



For more information, please contact or visit:

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# CORN

## A Commodity Profile



# CORN

Corn (*Zea mays*) is one of the most important crops in the country. It is grown in all parts of the country particularly in Cagayan Valley and Mindanao. In region 8, white corn is being produced in all provinces while yellow corn gains acceptance to local farmers and is now vastly grown in the region's prime cornlands.



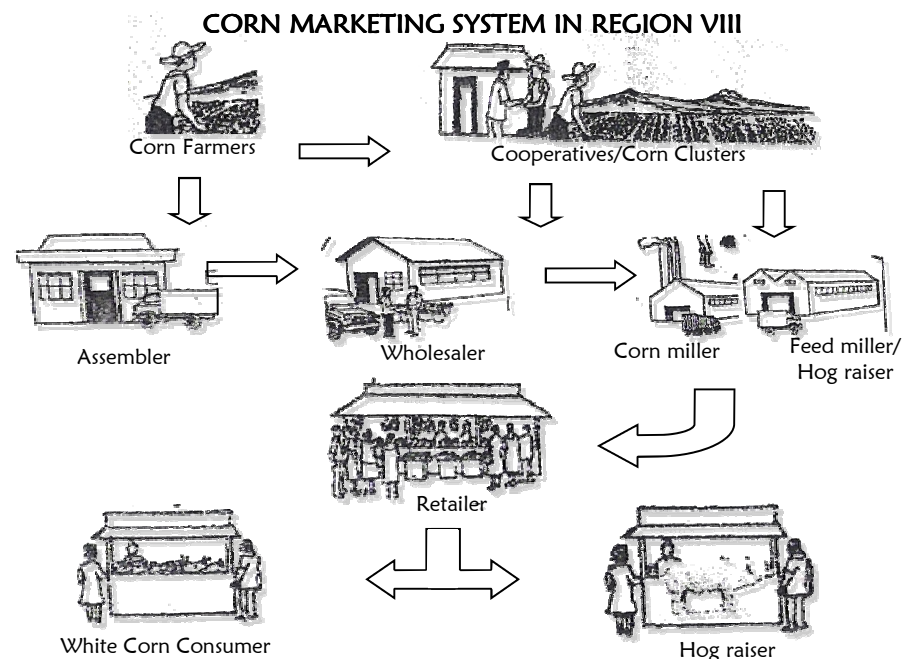
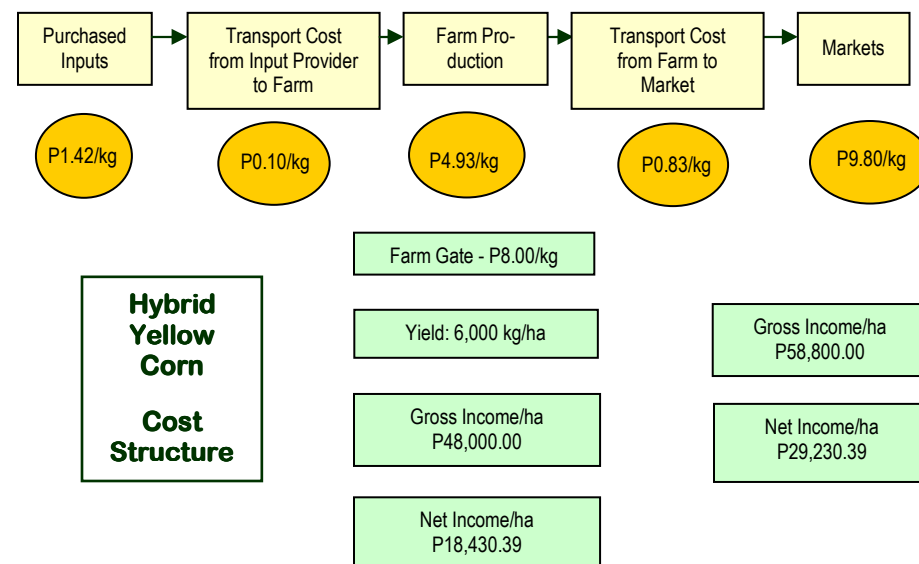
Corn grains...

**Prospects and Uses.** Aside from the low corn grain commodity, high value corn-based products like cornstarch, corn oil, noodles, gluten and snack foods are great prospects in the corn industry. Corn stover can be used as feeds for ruminants and corn stalks can be processed into fiber and paper. Another promising venture on corn is adding value on processing of mixed feed for livestock and poultry production, which requires much of the yellow corn.

