \$93.5m

RICE

Average annual Cuban imports of Rice 2012-2014 = **\$174m**
Potential US capture:
50% = \$87m

PORK

Average annual Cuba imports of Pork 2012-2014 = **\$15.5m**
Potential US capture:
50% = \$7.5m

ALABAMA

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**
Potential US capture:
50% = \$103m
75% = \$154m
Potential Alabama share based on percent of all U.S. poultry exports 2015
11.6% = \$12m to \$18m
Potential Alabama share based on percent of all U.S. exports to Caribbean 2012-2016
11.4% = \$12m to \$17.5m
Potential Alabama share based on historic sales of poultry to Cuba 2004-

2016
21% = \$22m to \$32m
Potential Alabama share based on its percentage of US sales of poultry to Cuba 2016
48% = \$48m to \$74m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**
Potential US capture:
50% = \$34.5m
80% = \$55m
Potential Alabama share based on historic sales of soybeans to Cuba 2004-2016
2% = \$.7m to \$1m

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**
Potential US capture:
80% = \$180m
90% = \$202m
Potential Alabama share based on its percent of all U.S. corn exports 2015
.3% = \$550,00 to \$600,000

ALABAMA POTENTIAL ANNUAL AG SALES TO CUBA: \$23 million to \$75 million

ARKANSAS

RICE

Average annual Cuban imports of Rice 2012-2014 = **\$174m**
Potential US capture:
50% = \$87m
Potential Arkansas share based on its percent of all US rice exports 2015
43% = \$37.4m

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**
Potential US capture:
50% = \$103m
75% = \$154m
Potential Arkansas share based on its percent of all US poultry exports 2015
11.5% = \$12m to \$18m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**
Potential US capture:
50% = \$34.5m
80% = \$55m
Potential Arkansas share based on its percent of all soybean exports 2015
4.2% = \$1.5m to \$2.3m

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**

Potential US capture:
50% = \$67m
80% = \$107m
Potential Arkansas share based on its percent of all US soybean exports 2015
4.2% = \$2.8m to \$4.5m

ARKANSAS POTENTIAL ANNUAL AG SALES TO CUBA: \$44 million to \$52 million

GEORGIA

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**
Potential US capture:
50% = \$103m
75% = \$154m
Potential Georgia share based on its percent of all U.S. poultry exports 2015
15% = \$15m to \$23m
Potential Georgia share based on its percent of U.S. poultry exports to Cuba 2004-2016
23% = \$23m to \$35m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**
Potential US capture:
50% = \$67m
80% = \$107m
Potential Georgia share based on its percentage of U.S. soybean exports to Cuba 2004-2016
32% = \$21.5 to \$34m

Potential sales of Snack Foods, Chocolate & Coca based on 2016 and early 2017 sales
\$7 million

GEORGIA POTENTIAL ANNUAL AG SALES TO CUBA: \$43 million to \$76 million (\$24 million to \$44 million produced in Georgia)

ILLINOIS

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**
Potential US capture:
80% = \$180m
90% = \$202m
Potential Illinois share based on its percent of all U.S. corn exports 2015
16% = \$29m to \$32.5m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**
Potential US capture of soybeans:
50% = \$34.5m
80% = \$55m
Potential Illinois share based on its percent of all U.S. soy exports 2015
14% = \$4.8m to \$7.7m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**
Potential US capture of soybean meal:
50% = \$67m
80% = \$107m
Potential Illinois share based on its percent of all U.S. soybean exports 2015
14% = \$9.4m to \$15m

ILLINOIS POTENTIAL ANNUAL AG SALES TO CUBA: \$43 million to \$55+ million

INDIANA

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**
Potential US capture:
80% = \$180m
90% = \$202m

Potential Indiana share based on its percent of all U.S. corn exports 2015
7.4% = \$13m to \$15m
Potential Indiana share based on proximity to Cuba (25 percent boost)
9% = \$16m to \$18m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**
Potential US capture of soybeans:
50% = \$34.5m
80% = \$55m
Potential Indiana share based on its percent of all U.S. soybean exports 2015
8% = \$2.7m to \$4.4m
Potential Indiana share based on proximity to Cuba (25 percent boost)
10% = \$3.4m to \$5.5m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**
Potential US capture of Cuban soybean meal market:
50% = \$67m
80% = \$107m
Potential Indiana share based on its percent of all U.S. soybean exports 2015
8% = \$5.3m to \$8.5m
Potential Indiana share based on proximity to Cuba (25 percent boost)
10% = \$6.7m to \$10.7m

