Growing Specialty Soybeans Makes More “Cents!”

Selling differentiated soybeans can bring in extra revenue without having to expand acres. Isn’t it time you looked into getting more per bushel?

Visit SoybeanPremiums.org to see which incentive program is the best benefit for you.
Help Secure a Place for Livestock in Illinois
Illinois soybean farmers grow more than 400 million bushels a year. As production grows, so must the customer base.

Early Practices Set Stage for Higher Yields
As the Illinois Soybean Yield Challenge has proven, Illinois farmers have the potential to harvest massive soybean crops – 2011’s top Yield Challenge yield was 84 bushels per acre. Early management is one of the keys to success.

Social Commitment Crucial to Success
Sustainability is top of mind with Illinois soybean customers around the world. Illinois soybean farmers want customers to know that sustainability has always been a priority.

FTAs Expand U.S. Soy Market Access
Free trade agreements open doors for U.S. meat and poultry sales, which increases demand for Illinois soybeans.

Bigger Soy Export Loads Raise Questions
More bushels of Illinois soybeans may be able to pass through the Panama Canal after its expansion is complete in 2014. But what does that mean for in-state logistics?

Illinois Lawmakers Support Biodiesel
Illinois lawmakers voiced their beliefs in biodiesel last December, with passage of legislation that extends the state’s biodiesel sales tax exemption for another five years. That’s good news for Illinois soybean farmers.

Giving Back Through Decades of Service
Discover what some Illinois soybean farmers find is the value in volunteerism.

Pork and Beans are Classic Illinois Combination
Pork and beans has traditionally been known as a cowboy menu staple. Today, the classic combination still holds an inherent, albeit slightly different, connection in Illinois. And it still finds its way to customer plates.
Let’s Develop Young Soybean Leaders

As chairman of the Illinois Soybean Association, I have been grateful to rely on leadership training I have received. I draw frequently on the experiences I obtained from structured leadership development programs, whether it is running a meeting, speaking with media, or even having an effective one-on-one discussion with another farmer or soybean customer.

For example, I and several other board members participated in the Illinois Agricultural Leadership Program (IALP), whose mission is to develop knowledgeable and effective leaders to become policy and decision makers within agriculture. Because of that and other opportunities available to me, I was pleased to see the Illinois Beef Association create a Young Producer Council last summer. Getting young people involved in commodity groups seems to be an ongoing problem statewide.

The beef group is attracting producers between the ages of 18 and 35 and others “young at heart” and interested in the cattle industry. IBA hopes the council will encourage young producers to get involved, interact with other producers their age, give them access to state beef leaders and be challenged and prepared to take on responsibilities at the next level. The council meets at least every other month for educational, fun sessions that incorporate networking and socializing.

I would encourage young soybean farmers to get more involved with our industry as well. ISA offers the Soy Leaders program, which was established for farmers interested in gaining the expertise, exposure and perspective critical to becoming an effective soybean industry leader. ISA currently is accepting applications for the 2012-13 program. The application, along with the requirements for the 10 open positions, is available at our website, www.ilsoy.org.

ISA also has a Soy Leaders task force where young people can become involved. The task force helps spearhead ISA’s membership recruitment efforts. We hope to have a Soy Leader in every Illinois county who will travel to trade shows, meetings and fairs to promote the value of association membership. Information on this program is available on our website as well.

ISA is a sponsor of the IALP program, which is currently recruiting its 2014 class. Applications are due by March 31, 2012, and more information can be found at www.agleadership.org.

Finally, for a little inspiration as you read through Illinois Field & Bean, I would direct you to the leadership page. Since the first issue of our new magazine, ISA has featured soybean farmers sharing their experiences with ISA leadership. ISA has six board positions opening up in 2012 that I would like to see filled with enthusiastic, progressive farmers. Won’t you consider getting involved with leadership and helping direct the future of our industry?
Building American Agriculture’s Sustainable Future

Growing up on my family’s diversified livestock farm in the heart of the “winter garden area” of Southwest Texas, I developed a great appreciation for the deep connection between raising crops, vegetables and animals. Although my passion always drew me to the animal side of agriculture, and I now lead the country’s oldest and largest national cattlemen’s organization, I believe more than ever in the need to work together to build a sustainable future for the next generation of American agriculture.

Our future is in peril. Not so much by attacks from activist organizations, but by a growing divide between those who raise food and those who consume it. While we have gone about our business of finding ways to produce more food—more bushels per acre, more beef per animal—while maintaining the highest quality for the lowest cost, consumer expectations have changed.

Consumers expect more than safe, nutritious food. They demand continuous improvement, transparency and answers to tough questions from those who raise it. That is why the National Cattlemen’s Beef Association (NCBA) and beef checkoff have partnered with more than 50 other ag groups, including ISA, to form the U.S. Farmers and Ranchers Alliance (USFRA). According to a USFRA survey, 72 percent of consumers say they know very little or nothing about farming and ranching. Yet, 76 percent say how food is raised influences their choices.

The beef community is proud to work alongside fellow farmers and ranchers to help ensure our sustainable future. We have long believed in the value of farmer and rancher voices, creating the checkoff-funded Masters of Beef Advocacy (MBA) grassroots spokesperson training program to build a nationwide network of grassroots advocates. More than 2,500 MBA graduates contribute to USFRA’s mission, bridging the gap between food choices and production practices.

