Take a Closer Look at 2013 Production Risk

- Prepare for Soybean Pests
- Consider New, Proven Production Tips
Point your browser to SoybeanPremiums.org!

This regularly updated site lists first purchasers, locations and details for soybean premium programs such as non-GMO contracts and food grade soybeans. Click on “Find a Premium Program” to see what opportunities are available in your area.
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University of Illinois soybean breeder Brian Diers (right) discusses ongoing plant research in the greenhouse with ISA Crop Sciences Scholar Nick Steppig (left). Diers’ work has contributed to improved Illinois soybean pest management. Photo by Ellen Reeder.

On the Hunt for SOYBEAN PREMIUMS?
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This regularly updated site lists first purchasers, locations and details for soybean premium programs such as non-GMO contracts and food grade soybeans. Click on “Find a Premium Program” to see what opportunities are available in your area.
Plan Ahead to Manage 2013 Risk

With the 2012 drought still fresh on our minds, it’s time to consider what impact it may have on the 2013 season. Illinois crop specialists say the unusual year may lead to some unusual problems, including herbicide and fertilizer carryover, potentially unanticipated disease or insect problems, and even changes in seed size and germination.

This issue of Illinois Field & Bean provides an update on what farmers might expect, along with some of the production tips offered during educational sessions last year. The Illinois Soybean Association’s (ISA) vision is to enable Illinois soybean producers to be the most knowledgeable and profitable soybean producers around the world, and that is what we intend to do.

ISA’s goal is maximum profitability and global competitive positioning for Illinois soybean products. That includes an aggressive agenda to use 600 million bushels of Illinois soybeans by 2020, although 2012 was a challenge in reaching that goal. USDA estimates in its most recent report that Illinois farmers only produced a drought-reduced 384 million bushels in 2012 after having produced 423 million bushels in 2011.

ISA has programs in place and plans on the drawing board to continue to build state soybean yields and efficiencies. Some of these are featured in this issue:

• Diversity may spread risk. A couple of generations ago, farmers raised both crops and livestock. Then the pendulum swung toward specialization. Should producers revisit a more diverse production base as a way to manage risk?
• Think outside the traditional box. The Illinois soybean checkoff funded, “Looking Beyond Soybean Yields,” a white paper that details the importance of high protein and oil levels in soybeans and how quality affects global market share. The paper includes information and resources needed to better understand how farmers can differentiate Illinois soybeans and meet the needs of customers at home and abroad.
• Review what works for others. ISA joined with the United Soybean Board and Illinois State University last fall to develop a soybean production guide. The booklet offers a step-by-step guide for improving soybean yields, including tips on seed selection; weed, foliar disease and pest management; seed treatments; foliar nutrition and more.
• Attend educational events. ISA will host the Illinois Soybean Profitability Summit, March 4, at Illinois State University. “Shape Your Future as a Soybean Grower” is designed to encourage farmers to learn new techniques and innovative practices to boost yields and maximize profits. For more information, visit www.isoy.org/summit.

I am excited for the prospects of a new season, and hope these tools can help Illinois soybean farmers earn their way toward greater yields and profitability. ♦

Bill Wykes
ISA Chairman
Most would agree farming, by its nature, is filled with risk. Whether growing soybeans or wheat, farming 500 acres or 5,000, farmers face risk and worries around such factors as weather, input costs, yields, market demand and volatile grain prices.

There is no way to completely eliminate risk, but there are strategies to manage it. Our discussions with farmers center around three risk management areas:

• Financial management
• Information resources
• Marketing and pricing

Financial Management

Financial risk management entails many aspects of a farmer’s financial statements: debt/equity ratio, cash position and access to capital during inevitable down years. Here are some strategies to consider in overall risk planning:

• Holding sufficient cash reserves for protection against adverse conditions.
• Investing capital in areas bringing the most benefit, such as land and appreciating equipment assets.
• Detailed planning for longer-term capital expenditures that support the operation. Farmers must know how to align capital investment with alternative scenarios of forward-looking income potential.
• Unlocking capital and avoiding investment in depreciating assets by renting lightly utilized or infrequently used major equipment.