INDIANA POTENTIAL ANNUAL AG SALES TO CUBA: \$21 million to \$34 million

IOWA

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5 m**
Potential US capture:
80% = \$180m
90% = \$202m
Potential Iowa share based on its percent of all U.S. corn exports 2015
16% = \$29 m to \$32 m
Potential Iowa share based on proximity to Cuba (25 percent boost)
20% = \$36 m to \$40 m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**
Potential US capture soybeans:
50% = \$34.5m
80% = \$55m
Potential Iowa share based on its percent of all U.S. soybean exports 2015
13% = \$4.5m to \$7m
Potential Iowa share based on proximity to Cuba (25 percent boost)
16% = \$5.5m to \$9m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**
Potential US capture soybean meal:
50% = \$67m
80% = \$107m
Potential Iowa share based on its percent of all U.S. soybean exports 2015
13% = \$9m to \$14m
Potential Iowa share based on proximity to Cuba (25 percent boost)
16% = \$11m to \$16m

IOWA POTENTIAL ANNUAL AG SALES TO CUBA: \$42.5 million to \$65 million

KANSAS

WHEAT

Average annual Cuban imports of Wheat 2010-2014 = \$237.5m

Potential US capture:

50% = \$119m

75% = \$178m

Potential Kansas share based on its percent of all U.S. wheat exports 2015

9.4% = \$11 m to \$16 m

Potential Kansas share based on proximity to Cuba (25 percent boost)

12% = \$14 m to \$21 m

CORN

Average annual Cuban imports of Corn 2012-2014 = \$225.5 m

Potential US capture:

80% = \$180m

90% = \$202m

Potential Kansas share based on its percent of all U.S. corn exports 2015

4% = \$7.2 m to \$8 m

Potential Kansas share based on proximity to Cuba (25 percent boost)

5% = \$9 m to \$10 m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = \$69m

Potential US capture soybeans:

50% = \$34.5m

80% = \$55m

Potential Kansas share based on its percent of all U.S. soybean exports 2015

3.4% = \$1.2m to \$1.9m

Potential Kansas share based on proximity to Cuba (25 percent boost)

4.2% = \$1.4m to \$2.3m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = \$134m

Potential US capture soybean meal:

50% = \$67m

80% = \$107m

Potential Kansas share based on its percent of all U.S. soymeal exports 2015

3.4% = \$2.3m to \$3.6m

Potential Kansas share based on proximity to Cuba (25 percent boost)

4.2% = \$2.8m to \$4.5m

KANSAS POTENTIAL ANNUAL AG SALES TO CUBA: \$22 million to \$38 million

LOUISIANA

RICE

Average annual Cuban imports of Rice 2012-2014 = **\$174m**

Potential US capture:

50% = \$87m

Potential Louisiana share based on historic sales of rice to Cuba 2004-2016

49% = \$43 m

Potential Louisiana share based on percent of all U.S. rice exports 2015

13.5% = \$12 m

Potential Louisiana share based on proximity to Cuba (50 percent boost)

20% = \$17 m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**

Potential US capture:

50% = \$34.5m

80% = \$55m

Potential Louisiana share based on historic sales of soybeans to Cuba

2004-2016

26% = \$9m to \$14.3m

Potential Louisiana share based on percent of all U.S. soybean production 2015

.6% = \$200,000 to \$330,000

Potential Louisiana share based on proximity to Cuba (50 percent boost)

1% = \$350,000 to \$550,000

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**

Potential US capture soybean meal:

50% = \$67m

80% = \$107m

Potential Louisiana share based on historic sales of soybean meal to Cuba

2004-2016

44% = \$29.5m to \$47m

Potential Louisiana share based on percent of all U.S. soybean meal production 2015

.6% = \$400,000 to \$600,000

Potential Louisiana share based on proximity to Cuba (50 percent boost)

1% = \$670,000 to \$1m

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**

Potential US capture:

80% = \$180m

90% = \$202m

Potential Louisiana share based on historic sales of corn to Cuba 2004-2016

85% = \$153m to \$172m

Potential Louisiana share based on percent of all U.S. corn production 2015

.4% = \$720,000 to \$800,000

Potential Louisiana share based on proximity to Cuba (50 percent boost)

.6% = \$1m to \$1.2m

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**

Potential US capture:

50% = \$103m

65% = \$134m

Potential Louisiana share based on historic sales of poultry to Cuba

2004-2016

19% = \$19m to \$25.5m

Potential Louisiana share based on percent of all U.S. poultry production 2015

3% = \$3m to \$4m

Potential Louisiana share based on proximity to Cuba (50 percent boost)

5% = \$5m to \$6.7m

LOUISIANA POTENTIAL ANNUAL AG SALES: \$253 million to \$302 million (\$24 million to \$27 million local)

MINNESOTA

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**

Potential US capture:

50% = \$34.5m

80% = \$55m

Potential Minnesota share based on its percent of all U.S. soybean exports 2015

8.5% = \$3m to \$5m

Potential Minnesota share based on proximity to Cuba (25 percent boost)

10.6% = \$3.6m to \$6m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**

Potential US capture:

50% = \$67m

80% = \$107m

Potential Minnesota share based on its percent of all U.S. soybean meal exports 2015

8.5% = \$5.7m to \$9m

Potential Minnesota share based on proximity to Cuba (25 percent boost)

10.6% = \$7m to \$11m

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**

Potential US capture:

80% = \$180m

90% = \$202m

Potential Minnesota share based on its percent of all U.S. corn exports 2015

8% = \$14m to \$16m

Potential Minnesota share based on proximity to Cuba (25 percent boost)

10% = \$18m to \$20m

DAIRY

Average annual Cuban imports of Dairy 2012-2014 = **\$187m**

Potential US capture:

50% = \$93.5m

Potential Minnesota share based on its percent of all U.S. dairy exports 2015

4.6%=\$4.3m

Potential Minnesota share based on proximity to Cuba (25 percent boost)

6%=\$5.6m

WHEAT

Average annual Cuban imports of Wheat 2012-2014 = **\$257m**

Potential US capture:

50% = \$129m

75% = \$193m

Potential Minnesota share based on its percent of all U.S. wheat exports 2015

2.4%=\$3 m to \$4.6m

Potential Minnesota share based on proximity to Cuba (25 percent boost)

3%=\$4m to \$6m

MINNESOTA POTENTIAL ANNUAL AG SALES TO CUBA: \$30 million to \$49 million

MISSISSIPPI

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**

Potential US capture:

50% = \$103m

75% = \$154m

Potential Mississippi share based on its percent of all U.S. poultry exports 2015

8.5% = \$8.8m to \$11.4m

Potential Mississippi share based on proximity to Cuba (25 percent boost)

10% = \$10 m to \$15 m

RICE

Average annual Cuban imports of Rice 2012-2014 = **\$174m**

Potential US capture:

50% = \$87m

Potential Mississippi share based on its percent of all U.S. rice exports 2015

5% = \$4.4 m

Potential Mississippi share based on proximity to Cuba (25 percent boost)

6% = \$5 m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**

Potential US capture:

50% = \$34.5m

80% = \$55m

Potential Mississippi share based on its percent of all U.S. soybean exports 2015

3%=\$1m to \$1.5m

Potential Mississippi share based on proximity to Cuba (25 percent boost)

4%=\$1.4m to \$2m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**

Potential US capture:

50% = \$67m

80% = \$107m

Potential Mississippi share based on its percent of all U.S. soybean meal exports 2015

3%=\$2m to \$3m

Potential Mississippi share based on proximity to Cuba (25 percent boost)

4%=\$2.7m to \$4m

MISSISSIPPI POTENTIAL AG SALES TO CUBA: \$16 million to \$26 million

MISSOURI

RICE

Average annual Cuban imports of Rice 2012-2014 = **\$174m**

Potential US capture:

50% = \$87m

Potential Missouri share based on its percent of all U.S. rice exports 2015

5.6% = \$4.9 m

Potential Missouri share based on proximity to Cuba (25 percent boost)

7% = \$6 m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**

Potential US capture:

50% = \$34.5m

80% = \$55m

Potential Missouri share based on its percent of all U.S. soybean exports 2015

5.7% = \$2m to \$3m

Potential Missouri share based on proximity to Cuba (25 percent boost)