Together, we are starting a new conversation about how food is raised; one that reconnects farmers and ranchers with consumers. USFRA has achieved several important milestones in a short period of time. In September 2011, the Food Dialogues reached millions of consumers through media coverage, thousands of visitors to the FoodDialogues.com website and “likes” on the corresponding Facebook page. During the holidays, USFRA reached more than 78 million people through a partnership with Discovery Networks to create and air three video vignettes featuring farmers and ranchers answering consumers’ pressing questions.

We’ve just launched F.A.R.M., a response activation network with a goal of enlisting at least 150 producer spokespeople who will regularly engage in the conversation and correct common misinformation. We’re also well on our way toward reaching 5,000 farmers and ranchers trained on the art of conversation and we are planning the next generation of Food Dialogues.

While we have accomplished a lot in a short period of time, we have more work to do. Engaging consumers requires many voices. We need farmers and ranchers from every segment of agriculture to join in this effort. We need your voice and active engagement. If you haven’t already, visit FoodDialogues.com to see how you can get involved.

Forrest Roberts is CEO of NCBA, a contractor to the Beef Checkoff Program, and chair of the USFRA Communications Advisory Committee.
Help Secure a Place for Livestock in Illinois

JoAnn Alumbaugh, Morgan & Myers

Illinois soybean farmers grew about 416 million bushels of soybeans in 2011, according to USDA, making Illinois the second largest producer behind only Iowa. About half of the crop is destined for use as soybean meal in livestock rations—but not always in the state of Illinois.

In fact, a recent study commissioned by the United Soybean Board (USB) showed that Illinois ranks 16th in soybean meal used for livestock production.

Why is Illinois so far behind in the ranking? “The answer is that we’re not capitalizing on our position as a leading soybean producer by encouraging growth of animal agriculture,” says Nicole Boettger, ISA animal ag strategy lead. “It is time for that attitude to change.”

“A thriving livestock sector not only helps ensure a market for our soybeans, it also is good for our local and state economies,” says Rob Shaffer, soybean farmer from El Paso, Ill., and ISA secretary. “Illinois soybean farmers need to understand who their market is beyond the elevator or the processor. Animals—pigs, poultry, fish and dairy cows—eat beans.”

With domestic animal agriculture by far the major source of demand for U.S. soybean meal, future soybean demand is tightly linked to the health of that industry. In 2010, USDA reports animals consumed 30 million tons of soybean meal. Meal is the principal driver of soybean processing, which also produces the soybean oil that is essential to the U.S. food and biodiesel industries.

Boettger sees room for growth of Illinois animal production. She says soybean farmers and other rural residents need to help livestock producers take the necessary steps to expand operations. Soybean checkoff dollars also are helping with that effort.

Team Effort

John and Kate Hagenbuch of Utica, Ill., recently constructed two large feeder-to-finish buildings to supplement their soybean and corn operation (see related story on page 19).

“Ironically, it was grain farmers who required the most convincing [for the off-site building]. We worked hard to explain how vital animal agriculture is, and how integral swine sales are in the state for soybean and corn production.”

—Kate Hagenbuch, Illinois soybean and pork producer
and Illinois Livestock Development Group (ILDG) helped them gain acceptance from diverse stakeholders.

ILDG, which is supported by ISA, helps producers navigate the permitting process and overcome obstacles. ILDG guides farm families in making responsible changes to remain economically viable and provide opportunities for the next generation.

“Ironically, it was grain farmers who required the most convincing [for the off-site building],” says Kate. “We worked hard to explain how vital animal agriculture is, and how integral swine sales are in the state for soybean and corn production.”

Expansion Makes Sense

Adding a livestock component to a grain operation is a sound investment, says Boettger, especially when land prices are skyrocketing and expanding a farm’s footprint is difficult.

IPPA’s Director of Public Relations Tim Maiers agrees. “It makes sense to raise livestock in Illinois. We have good land and a sustainable system when production is done effectively. When you look around the world at where livestock production is located, it is close to where crops are grown. It is good business to continue to invest in livestock in Illinois. We need more folks involved and more support.”

Farmers recognize the nutrient value associated with livestock operations, says Maiers, who also raises soybeans in western Illinois. “Fertilizer prices have gone up and farmers see manure as a valuable resource. Obviously, the family putting up a building will use the nutrients for crops, but others often benefit as well.

“As farmers look at land prices and access to land, pork production is a good way to potentially increase profitability,” Maiers continues. “In many cases, the addition of a hog operation is allowing a son or daughter to come back to the farm, which is really neat.”

For the Hagenbuchs, creating opportunities for the next generation is a high priority. “Living on the farm is important for my children’s legacy,” says Kate. “You don’t know what your kids will do when they grow up, but I want them to have the option to farm, if that is what they want.”

Timely Economic Growth

“The state’s livestock, meat and dairy processing sectors significantly contribute to the state’s economy in three important ways: significant economic activity in the form of output, jobs and taxes; real growth for an overall declining Illinois economy; and important local impacts in key county and legislative regions.” That is the conclusion of The Economic Impact of Illinois’ Livestock Industry, written in 2011 by University of Illinois’ Peter Goldsmith and Miao Wang.

The Illinois livestock industry generates $27 billion in economic activity, $334 million in state tax revenue and 99,000 Illinois jobs, according to the report. The authors also document the symbiotic relationship between Illinois livestock production and processors, stating that a domestic supply of livestock gives processors a substantial supply base (25 percent). Without it, processors would have less incentive to remain in the state. Transportation costs for Illinois producers would rise, making it difficult to compete. But maintaining a strong processor base gives Illinois farmers local markets and competitive advantage versus more distant producers.