We ask farmers, “What are your priorities for cash or capital?” Why? For example, the list price of a new combine can range from $280,000 for a basic machine to more than half a million for a fully loaded machine. If you are not properly prepared for initial and ongoing ownership costs, they can quickly erode a capital position and reserves.

Although a combine purchase can be the right decision for some, a rental agreement may be more economical and release capital that could be deployed in appreciable assets, grain storage, land or other areas. Overall, when evaluating large expenditures, consider your operations, output, plans, crop potential and cash position to determine where dollars are best allocated.

Information Resources

We speak with customers about a “smarter harvest,” or leveraging technology and data resources available. Our focus is helping farmers make better grain marketing decisions. Our data analytics platform includes weather, yield and basis information – data points to help farmers make better, more informed decisions on when to sell grain to maximize overall profitability.

That’s one example. Farmers have multiple resources – USDA reports, weather information, market pricing and more. Taking into account your crops, farm size, production capabilities and other operational factors, consider first what types of information will help you farm more effectively. That will guide you to the right solution – information sources to help drive informed decisions that preserve or improve your profitability and production.

Marketing and Pricing

Hedging allows farmers to determine a current price for selling a crop at a future date, providing relief from volatility. Contracting allows pricing or other terms to be guaranteed in advance. Both are viable risk management strategies. Before executing any marketing or pricing strategy, fully understand all options and use the best information available to maximize profitability.

At its core, farming can be a continual risk/reward seesaw. Understanding and executing smart risk management strategies helps keep the balance in your favor.

Jeff Elliott is chief financial officer of MachineryLink, Inc. Headquartered in Kansas City, Mo., the company provides combine rental programs supported by a farmer-focused customer and maintenance support network. The company’s new FarmLink Analytics platform provides information to help farmers make grain marketing decisions and improve overall profitability.
Prepare for 2013 Production Uncertainty

By Barb Baylor Anderson

While the weather is out of farmer control, other production management tactics are not. University of Illinois Extension specialists remind soybean farmers they can take stock in what occurred in 2012, and use that information to better manage production risk in 2013.

“We learn what we don’t know in years like 2012, and that is quite a bit,” says Emerson Nafziger, University of Illinois Extension agronomist. “We do know more yield needs more water. There is not much magic involved. But until and unless drought becomes an expected condition, farmers should manage crops every year for average conditions.”

Seed companies report 2013 seed size for some varieties may be larger than previous years, which will require farmers to pay extra attention to planter calibration to achieve desired seeding rates. Larger seed may also mean fewer seeds per container – heavier containers may not cover the same acreage as previous years. Germination levels in some varieties also may dip below the 90 percent industry standard, which would require farmers to bump up seeding rates.

Other factors to monitor include fertility, insects, weeds and diseases. The Council on Best Management Practices (C-BMP) last fall conducted a project to draw soil samples statewide to see how the dry growing season and low corn yields affected nitrogen levels. Nafziger says readings may also show how much nitrogen is still available this spring.

“In a year such as 2012, there is little nitrogen loss, uptake ends early as the crop stops taking up water, and fall rainfall can produce new flushes of mineralized nitrogen long after crop uptake stops. We think soil moisture was the main factor determining both yield and the amount of nitrogen in the soil and that these two factors had independent effects in 2012,” he says.

Nafziger hopes that fields sampled last fall can be sampled again this spring to see how much nitrogen remains. Where corn will follow corn in 2013, nitrate-N present at planting should be available to the 2013 crop, he says, unless high loss conditions prevail after planting.

Fall soil sampling may not reveal as much for farmers testing for potassium (K). Fabian Fernandez, Illinois Extension soil specialist, says the fall revealed K deficiencies in many instances. He adds fall soil sampling may not be as reliable for K, especially in dry soils.

If soil test results are off what should be expected, basing K application rates on actual removal in the grain would be the best approach, he adds. For fields with crop failure where biomass but no grain was harvested, Fernandez says the amount of K taken out in the biomass is greater than what is normally removed by harvesting only grain. For phosphorus (P), the removal done by harvesting biomass would still be lower than what
is removed with a typical grain harvest.