7% = \$2.4m to \$3.8m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**

Potential US capture:

50% = \$67m

80% = \$107m

Potential Missouri share based on its percent of all U.S. soybean meal exports 2015

5.7% = \$3.8m to \$6m

Potential Missouri share based on proximity to Cuba (25 percent boost)

7% = \$5m to \$7.5m

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**

Potential US capture:

80% = \$180m

90% = \$202m

Potential Missouri share based on its percent of all U.S. corn exports 2015

3.8%=\$6.8m to \$7.7m

Potential Missouri share based on proximity to Cuba (25 percent boost)

4.8% = \$8.6m to \$9.7m

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**

Potential US capture:

50% = \$103m

65% = \$134m

Potential Missouri share based on its percent of all U.S. soybean exports 2015

2.6% = \$2.7m to \$3.5m

Potential Missouri share based on proximity to Cuba (25 percent boost)

3% = \$3m to \$4m

MISSOURI POTENTIAL ANNUAL AG SALES TO CUBA: \$20 million to \$31 million

NEBRASKA

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**

Potential US capture:

80% = \$180m

90% = \$202m

Potential Nebraska share based on its percent of all U.S. corn exports 2015

11.4% = \$20.5m to \$23m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**

Potential US capture:

50% = \$34.5m

80% = \$55m

Potential Nebraska share based on its percent of all U.S. soybean exports 2015

7.3% = \$2.5m to \$4m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**

Potential US capture:

50% = \$67m

80% = \$107m

Potential Nebraska share based on its percent of all U.S. soymeal exports 2015

7.3% = \$4.9m to \$7.8m

BEEF

Average annual Cuban imports of beef 2012-2014 = **\$12m**

Potential US capture:

50% = \$6m

Potential Nebraska share based on its percent of all U.S. beef exports 2015

16% = \$1

NEBRASKA POTENTIAL ANNUAL AGRICULTURE AG SALES TO CUBA: \$28 million to \$36 million

NORTH CAROLINA

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**

Potential US capture:

50% = \$103m

75% = \$154m

Potential North Carolina share based on its percent of all U.S. poultry exports 2015

12% = \$12m to \$18.5m

Potential North Carolina share based on proximity to Cuba (25 percent

boost)

15% = \$15m to \$23m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**

Potential US capture:

50% = \$34.5m

80% = \$55m

Potential North Carolina share based on its percent of all U.S. poultry exports 2015

1.6% = \$550,000 to \$880,000

Potential North Carolina share based on proximity to Cuba (25 percent boost)

2% = \$690,000 to \$1.1m

WHEAT

Average annual Cuban imports of Wheat 2012-2014 = **\$257m**

Potential US capture:

50% = \$129m

75% = \$193m

Potential North Carolina share based on its percent of all U.S. poultry exports 2015

1% = \$1.2m to \$2m

Potential North Carolina share based on proximity to Cuba (25 percent boost)

1.25% = \$1.6m to \$2.4m

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**

Potential US capture:

80% = \$180m

90% = \$202m

Potential North Carolina share based on its percent of all U.S. poultry exports 2015

.8% = \$1.4m to \$1.6m

Potential North Carolina share based on proximity to Cuba (25 percent boost)

1% = \$1.8m to \$2m

PORK

Average annual Cuba imports of Pork 2012-2014 = \$15.5m

Potential US capture:

50% = \$7.5m

Potential North Carolina share based on its percent of all U.S. poultry exports 2015

11% = \$820,000

Potential North Carolina share based on proximity to Cuba (25 percent boost)

14% = \$1m

NORTH CAROLINA POTENTIAL ANNUAL AG SALES TO CUBA: \$17 million to \$29.5 million

NORTH DAKOTA

WHEAT

Average annual Cuban imports of Wheat 2012-2014 = **\$257m**

Potential US capture:

50% = \$129m

75% = \$193m

Potential North Dakota share based on its percent of all U.S. wheat exports 2015

11.5% = \$15 m to \$22m

SOYBEANS

Average annual Cuban imports of Soybeans 2012-2014 = **\$69m**

Potential US capture:

50% = \$34.5m

80% = \$55m

Potential North Dakota share based on its percent of all U.S. soybean exports 2015