Supporting a climate in which animal agriculture can grow is good business for soybean farmers, believes ISA’s Shaffer. “Animal agriculture is important to Illinois because of the people it employs, the government support it provides through state and federal taxes, and the demand it creates for soybean meal, corn and other feedstuffs grown in Illinois,” he says. “When existing operations want to expand, Illinois soybean and corn farmers should support that growth. As long as operations are within Illinois Department of Agriculture guidelines, we need to be strong advocates for animal agriculture. We need to remember who our biggest clients are.”


“When existing operations want to expand, Illinois soybean and corn farmers should support that growth.”

—Rob Shaffer, ISA secretary and farmer
Early Practices Set Stage for Higher Yields

As the Illinois Soybean Yield Challenge has proven, Illinois farmers have the potential to harvest massive soybean crops—2011’s top Yield Challenge yield was 84 bushels per acre. The 2010 Yield Challenge winners hit 89 bushels.

In fact, according to Jim Nelson, ISA’s Yield Challenge coordinator, Challenge plot treatments increased yields an average of 6.45 percent in 2011. More than 10 percent of the participants in last year’s Yield Challenge topped 80 bushels per acre.

At the upcoming Illinois Soybean Summit (see sidebar), top Yield Challenge performers will share some of the program’s most successful practices. About 215 farmers completed the Yield Challenge last season. Their plots put key tools to the test. Nelson notes 115 plots received foliar nutrients, 120 were sprayed with foliar insecticides and 138 were treated with foliar fungicides.

“We also see more attention to other practices, from seed treatments to soil amendments, and believe that we will see even more diverse practices in 2012 as farmers evaluate individual practices along with comprehensive system approaches to add more bushels to each production acre,” Nelson says.

Weed control promises to be a bigger challenge than ever this year, predicts Aaron Hager, University of Illinois Extension weed specialist.

ISA Director Ross Prough says Yield Challenge helps farmers think differently about how to grow soybeans and try new things.

Beware of SCN

One perk of participating in the Yield Challenge is a thorough soil test, including soybean cyst nematode (SCN) egg counts. Jason Bond, plant pathologist at Southern Illinois University Carbondale, points out soil samples from Yield Challenge plots tend to reflect significantly lower SCN pressure than random samples taken throughout the state.

Overall, fewer Yield Challenge fields had SCN eggs than average. The ones that were infested tended to have relatively low populations, Bond explains. Yield Challenge fields averaged about 200 eggs per sample. Bond says about 90 percent of the samples he generally collects are from farmer research trial fields with moderate to high SCN populations. He estimates less than 30 percent of fields he’s processed have SCN eggs counts less than 500 eggs per sample.

“More than likely, Yield Challenge participants have given us their best-yielding sites and perhaps low SCN...
counts are one contributing factor,” he says. “It appears they do a good job managing the SCN population with rotation and host resistance, and those top-yielding fields benefit.”

Get a Clean Start

Just two of the 2011 Yield Challenge plots experimented with weed control tools. But with glyphosate-resistant weeds gaining ground across the state, weed control promises to be a bigger challenge than ever this year, predicts Aaron Hager, University of Illinois Extension weed specialist.

“It can be very challenging – I’ll even say ‘devastating’ – when farmers don’t realize they have a resistant weed population and instead believe, ‘I can get away one more year,’ or worry about a few weeds they saw going through the combine last fall,” Hager says. “That is the best recipe we can give you for a very troubling year.”

The solution: a much more integrated weed management program that begins with making sure the seedbed is weed-free at planting time. That’s going to require a residual herbicide or pre-mix carefully selected to control target weeds, applied properly and incorporated into the soil mechanically or by precipitation. Hager also emphasizes that it is time to get back to full-labeled rates of herbicides.

“We need to move away from using partial rates or ‘set-up rates,’” he says. “We need to use rates that will give us control much later in the season than a partial rate will give us.

“It is very unrealistic to expect even a full rate of residual herbicide to give us control all season, so scouting becomes critical,” Hager adds. “Know what is coming up and know weed stages. Then don’t hesitate to make a decision to treat.”

Yield Challenge Lessons

Ross Prough, soybean farmer from Greenfield, Ill., and ISA yield target area vice chair, participated unofficially in the Yield Challenge in 2010 and 2011. (ISA board members are not eligible to win the Challenge.) Even so, he is lining up for a third year, which he says provides valuable lessons on improving yields and quality.

“I also am finding out that what you do one year doesn’t necessarily pay off the next year,” Prough says.

Prough’s program of insecticide, fungicide and fertilizers provided an 11-bushel yield bump in 2010, resulting in 55-bushel yields in his Yield Challenge plot and 72-bushel yields in another variety. But the same program only raised yields one bushel last season.

Hager points out that it is important to see the variability – not just the average increase – when evaluating new strategies.

Yield improvements or not, Prough says Yield Challenge highlights the value of trying new tools and tactics.

“I think it has started making farmers think differently about how they grow soybeans,” he says. “Yield Challenge gets us to try new things we had never done before.”

The top Yield Challenge soybean yield in 2011 was 84 bushels per acre. More than 10 percent of participants topped 80 bushels per acre.

Network, Learn and Grow Profit Potential

The first-ever Illinois Soybean Summit, “Reaching Beyond Yield Obstacles,” will be held at Illinois State University’s Bone Student Center on March 9, 2012. Hosted by ISA and funded in part by the Illinois soybean checkoff, the conference will bring together soybean farmers from across the state with representatives from nearly every major crop input supplier and manufacturer. Together, attendees will exchange ideas and strategies on soybean management techniques that can lead to higher yields and greater profitability.