**Marketing Flow and Prices.** Generally, the marketing of corn grains flows from farmers to assemblers then to corn millers, to retailers and finally to the consumers.

From the small farmers, the assemblers buy their produce and usually dictates the price of the grains. Farmers prefer to sell their grains to the assemblers to avoid additional transport and marketing cost that they (farmers) will incur.

Assemblers usually sell the grains to the wholesalers, usually corn millers, in which the latter distribute the processed goods (corn grits, etc.) to the retailers and consumers. However, some of them directly purchase grains from corn growers.



LIST OF CORN BUYERS IN REGION 8

COMPANY NAME/CONTACT PERSON	ADDRESS/CONTACT NO.
1. Bontoc MPC Mr. Ernesto Aliling	Bontoc, So., Leyte Telefax: 382-3097
2. Central Rice & Corn Mill Mr. Florencio C. Burca/Judy Burca	Real St., Ormoc City Tel. No. 561-8519;255-4367
3. Chu Liante Mr. Loloy Chu	Ormoc City Tel. No. 255-2573; 561-8229
4. Cocovalley Swine Farm Mr. Allan Cabigon	c/o Pawing Milling, Pawing Palo, Leyte
5. Burauen Marketing Mr. Yu Kian Hung	Tacloban City Tel. No. 321-2181
6. Albarico Milling Mr. Michael Albarico	Baybay, Leyte
7. VISCA Pilot Feedmill c/o PRC-RTC	LSU, VISCA, Baybay, Leyte Tel. No. 335-2616
8. Mrs. Trinidad Laurente	Laurente Farms, Kananga, Leyte / (053) 553-9491
9. Mr. Mike Tanguay	Brgy. San Juan, Palompon, Leyte Cel. No. 0916-734-3935
10. Fergino Trading Mr. Ferdinand Borela	Kananga, Leyte 553-5532
11. SANVIC Enterprises Mr. Vicente Foraque	Rizal St., Sa Isidro, N. Samar
12. JUSTMAR Marketing c/o Julio Co	Calbayog City 209-3888
13. New Danielle Trading c/o MR. Robert Lao	Catbalogan, Samar
14. Orlando Uy	Catbalogan, Samar
15. TIAK HENG Poultry & Livestock, Inc. c/o Mr. Jaime Go Source: AMAAD Directories 2005	Brgy. Cabalawan, Tacloban City (053) 520-0628/ 0918-918-2838
16. TNG Palay & Rice Dealer c/o Nita Gabas	Brgy. Libertad, Ormoc City
17. Quilantang Rice & Corn Mill	Brgy. Lilo-an, Ormoc City
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18. SMC B-MEG Ernie Zalavaria	Marasbaras, Tacloban City Tel No. (053) 323-4345

Wholesalers usually have competitive prices than the assemblers and can attract large scale farmers. Better prices encourage more farmers to produce in large quantities.

Recently, different corn farm clusters engaged in yellow corn production have been pooling their resources and volume of produce and sell it directly to identified corn buyers in the region.

**Opportunities and Threats.** The region’s relatively strong and stable poultry and livestock industry ensures a demand for corn feeds thus local production of corn is encouraged and linkages among corn farmers’ cooperatives/associations and certain buyers/users have been initiated.

Farmers’ cooperatives and associations are also encouraged to be entrepreneurs and to do the marketing of corn in order to shy away traders who are taking advantage and buying corn at very low prices from farmers and sell it at skyhigh prices.

The insufficient supply of locally produced of corn challenges us to boost our production and meet the ever increasing demand. The influx of imported corn shall be taken as a warning for us to compete and develop our own capacity to produce.

**Cultural Management Practices**

**Land Preparation.** Prepare land thoroughly by plowing 1-2 times followed by 2-3 times harrowing. When a tractor is used, plow the soil 14-16 cm deep. Make furrows 8 cm deep, 75 cm apart, a day before planting.

**Planting.** Normally, recommended distance between rows is 75 cm. the spacing between hills varies. When hills are spaced 25 cm, maintain one plant in each hill and two plants when hills are spaced 50 cm. If the area for planting is relatively flat, orient

the row towards an East-West direction so the plant can minimize the light energy. For a sloppy area, arrange rows perpendicular to the slope to minimize soil erosion. You need about 20 kg of good quality seeds to plant a hectare following the recommended planting distance.