Unusual would describe both corn and soybean insect problems in 2012, adds Mike Gray, Illinois Extension entomologist. “That was one of the strangest years I have ever seen with western corn rootworm (especially). Generally the adults do not pop up until the first of July. This year we found adults the first week of June and root injury in late May,” he says. “Performance inquiries seem to develop with continuous corn and where producers rely on traits year after year, especially in northwestern Illinois.”

Gray says higher prices also accompanied a sharp increase in soil insecticide use. “We see a sharp reversal in the prediction that biotech traits would cut back on use,” he says.

Illinois farmers will not want to cut back herbicide programs in 2013. Aaron Hager, Illinois Extension weed specialist, says 2012 was one of the most challenging years for residual herbicide performance due to soil dryness. “Don’t forego those residuals this year. The need will be higher. The potential for herbicide carryover from 2012 is real,” he says. “Waterhemp continues to escalate, and we see an increasing frequency statewide. We are not out of the woods.”

Palmer amaranth problems are not a question of if, but a question of when and where. “This species cannot be ignored. It can literally put people out of business. It grows 3-4 inches per day,” Hager says. “We identified a population in Cass County, and will continue to see it spread.”

Angie Peltier, Illinois Extension commercial agriculture educator, says 2012 was the first time since 1988 that disease specialists have been able to study such hot, dry disease pressure. Aspergillus ear mold and aflatoxins were present in corn. She says soybean problems included charcoal rot in southern Illinois and soybean vein necrosis virus, which is still relatively new. The virus was identified as leaf lesions along plant veins that looked like scabs.

“We don’t know how to control it yet or its impact,” she says. “Farmers should also keep frogeye leaf spot on their radar screen and strobilurin resistance development. We can’t predict the weather, so predicting 2013 diseases is nearly impossible.”

For farmers planting cover crops, the specialists suggest being on the lookout for any secondary insects, including wireworms and grubs, or other insects that are sporadic in nature. Research is underway to evaluate potential disease problems in cover crops, along with best management practices for controlling cover crops in the spring with burndown herbicides.

**Experts Share Lessons from 2012 Soybean Events**

The Illinois soybean checkoff helped fund two events in 2012 that provided overall production management tips: the Illinois Soybean Summit and ISA/Farm Journal Soybean College. Below are some of the tips and information nuggets that may help farmers in the coming months:

- **Demand for soybeans continues to increase.** John C. Baize, John C. Baize & Associates, says at a minimum, Illinois and U.S. soybean yields must increase by an average of one bushel per acre per year over the next 10 years to compete for predicted growth in global demand and food needs – that is just to maintain current market share.

  East Asia represents the greatest area
“Fields must start clean and stay clean to manage weeds. Yields are significantly affected by early weed competition. Tests show an average of eight or more bushels per acre when fields are planted clean,” says Bryan Young, Southern Illinois University weed specialist.

for increased demand. While the primary use for soy in the U.S. is animal agriculture, East Asians use soy for food. As incomes rise, Baize says demand will rise for animal protein, presenting an even larger need for soy.

The trade consultant adds U.S. farmers have the seed, input and equipment technology in-hand to increase yield, but only if farmers consistently implement best practices.

• **Know your soil.** Howard Brown, agronomy services manager, GROWMARK, Inc., says soil testing is critical. Farmers must maintain an accurate knowledge base of field conditions if yields are to increase adequately. Random university testing finds that phosphorus and potassium soil test levels in Illinois are declining, even though they are relatively immobile nutrients, indicating post-corn replenishment is inadequate. Applying the same maintenance levels as practiced historically is not going to do the job of increasing yields, and, in many instances, simply maintaining current yields.

  Don’t forget the eight micronutrients when testing: boron (B), chlorine (Cl), cobalt (Co), copper (Cu), iron (Fe), manganese (Mn), molybdenum (Mo) and zinc (Zn). Soil testing must include monitoring micronutrient levels and major fertilizer components. The absence of proper levels at just one will reduce yield regardless of other actions taken.

• **Timely and consistent weed management is critical.** Bryan Young, Southern Illinois University weed specialist, says fields must start clean and stay clean to manage weeds. Yields are significantly affected by early weed competition. Tests show an average increase of eight or more bushels per acre when fields are planted clean. Farmers must scout regularly and maintain vigilance throughout the season. Farmers should not move dirty equipment from field to field since weed seeds and soilborne diseases can make the trip.