The all-day event will be packed with valuable learning and networking, as well as an on-site trade show. Keynote speakers include John Baize, president of John C. Baize & Associates, an international agricultural trade and policy consulting firm specializing in oilseeds; and Kip Cullers, three-time soybean yield world champion. Six breakout sessions will be offered featuring such topics as seed treatments, disease management and weed management. Attendees at registration can choose two of the sessions.

“We are excited to give soybean growers, agronomists and agribusinesses a venue for discussing ways to improve cropping strategies and overall profitability,” says Ross Prough, soybean farmer from Greenfield, Ill., and ISA director. “We hope the Illinois Soybean Summit will evolve into one of the Midwest’s premier events on soybean production.”

The Illinois Soybean Summit is free to Illinois growers. However, attendees are responsible for their own hotel reservations. Registration is limited to the first 350 farmers, agronomists, farm managers and crop consultants who sign up by the February 23 deadline. A complete agenda, registration form and additional details are available online at www.soyyieldchallenge.com/summit.
Part 1: Understanding Sustainability

Social Commitment Crucial to Success

Sustainability is top of mind with Illinois soybean customers around the world. But what exactly does sustainability mean? Many farmers are concerned with sustainability as defined by groups that want to restrict agricultural practices. For others, sustainability means continuing to produce more with less impact, while helping address future needs for food, fuel and industrial products.

“Sustainability can be thought of in social, economic and environmental terms,” says Ron Moore, soybean farmer from Roseville, Ill., and ISA sustainability vice chair. ISA invests checkoff dollars to support Illinois soybean farmer sustainability efforts.

“Understanding sustainability from all angles is essential to understanding the concept as a whole.”

Improve Lives and Communities

Agricultural sustainability is a social concept, says Moore, because supplying food while reducing the impact of production affects families and communities worldwide. Sustainable farming methods ensure the land is in better condition for the next generation.

“Reduced tillage, reduced pesticide use, water conservation, soil quality improvement and other practices defined as sustainable are practical decisions Illinois farmers make to have a healthy operation that can be passed on,” says Moore.

Sustainable agricultural practices are important not only for effective land management, but also for keeping farming businesses and the communities that depend on them healthy.

“Soybean farms are firmly rooted in Illinois communities, providing jobs, tax revenue and disposable income spent at local businesses. That improves the economic health of the state for everyone’s benefit,” says Moore. “Healthy communities support schools, places of worship, parks and other outdoor recreation, philanthropic organizations and social venues.”

Global Community Support

The Illinois soybean industry also strengthens communities worldwide by helping improve global productivity of livestock and aquaculture operations, bettering human nutrition and providing a renewable resource for industrial uses like advanced biofuels. For example:

- Soybean meal is a key component of quality livestock rations here and abroad. Soy helps livestock gain weight quickly, improving farmer productivity and profitability.
- Consumers in emerging economies see increased disposable income, which shifts diets from grains to meat. Soy helps meet growing meat protein demand worldwide.
- Demand for healthy oils grows, especially in today’s health-conscious world.
- Outreach efforts like the World Initiative for Soy in Human Health (WISHH) bring the nutritional benefits of soy protein to millions of undernourished people.

Through a three-part series, Illinois Field & Bean will explore all three aspects of agricultural sustainability and how each relates to Illinois farmers. The first part explores the social side.

Illinois Soybean Farmers Build Relationships

According to the Food and Agriculture Organization of the United Nations, the most recent estimates report more than 850 million people worldwide are undernourished. WISHH has worked for more than a decade to enhance soy protein intake of undernourished countries through market development, humanitarian assistance, education and research.

“WISHH is one example of the many outreach efforts working to bring the benefits of U.S. soy protein to developing countries,” says Dan Farney, soybean farmer from Morton, Ill., and ISA production committee chair. “All of the United States’ top 10 soy export countries are current or former recipients of our aid assistance.”
Help influence key legislation and policies that will enable Illinois soybean farmers to be the most effective soybean producers in the world.

Become a member or renew your membership today!

Sign up as a three-year member for only $195 (a $90 savings), or take advantage of group discounts with our Affiliate program.

- Find member benefits and join online at www.ilsoy.org/membership.
- For more information, call (309) 663-7692 or email ilsoy@ilsoy.org.

Funded by ISA membership dollars.
Following the most successful red meat export year in U.S. history, Illinois soybean farmers can look forward to prospects for 2012. While final totals are not in yet, the 2011 projection shows record years in both volume and value for U.S. pork and beef exports. The U.S. Meat Export Federation (USMEF) says that translates into a banner year for indirect exports of soy.

The U.S. exported about 80 million bushels of soybeans through U.S. red meat in 2010. USMEF projects pork exports for 2011 will rise an additional 15 percent to 4.85 billion pounds, while beef exports will climb 20 percent for the year to 2.8 billion pounds. Passage of key free trade agreements (FTAs) in 2011 will help generate additional demand for U.S. red meat.

“The trends are very positive,” says Mark Jagels, USMEF vice-chair and soybean and corn farmer from Nebraska. “As market access expands for our red meat exports, we’re seeing greater opportunities for the indirect export of soybeans.”

“Rising global soybean supplies have cut into direct U.S. soybean exports, particularly to China, which elevates the significance of red meat exports,” says Pat Dumoulin, soybean farmer from Hampshire, Ill., and Illinois Soybean Association (ISA) representative to the USMEF. “Market access for U.S. red meat received a major boost with the passage of FTAs with Colombia, Panama and South Korea late last year, and ISA is partnering with USMEF to help build markets.”