**Fertilization.** The rate of fertilizer should be based on the results of the soil analysis. If the soil did not undergo analysis, apply 4 bags of 14-14-14 per hectare in the furrows and cover it with a thin layer of soil. Twenty five to thirty days after planting, sidedress with 4 bags ammonium sulfate or 2 bags of urea. Cover the fertilizer immediately by shallow hilling up.

**Thinning.** Thin seedlings to one or two plants per hill depending on the chosen planting distance 20 days after planting.

**Weed Control.** Right after thinning, do shallow cultivation/off baring and spot weeding to effectively control weeds.

**Insect Pest and Disease Control.** The most destructive insect pest on corn is the corn borer the most devastating disease is the downy mildew. Corn borer heavily infests plants much during rainy seasons than in dry season. Follow the integrated pest management (IPM) approach against corn borers which is a combination of several control and preventive measures such as sanitation and use of tolerant varieties, biological agents and insecticides. During flowering stage, detassel 75 percent of the plants, three rows in every four rows. Prevent downy mildew by treating the seeds with fungicides before planting; using resistant varieties; practicing sanitation by rouging out infected plants.

## LIST OF CORN FARM CLUSTERS/PRODUCERS

CLUSTER NAME	LOCATION	CONTACT PERSON
1. Corn Farm Cluster II	Mahaplag, Leyte	C/O Ms. Elpedia Pausanos Mun. Agric'l Officer Municipal Agriculture Office Mahaplag, Leyte
2. Corn Cluster III Farmers Association	Brgy. Casandig, Paranas, Samar	Mr. Loreto Polinar Mun. Agric'l Officer
3. Ormoc City Cluster IV Farmers Association BIARC (Boroc-Ipil Agrarian Reform Coop)	Ormoc City	Mario Pilapil Chairman  Ms. Imelda Remollo OIC-CASO Ormoc City
4. Bontoc-Matalom Corn Bluster (BMCB) Cluster V	Brgy. Pamahawan Bontoc, So. Leyte  Matalom, Leyte	Mr. Erwin Timkang Chairman  Mrs. Ruth Opina Mun. Agric'l Officer  Mrs. Letecia Gerona Mun. Agric'l Officer
5. Maydolong - Balangkayan Corn Producers Asso. (MBCPA) 8th Farm Cluster	Maydolong-Balangkayan E. Samar  Balangkayan, E. Samar	Mr. Luis Azura Chairman  Mr. Victoria Rocamora Mun. Agric'l Officer Maydolong, E. Samar  Leo Baris Mun. Agric'l Officer Municipal Agriculture Office Balangkayan, E. Samar
6. Corn Farm Cluster VII	Brgy. Sto. Niño-Visares, Capoocan, Leyte	Mr. Manuel Celes Mun. Agric'l Officer Capoocan, Leyte  Mr. Ursulo de la Peña Chairman
7. FECARB Corn Farm Cluster	Brgy. Busali, Biliran	Mr. Fred Bartolome Chairman  Mrs. Rustica Fuentes MAO, Biliran

Furrowing (3 MAD)@ P250.00	750.00	
Planting 10 MD@P100/day	1,000.00	
		4,750.00
<b>Cultural Mgt. Practices</b>		
Side Dressing # MD	300.00	
Off-barring (3x @ P250/d)	750.00	
Hilling-up ((3x @ P250/d)	750.00	
Thinning/Replanting (2 MD)	200.00	
Detasseling (3MD)	300.00	
Spraying (2MD)	200.00	
Harvesting 10 MD@ P100/day	1,000.00	
		3,500.00
<b>Post Production</b>		
Hauling (P300/trip)	1,500.00	
Shelling (120 x @20/bag)	2,400.00	
Drying (120 x @ 25/bag)	3,000.00	
Sacks & Straw	910.00	
		7,810.00
	<b>Sub-Total</b>	24,569.61
<b>Marketing Cost</b>		5,000.00
	<b>Total Cost</b>	29,569.61
<b>Net Returns</b>		29,230.39
<b>Breakeven Price/kg Produced</b>		4.93
<b>ROI</b>		98.85%
<b>Insurance Cost (7.42% of Cost), optional</b>		
<b>ONE HECTARE CORN PRODUCTION</b>		
<b>(OPV, 1 hectare, 1 cropping)</b>		
<b>Estimated Revenue</b>		
3.5 tons x 1000 kg/ton@ P9.80/kl		P34,300.00
<b>Less: Costs</b>		
<b>Inputs</b>		
Seeds	P700.00	
BIO-N 5 packs @ P60/pack	300.00	
<b>Fertilizers:</b>		
Ammophos (2 bags @ P1,500/bag)	3,000.00	
Urea 1/2 bag @ P937.58/bag	468.79	
Commercial organic fertilizer (5 bags @ P280/bag)	1,400.00	
Insecticide (1/2 ltr)	640.82	
		6,509.61
<b>Labor Services</b>		
Plowing 1 pass @ P1,600/ha	1,600.00	
Harrowing 1 pass @ P1,400/ha	1,400.00	