4.6% = \$1.6m to \$2.5m

SOYMEAL

Average annual Cuban imports of Soybean meal 2012-2014 = **\$134m**

Potential US capture:

50% = \$67m

80% = \$107m

Potential North Dakota share based on its percent of all U.S. soymeal exports 2015

4.6% = \$3.1m to \$5m

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**

Potential US capture:

80% = \$180m

90% = \$202m

Potential North Dakota share based on its percent of all U.S. soymeal exports 2015

2%: \$3.6m to \$4m

DRY BEANS

Average annual Cuban imports of dry beans 2012-2014 = **\$61m**

Potential US capture:

50% = \$30.5m

Potential North Dakota share based on its percent of all U.S. dry bean production 2016

27% = \$8m

NORTH DAKOTA POTENTIAL ANNUAL AG SALES TO CUBA: \$31 million to \$42 million

TEXAS

WHEAT

Average annual Cuban imports of Wheat 2012-2014 = **\$257m**

Potential US capture:

50% = \$129m

75% = \$193m

Potential Texas share based on its percent of all U.S. wheat production 2015

3% = \$3.9m to \$5.8

Potential Texas share based on its percent of all U.S. wheat exports to the Caribbean 2012-16

9% = \$11.6 to \$17m

RICE

Average annual Cuban imports of Rice 2012-2014 = **\$174m**

Potential US capture:

50% = \$87m

Potential Texas share based on its percent of historic wheat sales to Cuba 40% = \$34.8m

Potential Texas share based on its percent of all U.S. rice exports

5% = \$4.3m

Potential Texas share based on its percent of U.S. rice exports to Caribbean 2012-16

5% = \$4.3m

DAIRY

Average annual Cuban imports of Dairy 2012-2014 = **\$187m**

Potential US capture:

50% = \$93.5m

Potential Texas share based on its percent of historic dairy sales to Cuba 76% = \$71m

Potential Texas share based on its percent of all U.S. dairy exports 2015

5% = \$4.7m

Potential Texas share based on proximity to Cuba (25 percent boost)

6.5% = \$6m

w

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**

Potential US capture:

50% = \$103m

65% = \$134m

Potential Texas share based on its percent of all U.S. dairy exports 2015

7% = \$7m to \$9.4m

Potential Texas share based on proximity to Cuba (25 percent boost)

9% = \$9m to \$12m

CORN

Average annual Cuban imports of Corn 2012-2014 = **\$225.5m**

Potential US capture:

80% = \$180m

90% = \$202m

Potential Texas share based on its percent of all U.S. corn exports 2015

2.5% = \$4m to \$4.1m

Potential Texas share based on proximity to Cuba (25 percent boost)

3% = \$5.4m to \$6m

TEXAS POTENTIAL ANNUAL AG SALES TO CUBA: \$24 million to \$45 million

VIRGINIA

SOYBEANS

Average annual Cuban imports of soybeans 2012-2014 = **\$69m**

Potential US capture

50% = \$34.5m

80% = \$55m

Potential Virginia share based on historic sales of soybeans to Cuba 2004-2016

64% = \$22m to \$35m

Potential Virginia share based on its percent of all U.S. soybean exports 2015

.6% = \$200k to \$330k

SOYMEAL

Average annual Cuban imports of soymeal 2012-2014 = **\$134m**

Potential US capture:

50% = \$67m

80% = \$107m

Potential Virginia share based on historic sales of soymeal to Cuba 2004-2016

23% = \$15m to \$24m

Potential Virginia share based on its percent of all U.S. soymeal exports 2015

.6% = \$400,000 to \$600,000

POULTRY

Average annual Cuban imports of Poultry 2012-2014 = **\$206m**

Potential US capture:

50% = \$103m

75% = \$134m

Potential Virginia share based on its percent of all U.S. poultry exports 2015

3% = \$3m to \$4m

Potential Virginia share based on proximity to Cuba (25 percent boost)

4% = \$4m to \$5.3m

VIRGINIAN POTENTIAL ANNUAL AG SALES TO CUBA: \$41 million to \$64 million (\$6 million grown in Virginia)

CUBATRADE

1 Biscayne Tower. 2 South Biscayne Blvd. Suite 2450. Miami FL 33131. Tel: 786.206.8254
thirdcirclemedia.com cubatrademagazine.com