South Korea is the biggest prospect. USMEF has focused increased resources to expand trade and consumer familiarity with U.S. pork and beef in anticipation of the FTA taking effect. U.S. pork exports to Korea could more than double from 2010 levels by 2016 with gradual elimination of import duties. Pork exports already began to rise during 2011 when the Korean government eliminated tariffs on some pork products in response to a foot-and-mouth disease outbreak and related pork shortage. USMEF says while all pork exporters benefit, the U.S. really capitalized on the opportunity.

USMEF says more end users, especially pork processors in Korea, know first-hand the quality, consistency and value of U.S. pork and likely will continue to source U.S. pork. Through the first 10 months of 2011, U.S. pork exports to Korea jumped a record 133 percent in volume and 182 percent in value to 355.2 million pounds worth $418.1 million.

Similarly, U.S. beef exports to Korea are expected to double to $1 billion per year over the 15-year FTA implementation period. U.S. beef exports through October 2011 were up 43 percent to 286.2 million pounds valued at $574.87 million.

Pork exports to Colombia could nearly double to $36 million by 2016, while beef exports over the next 10 years likely will reach $30 million versus $1.9 million last year. Red meat exports to Panama are expected to more than double, topping $9 million for beef and $20 million for pork.

“Urging approval of these FTAs has been among the highest priorities for our industry,” says Jagels. “A critical factor in our ability to maintain the current export pace is opening markets and eliminating tariffs. These agreements will make a significant contribution toward that.”

---

**FTAs Expand U.S. Soy Market Access**

Mark Jagels

**U.S. Beef Exports 2011 vs. 2010**

**U.S. Pork Exports 2011 vs. 2010**

Source: USMEF

Funded by the Illinois soybean checkoff.
The Farm Progress family of custom magazines is pleased to welcome three new additions: Illinois Field & Bean, Ohio Soybean News and Soybean Business. You know our service dedication — Farm Progress is the publisher of Prairie Farmer, The Farmer (Minnesota) and Ohio Farmer.

We take great pride in our partnership with the Illinois, Minnesota and Ohio soybean associations and deliver high-quality magazines to their states’ key soybean producers and industry decision makers.

Reach this valuable audience with your promotional messages!

- Get a saturated, targeted soybean producer reach in these states that is second to none.
- Fresh and inviting editorial environment designed for high producer readership and perfect for your advertising.

Schedule your ad today! Contact your Farm Progress representative for more details.

Farm Progress Companies Inc.
255 38th Avenue, Suite P
St. Charles, IL 60174-5410
630-462-2230 | info@farmprogress.com
FarmProgressCorporate.com

Jeff Smith: Regional Sales Manager, Illinois
217-877-1662 | jsmith@farmprogress.com

Scott Harrison: Regional Sales Manager, Minnesota
651-451-9693 | sharrison@farmprogress.com

Tom Shearing: Regional Sales Manager, Ohio
585-476-2426 | tshearing@farmprogress.com

Jeff Tennant: Director Custom Publishing
800-477-1737 | jtennant@farmprogress.com
Bigger Soy Export Loads Raise Questions

More bushels of Illinois soybeans may be able to pass through the Panama Canal after its expansion is complete in 2014. But bigger loads raise both opportunities and challenges. A checkoff-funded study completed by the Soy Transportation Coalition (STC) shows the expanded canal shipping lane will more than double the area from where the United States could economically attract soybeans from inland waterways. That’s good news for soybean farmers with no current easy access to rivers. However, the study also underlines a need for improvements to those waterways for farmers to benefit from any stronger soybean basis.

“This study not only indicates that we will be able to ship our soybeans at a more profitable freight rate, but it also highlights that our domestic transportation system needs a lot of attention in order to realize that rate advantage,” says Dean Campbell, soybean farmer from Coulterville, Ill., and ISA STC representative. “I would like to take this opportunity to call for some of that ‘farmer ingenuity’ to help create a funding source to upgrade our river system.”

More Infrastructure Pressure

“This research demonstrates that many areas that could not benefit from the efficiencies of inland waterway transportation will soon have a commercially viable way to meet foreign customer demands,” confirms Mike Steenhoek, STC executive director. “We have learned that increased transportation efficiencies will result from the Panama Canal expansion. However, it is incumbent upon the United States to make sure we invest in our own infrastructure. Otherwise, the opportunities provided by the canal expansion will not be fully realized.”

The STC analysis shows those opportunities may include the geographic area from where Illinois soybeans can be economically transported. The area will expand from 70 to 161 miles. With the inland waterway system already functioning less efficiently, Campbell says increased use could cause a major failure. STC is studying possible implications of such a situation by 2014.

During the STC’s annual meeting in December 2011, farmers received an update on two checkoff-funded transportation studies nearing completion. The first is a study examining the local impact of a catastrophic failure of locks and dams on U.S. rivers. Phase one of the study should be completed soon. The second, a farm-to-market study, will explore the journey of U.S. soybeans from farm to customer and investigate transportation chokepoints along the way.

“This work is critical if the U.S. transportation system is going to be able to provide us with a competitive advantage compared to soybean farmers in other parts of the world,” says Campbell.

Panama Canal expansion could bring more dollars to U.S. farmers through:

• Increasing by 30 percent the total volume of U.S. soybeans and grain moving through the Panama Canal to export markets.
• Allowing each vessel transiting the new locks to accommodate up to nearly 489,000 additional bushels of soybeans worth $6 million more per loaded vessel.
• Offering about 35 cents per bushel savings for elevators within the range of central Gulf of Mexico ports, provided channels are dredged deep enough to handle larger ships.