  Daren Bohannon, Bayer CropScience Tech Services rep, says current herbicides control a broad spectrum of weed species, but vigilance for escapes and resistant weeds is critical. Applications must be timed correctly. For instance, a sample herbicide test on Palmer amaranth showed effective knockdown at the 3” growth stage. Just two days later, a complete failure can be observed when applied at the 6” level. A preemergence or early postemergence, soil-applied residual herbicide application should become the norm. He says resistance will cost farmers additional applications, labor, reduced yields and crop destruction, and negatively impact conservation tillage practices.

• **Plant early.** A.J. Woodyard, BASF Tech Services representative, says planting early is better. Studies indicate early planting is the single greatest factor in increasing soybean yields. Use of newer varieties with advanced fungicide treatments bump up gains.

### Guide Shares Three Keys to Maximize Yields

A new “Illinois Soybean Production Guide” created by the Illinois soybean checkoff, the United Soybean Board and Illinois State University, can help farmers maximize their soybean crops throughout the year. A team of 25 university researchers and soybean industry experts published the extensive set of management tips, which can be outlined in three main steps:

1. **Select optimal seed varieties.** Select maturity groups that make the best use of an area’s growing season and have good yield potential and defensive packages for specific fields. Look for other important characteristics, such as protein and oil content. To manage risk, plant multiple varieties to ensure genetic diversity across fields.

2. **Perform best agronomic management practices.** Before planting, pay close attention to soils. Well-drained soil enhances yield, as does optimizing pH and nutrient levels that include phosphorus and potassium. Experts recommend annually testing soil in 2.5-acre grids so a more focused fertility management plan can be prepared. Apply appropriate fertilizers for soybeans rather than relying on what is left from corn or wheat crops.

3. **Add yield-boosting technologies.** At the planting stage, consider applying a seed inoculant to help the plant fix nitrogen. Seed treatments may protect the seed and seedling from soilborne diseases. Choose a seed treatment carefully, depending on which fungal pathogens and insects need to be controlled.

The guide is accessible online through the profitability link found at www.ilsoy.org, and contains other tips about planting depth, micronutrient use, tissue sampling and more.
Diversity Helps Manage Risk for Generations

In the early 1900s, Thomas Chapman Dowson, immigrant from the poor, rocky soils of England, planted his first crop in fertile central Illinois. His risk paid off. Dowson’s descendants still raise crops and livestock. Ted Dowson, Auburn, Ill., and brother-in-law Bill Boston, Roodhouse, Ill., spread risk to pass their legacy to future generations, including Bill’s son Mark.

What are your operations like today?

Ted: I strip-till about 3,000 acres of row crops and raise about 13,000 hogs farrow-to-finish each year. I’m still partners with my brothers, who run a dairy across the road from my hogs and farm additional ground.

Bill: We raise cattle and finish our calves, custom feed hogs and farm more than 2,000 acres. Mark now makes many decisions for our operation.

Mark: We currently have about 265 beef cows and finish 4,000 hogs per year. We use our pasture for intensive grazing and offer custom hunting on our non-tillable acres.

Why do you run such diverse farms?

Ted: It’s in our blood — and I’ve really enjoyed the work. Crops and livestock work well together since manure is the best fertilizer you can buy. I’m currently expanding hog barns to better support my employees, a couple who dramatically improved our hog operation, and my grandson, who farms with me. A diverse operation spreads risk.

Bill: Since we started farming more than 35 years ago, we’ve had both livestock and crops. We manage both sides of our farm to help us care for and get the most value from the other. For example, intensive grazing allows us to feed more cows per acre and creates a better mix of grass for the cattle to graze.

Mark: We’re more likely to be profitable with diversity. Our crops had a bad year. Soybean yields were down about 20 percent, and corn yields were down 45-50 percent. Beef prices were really good, offsetting some of our crop losses. We also can keep employees year-round. Manure helps with fertilizer costs, and we grow bushier-type traditional soybean varieties for hay.

Soybeans give similar tonnage as alfalfa. If cut at the right time, soybeans provide comparable protein and digestibility. Plus, we only use the hay we need and sell the rest, or we have the option of harvesting them for beans.

What is your farm succession plan?

