



United States
Department of
Agriculture

Foreign
Agricultural
Service

A Trade Success Story in Rural America

June 2010



An aerial view of Patriot Renewable Fuels in Annawan, Illinois.

There probably aren't too many people outside of western Illinois who have even heard of the village of Annawan. But there is something very exciting happening in this community of 868 people. In this picturesque farming town, a local business is using ingenuity and technology to take advantage of new trade opportunities around the world to help create jobs and rebuild the American economy.

Annawan is home to Patriot Renewable Fuels, a relatively young ethanol production facility that in its first year of existence produced 107 million gallons of ethanol – enough fuel to power over 100,000 automobiles. But just as importantly is the plant's production of DDGS, or distillers dried grain with solubles, a byproduct of the ethanol process that is used as high protein livestock feed.

Last year, Patriot earned over \$35 million exporting DDGS and created 52 new jobs in Annawan. That's 52 new paychecks – or one for every 17 residents of this small town in western Illinois.

And Patriot Renewable Fuels is only one of a host of American companies exporting this agricultural commodity. Total U.S. DDGS exports to the world could reach more than \$1 billion this fiscal year – and the pace of shipments over the first six months of 2010 is 53 percent greater than for the same period last year.

Take DDGS exports to China as an example. Exports have soared through the first half of the fiscal year, totaling 686,000 tons compared to just 5,000 tons during the same period last year. The total value of the DDGS exports is \$136 million compared to less than \$1 million last year. Though DDGS represent a small portion of the overall U.S. agricultural export forecast to China (\$11.7 billion), they are a new and potentially significant growth product. So while sales of U.S. corn to China have attracted much attention, the significant surge in DDGS exports has been mostly unnoticed by analysts.

Put simply, agricultural exports of all kinds mean jobs here in the United States. Every \$1 billion in agriculture exports supports roughly 8,000 jobs in the United States, meaning that DDGS exports have created 8,000 jobs. That is why USDA's Foreign Agricultural Service is working so hard to meet the goal of the President's National Export Initiative (NEI) – doubling exports in the next five years.

[Learn more about NEI here.](#)