Currently, farmers within about 70 miles of the rivers can economically access the market. That distance could more than double after Panama Canal expansion is complete. Read more at www.soytransportation.org.
Illinois lawmakers voiced their beliefs in biodiesel last December, with passage of legislation that extends the state's biodiesel sales tax exemption for another five years. Governor Pat Quinn signed SB 397 into law, changing several tax laws to ensure businesses -- including those involved with the renewable fuels industry -- are able to profitably conduct business in Illinois.

“The continuation of the biodiesel sales tax exemption is a win-win for Illinois,” says Duane Dahlman, soybean farmer from Marengo, Ill., and one of ISA’s National Biodiesel Board (NBB) representatives. “Biodiesel is a young industry, so it needs tax incentives to maintain development until mature enough to be mainstream. The credit secures a solid, steadily growing market for our soybeans and provides the potential for even more green industry jobs.”

The act provides full exemption from the 6.25 percent sales tax on biodiesel blends above B10 (10 percent biodiesel/90 percent petroleum diesel), and a 20 percent exemption for B1 to B10 blends sold through December 31, 2018. The original credit was to expire at the end of 2013. With the tax exemption, industry watchers estimate Illinois diesel fuel sales have outpaced the national average by five percent and surrounding states by eight to 18 percent.

Since 2003, the year the Illinois sales tax exemption for biodiesel went into effect, annual biodiesel production capacity in the state has increased from 20 million gallons to a record 188 million gallons in 2010. Production in 2011 was expected to surpass the 2010 record.

“Approximately half the diesel fuel sold in Illinois contains biodiesel. Our ultimate goal is 100 percent,” says Dahlman. “Biodiesel plant owners and operators appreciate the Illinois government is friendly to the industry. They will invest in maintaining and upgrading their facilities here.”

Four firms currently produce biodiesel in Illinois, Incobrasa Industries, Midwest Biodiesel Products, REG and Stepan Company. All have cited the tax exemption as a main reason to come to or expand business in the state. Those were the findings of consultant John Urbanchuk in the “Impact of the Sales and Use Tax Exemption for Biodiesel on the Economy of Illinois” case study that was completed in 2011 on behalf of NBB.

“The exemption certainly gives us a better feeling about future investments to help us deliver a quality fuel, and it keeps us competitive with neighboring states,” says Kevin Cassidy, general manager of Sapp Bros. Truck Stops in Peru, Ill. “The tax break has given us an opportunity to attract business we weren’t getting before. We have added jobs to accommodate the increased business. With this five-year shot in the arm, I see that continuing.”

**Heating Oil Market Builds Steam**

During a recent trip to New York organized by NBB, Duane Dahlman and other biodiesel supporters learned more about the market potential for Illinois soybean oil use in bioheat. Bioheat is a mixture of biodiesel and heating oil. The group learned firsthand that heating oil producers desire soybean oil over other feedstocks because of its consistent quality.

“I was struck by the number of buildings in New York that use heating oil. New York City Mayor Bloomberg wants to increase the amount of biofuel used above the current two percent ordinance,” says Dahlman. “The Northeast cannot meet demand for soybean oil, but we can.”

While soybean oil demand grows locally, ISA also is looking for opportunities beyond Illinois. This NBB group, including ISA Director Duane Dahlman, recently traveled to New York to learn more about bioheat potential.
ISA to Propose National Resolutions Changes

ISA members met in November 2011 at the annual policy session to review the American Soybean Association (ASA) 2011 Resolutions and craft revisions and/or changes. Illinois soybean farmer recommended changes will be presented during the ASA Resolutions Meeting in March held in conjunction with Commodity Classic. Proposed changes include adding:

- ASA supports an infrastructure funding framework that allows for public and private investment in the U.S. commercial transportation system to ensure U.S. soybeans will be delivered to domestic and international markets in a timely and cost-effective manner.

ISA opposes any changes to the Renewable Fuel Standard (RFS2) that would reduce obligations or otherwise negatively impact the biodiesel industry.

- ASA recognizes that biodiesel is the only commercially available biomass-based diesel fuel that meets EPA’s (Environmental Protection Agency) definition of an advanced biofuel to meet RFS2 obligations.

- Rapid improvement of yields while maintaining or improving quality should be the top priority of soybean research and outreach.

- ASA believes that patents derived from public funding which are subsequently sold to private industry, should be further developed within a three-year span of time, or be returned at no cost to the original public entity.

ASA opposes any changes to the Renewable Fuel Standard (RFS2) that would reduce obligations or otherwise negatively impact the biodiesel industry.

ISA Welcomes Three New Corporate Partners

Three agricultural companies have joined ISA’s new corporate partnership program to date. ISA welcomes Monsanto as an executive partner, and both BASF and Dow AgroSciences as principal partners. The program was established late in 2011 as a way for key corporations to join with ISA in advancing the Illinois soybean industry.

Organizations can choose from three partnership levels: executive, principal and associate. Levels are based on contribution size to the association. Partners then work with the state’s soybean farmers in such areas as research, education, and legislative affairs to help improve soybean products, production practices, markets and other aspects of industry profitability.

For more information on the corporate partnership program, please contact ISA CEO Craig Ratajczak at 309-808-3607 or craigr@ilsoy.org.