**Harvesting.** For grain production, pick and dehusk the ears right at the field. Dry the ears for 2-3 days until moisture content allows convenient shelling. Dry the shelled grains to 14% moisture content to avoid mold formation and for better grain storage. For table/fresh consumption, harvest immature but fully developed ears. Grains are mature when these turn shiny and hard.

### Government/Non-Government Support Services

1. The Department of Agriculture, Regional Field Unit No. 8, through its Ginintuang Masaganang-Ani Corn Program extends assistance to corn farm clusters through market driven and farmer focused activities.

Technology demonstrations on corn-based research and development had been continually done to showcase recent corn research updates. Eventually, it convinced farmers to adopt such agricultural packaged technology.

Corn Farm Clusters have been developed and organized in the identified major corn land areas in the region to ease channeling of assistance either technical and or other forms such as the acquisition of fixed assets and machineries. Such system also helps farmers obtain economies of scale and ease in transacting business to private and the government sectors.

2. The Philippine Crop Insurance Corporation (PCIC) included corn in their insurance coverage for the farmers to at least re-

cover losses in time of calamities.

3. The QUENDANCOR offers production loans to existing cooperatives with a good track record of debt servicing. They also offer credit guarantee to farm inputs under the Ginintuang Masaganang-Ani Corn Program.

4. The Landbank of the Philippines also offers production loan assistance to corn farmers through existing viable cooperative.

5. The National Food Authority (NFA) offers assistance to corn farmers during post harvest season, lending their postharvest facilities like mechanical dryers at a minimal cost and a seed bodega for their corn grains. NFA also purchase grains at a certain minimum volume with some incentives given to farmers.

6. Private companies have cropped up to engage in growing schemes and/or extend other forms of assistance to groups of corn farmers.

### ESTIMATED COST AND RETURNS FOR ONE HECTARE CORN PRODUCTION (ONE CROPPING)

Assumptions:

1. Planting materials (seeds) used for one (1) hectare production is 20 kg.
2. OPV seeds are priced at P35.00 per kilo.
3. Hybrid seeds are priced at P2,700 per bag of 20 kg.
4. Insecticide used is at P1,281.64 per liter.
5. Selling Price of grains is at P9.80/kg.
6. BIO-N is priced at P60.00/ pack
7. Labor rate per day is as follows:

MD	-	P100.00
MAD	-	250.00
MMD	-	250.00

8. Fertilizer rate are as follows:

16-0-0	-	940/bag
14-14-14		830/bag

9. Lot Price for Tractor/ Planter/ Shellers/ Mechanical Drier Services

Plowing (1 pass)	-	1,600.00/ha
Harrowing (1 pass)	-	1,400.00/ha
Off-barring (1 pass)	-	250/MAD
Hilling up (1 pass)	-	250/MAD
Planter	-	800.00/ha
Sheller	-	20.00/bag of 50 kg
Mechanical Drier	-	25.00/bag of 50 kg

10. Selling price of grains is at P9.80/kg.

11. Hauling cost per trip is P300.00

12. Insurance premium is 7.42% for all cost incurred in production.

13. OPV yield is 3.5 tons/ha and hybrid is expected to be at 6 tons per hectare.

14. Empty sacks is priced at P7.00 per piece.

15. Straw used to seal the sacks is P70.00 per kilo.

### ONE-HECTARE HYBRID CORN PRODUCTION (SEMI-MECHANIZED, ONE CROPPING)

#### Estimated Revenue

6 tons x 1000kg/ton @ P9.80 P58,800.00

#### Less: Costs

Seeds	2,700.00	
BIO-N 5 packs@ P60/pack	300.00	
Fertilizer		
Ammophos 2 bags @ P1,500/bag	3,000.00	
Urea 1/2 bag @ P937.58/bag	468.79	
Commercial organic fertilizer @ P280/bag	1,400.00	
Insecticide (1/2 ltr) @ P640.82	640.82	
		8,509.61

#### Labor/Tractor Services

Land Preparation		
Plowing 1 pass@ P1,600/ha	1,600.00	
Harrowing 1 pass/ha	1,400.00	