Come See Us at Commodity Classic

Soybean farmers are encouraged to stop by the ISA booth at Commodity Classic, March 1-3, in Nashville, Tenn. The booth will feature information about ISA’s efforts to support the animal agriculture industry, the number one customer for Illinois soybeans. While at the booth, soybean farmers can register to win an Illinois Farm Families sign for display on the farm.

Scan the QR code here with your mobile phone to see the trade show map and locations of ISA’s booth, along with the following ISA partners. Booth numbers are listed below:

- ISA ...................... 428  
- Pioneer ..................... 273  
- ADM ........... 806, 808, 810  
- StollerUSA ................. 535  
- BASF ...................... 251  
- Syngenta .................. 870  
- Bayer CropScience ...... 470  
- United Soybean Board... 427  
- Cargill ..................... 651  
- American Soybean Association ............ 611  
- Farm Progress ...... 905,907  
- Helena ............. 1203, 1205  
- U.S. Farmers & Ranchers Alliance ............ 848  
- Monsanto ............... 233  
- Pioneer ..................... 273  
- ADM ........... 806, 808, 810  
- StollerUSA ................. 535  
- Syngenta .................. 870  
- Bayer CropScience ...... 470  
- United Soybean Board... 427  
- Cargill ..................... 651  
- American Soybean Association ............ 611  
- Farm Progress ...... 905,907  
- Helena ............. 1203, 1205  
- U.S. Farmers & Ranchers Alliance ............ 848  
- Monsanto ............... 233  
- Pioneer ..................... 273  
- ADM ........... 806, 808, 810  
- StollerUSA ................. 535  
- Syngenta .................. 870  
- Bayer CropScience ...... 470  
- United Soybean Board... 427  
- Cargill ..................... 651  
- American Soybean Association ............ 611  
- Farm Progress ...... 905,907  
- Helena ............. 1203, 1205  
- U.S. Farmers & Ranchers Alliance ............ 848  
- Monsanto ............... 233  
- Pioneer ..................... 273  
- ADM ........... 806, 808, 810  
- StollerUSA ................. 535  
- Syngenta .................. 870  
- Bayer CropScience ...... 470  
- United Soybean Board... 427  
- Cargill ..................... 651  
- American Soybean Association ............ 611  
- Farm Progress ...... 905,907  
- Helena ............. 1203, 1205  
- U.S. Farmers & Ranchers Alliance ............ 848  
- Monsanto ............... 233
Giving Back Through Decades of Service

ISA’s District 2 in northeastern Illinois has had a Dumoulin run for the open director position for more than two decades. Currently, Pat Dumoulin holds the position, which she has alternated with her husband, Bill, for nearly 24 years. The Dumoulins farm near Hampshire with two sons and a son-in-law. They have a corn, soybean and pork production operation.

“I encouraged Bill to run for the position originally. After he served for six years, I decided to run. I felt I had something to offer, too. I had been volunteering for several years with a friend doing soy food demonstrations at fairs and events, talking about the benefits of soy,” says Pat.

Pat then served two terms, or six years, as District 2 director. After several years, Pat came back into the role, and will end her second, two-term directorship in August 2012.

“I have seen ISA work on state and federal legislative issues that have saved farmers a lot of money,” she says. “I work on the checkoff side, and also have seen, especially with research, that we have helped provide Illinois farmers with a good return on investment.”

Pat is a former professor of economics and statistics at Elgin Community College. She holds an MBA from Northern Illinois University. She has been involved with such diverse groups as the North Central Soybean Research Program, Soy Nutrition Institute, U.S. Meat Export Federation, USA Poultry & Egg Export Council and World Initiative for Soy in Human Health. She is part of several state commodity and livestock-specific groups as well.

“I feel strongly about giving back to the agricultural community because it has given so much to me,” she says. “More farmers should get involved, and put up new ideas and viewpoints. For the future, we need to stir the ISA pot with a good cross-section of young and seasoned farmers.”

Fourth Graders Get Food for Thought

Illinois fourth graders got a taste of true agriculture last fall through the new animated “Food for Thought” video. The educational cartoon was produced with checkoff dollars from the Illinois Soybean Association (ISA) through the United Soybean Board (USB), and the Illinois Pork Producers Association (IPPA). More than 3,800 DVDs were shipped to all public and private fourth grade classrooms for use during the 2011-12 school year.

“The video explains connections between the pork and soybean industries, and is customized for Illinois with familiar geographic references. Students can learn the truths and basic economics involved with a modern hog farm and how farmers care for their animals and the environment,” says Doug Winter, soybean farmer from Mill Shoals, Ill., and ISA vice chair for image building. “IPPA and ISA staff provided script and image input for the video.”

The 22-minute DVD was mailed with an accompanying lesson plan and take-home sheet that covers Illinois core learning standards in an entertaining, fun way. For more information, contact Erin Cleary at IPPA at erin@ilpork.com, or 217-529-3100.

Dahlman to Lead Soy Aquaculture

Duane Dahlman, soybean farmer from Marengo, Ill., and ISA vice chair for aquaculture, has been elected chairman of the newly formed Soy Aquaculture Alliance (SAA). The organization was formed by several state soybean checkoff groups, including ISA and the United Soybean Board, to “allow the soybean industry to better coordinate its efforts in the area of domestic aquaculture...[ensuring] that U.S. soybean checkoff investments in the domestic aquaculture industry will maximize long-term return on investment for soybean farmers.”
Customer Profile

Pork and Beans are Classic Illinois Combination

Pork and beans has traditionally been known as a cowboy menu staple. Today, the classic combination still holds an inherent, albeit slightly different, connection in Illinois. A top producer of both, Illinois ranks second in the nation for soybean production and fourth for pork production. More than 82 percent of soybean meal used in Illinois goes to feed pigs.

Near Maple Park, Ill., Illinois soybean meal provides protein for Gould Farm’s 750-head sow center. Chris Gould and his father, Eldon, are intimately involved in the day-to-day operation of the farm, raising piglets under contract. For Gould Farm’s sows, Illinois soybean meal comes by way of a weekly 20-ton semi load of premixed feed from Hintzsche Feeds in Maple Park.

“As part of the ration for Illinois pigs, that’s a good place for Illinois soybeans to be,” says Chris.

“The relationship between soybean farmers and pork producers is absolutely critical; we’re joined at the hip.”

Bill Wykes, a soybean farmer from Yorkville, Ill., and ISA animal agriculture second vice chair, agrees. “Research funded by the soybean checkoff shows consumption of soybean meal by livestock and poultry is the largest source of domestic demand for U.S. soybeans,” he says. “In Illinois, pork production is a significant demand factor for local soybean markets.”

Quality Soybean Meal is Key

As part of Gould’s contract agreement, Hintzsche Feeds advises and mixes the exact ingredients needed to supply energy and protein to gestating sows. Quality soybean meal is a crucial piece of the ration, providing the amino acids that are important for fetal development and lactation.

Gould Farm specializes in breeding, gestating and farrowing sows. In essence, the farm works as a professional caretaker for the sows and their young piglets. After weaning, the pigs are moved to another location to continue on their way to market weight.

The Illinois “pork and beans” connection is clearly demonstrated at Gould Farm, where the custom farming side of the business grows 2,300 acres of soybeans, corn and wheat. “Soybean markets can be limited by location,” says Gould.

“A thriving Illinois pork industry strengthens local demand for our soybeans.”

However, Gould realizes that the vitality of animal agriculture and the freedom to farm in Illinois is affected by public perception. “Consumers are concerned about animal welfare and health,” he says. “Consumers want to know their food is humanely grown. As pork producers, we need to communicate that our products are safe and healthy for them.”

Gould advocates for Illinois agriculture and his livelihood by talking with urban moms as part of Illinois Farm Families efforts. This spring, Gould Farm will host a group of Chicago-area moms to address their questions about food and farming. These “field moms” will share their experiences from the farm with peers and online at www.watchusgrow.org.

“Soybean markets can be limited by location. A thriving Illinois pork industry strengthens local demand for soybeans,” says Chris Gould.

The Illinois “pork and beans” connection is clearly demonstrated at Gould Farm, where 2,300 acres of soybeans, corn and wheat are grown.
Illinois Soybean Farmers Expand Hog Production

ISA members John and Kate Hagenbuch own and operate a 75-sow, farrow-to-finish hog farm, in addition to raising corn and soybeans. They decided to expand their pork production facilities in 2011. The Hagenbuchs held an open house and ribbon cutting for the two new 2,400-head, grow-to-finish swine barns near Utica, Ill., last October.

Pigs will enter the building pictured here weighing 50 pounds. The animals will be housed until they reach market weight of 275 pounds. Both barns have many technologically advanced features that increase the efficiencies of raising pigs, but John Hagenbuch also notes will improve the welfare of the pigs.

More than 250 neighbors, rural residents and local community residents attended the open house and enjoyed a tour of the new hog buildings. Participants also were treated to a free pork chop sandwich served by the LaSalle County Farm Bureau.

John Hagenbuch (right) recognizes that the pork industry is very important to the state’s economy. According to a study conducted by Peter Goldsmith, University of Illinois associate professor of agribusiness management, the Illinois pork industry contributes $1 billion in direct impact and $1.8 billion and 10,533 jobs of total impact to the economy, in addition to providing $170 million in total taxes. The Hagenbuchs will add tax revenue to LaSalle County.

The production expansion will allow John and Kate to help support their young family, which includes their three children, Bella, 5; Mae, 3; and Nolan, 2. “As a young farm family, pork production has allowed us to remain viable in agriculture and remain in this community,” says Kate. “John is a third-generation family farmer. We have wanted to expand for some time to provide us an opportunity to further diversify our farm and remain more competitive in a challenging, global marketplace.”

John Hagenbuch (right) recognizes that the pork industry is very important to the state’s economy. According to a study conducted by Peter Goldsmith, University of Illinois associate professor of agribusiness management, the Illinois pork industry contributes $1 billion in direct impact and $1.8 billion and 10,533 jobs of total impact to the economy, in addition to providing $170 million in total taxes. The Hagenbuchs will add tax revenue to LaSalle County.

Pork producers are held to a zero discharge standard in management of manure. All of the Hagenbuch farm manure is required to be completely contained in deep pits under the barns. John will inject the manure to surrounding corn and soybean fields, according to crop needs based on their nutrient management plan.

Photos by Tim Maiers, Illinois Pork Producers Association, and Judy Rupnow for ISA
For nearly 15 years, farmers have enjoyed the power and convenience of glyphosate resistant soybeans. But, like most great things, it can’t last forever without proper care. The threat of serious weed resistance is a real problem. Glyphosate resistant weeds have been documented around the world and in the United States. Therefore, Respect the Rotation and plant Beck’s LibertyLink resistant soybeans. When you combine the new programs and high yields of Beck’s LibertyLink soybeans, Respecting the Rotation makes sense. Otherwise, you might want to sharpen that rusty old bean hook!

Experience 75 Years of Difference. Plant Beck’s.

BecksHybrids.com | 1.800.937.2325

LibertyLink is a registered trademark of Bayer.