Ted: My two brothers and I farmed together for about 40 years. Recently, we have been separating our operations. Although we still work together as needed, breaking up our operation was a step in preparing for the future. We see the role of my grandson increasing. His son is seven and loves farming, so our future prospects look good.

Bill: I created a partnership to own ground and a corporation to own equipment and assets. I’ve been stepping back, and Mark is taking more ownership and responsibility.

Mark: I worked the farm for about five years after graduating from college. I’ve been able to buy shares in the partnership for the ground separately from buying out the corporation. This approach allows me to know exactly where Dad and I stand, and I can take more responsibility while continuing to rely on Dad’s wisdom and experience.

“We raise cattle and finish our calves, custom feed hogs and farm more than 2,000 acres. Mark now makes many decisions for our operation,” says Bill Boston, Roodhouse, Ill.
One Step Ahead

When it comes to choosing which seed to plant, soybean selection is driven by the need for certain characteristics and traits more than nearly any other crop. The options available are great for soybean farmers, but they also force soybean breeders to stay on their toes and to be aware of emerging issues.

Robert Waller, product development agronomist for Dow AgroSciences, is charged with recognizing the agronomic challenges farmers face and then delivering seed necessary to meet them. Waller says Dow AgroSciences strives to identify the key attributes a seed needs to succeed in a particular environment. Some areas of the country need iron deficiency chlorosis, sudden death syndrome or phytophthora tolerance in order to reach their full yield potential. Farmers in those regions are at a disadvantage if varieties in the desired maturity featuring the resistance characteristics they need aren’t available. That’s why it’s vital for breeders to stay one step ahead of diseases and provide the seed farmers need when it’s needed.

Waller says “when we see disease issues, we start asking ‘what do we need to do to address these problems?”

Wherever soybeans are grown, Waller stresses that it’s usually just a matter of time before disease problems begin to emerge. He says farmers in northern Minnesota used to think soybean cyst nematode wouldn’t be an issue for them, but now it is showing up with increased frequency. Frogeye leaf spot is a foliar soybean disease typically found in hot, humid climates that it is becoming more evident in soybean fields as far north as Iowa.

In addition to doing their own work, Waller says Dow AgroSciences researchers also collaborate with university scientists on the forefront of soybean breeding and testing. The additional resources are valuable because when it comes to discovering the presence of yield-robbing soybean diseases, it’s typically when, not if.

“Our field research and laboratories give us a lot of tools at our disposal,” he adds. “While we are focused on bringing the best new products to market, we can’t lose sight of what’s important. For a complete package, you have to start with a good backbone of genetics and disease resistance.

“There are always emerging problems we are trying to address. Before farmers begin to talk about a disease, we need to start breeding for it so we have seed with the characteristics and traits available when they become must-haves.”

Illinois Soybean Growers Offer Membership Savings

By Bill Wykes, ISA Chairman

Illinois soybean growers provide a legislative voice in Springfield and Washington, D.C., advocating for issues that affect all of the state’s growers. Much of that effort is now being accomplished through the Voice for Soy Action Network.

If you are not currently a member or your membership has lapsed, now is a great time to join. Illinois soybean growers are offering a savings of $50 with every three-year membership when you also register with the Voice for Soy Action Network at any farm show or special membership event this year. That reduces the cost of a three-year membership to $145. Growers can complete a membership application online at www.ilsoygrowers.org.

Voice for Soy gives growers the ability to track key issues, share information and mobilize quickly via email alerts. The tool truly gives members a voice at the local and national level.

Remember, the membership-based Illinois Soybean Growers organization, which serves more than 45,000 Illinois farmers, requires a paid membership. Illinois soybean growers work together with the Illinois soybean checkoff to serve the needs of all Illinois farmers. The checkoff funds market development, soybean production and profitability research, promotion, issues management and analysis, communications and education. Soybean checkoff dollars cannot be used to fund legislative efforts, so dues-paying members must support advocacy activities. Please consider this discounted opportunity to add your voice to the future.

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YOU HAVE ENOUGH TO WORRY ABOUT. OUR SOYBEAN SEED ISN'T ONE OF THEM.
ISA developed a soybean checkoff-funded “what if” campaign last year to highlight critical transportation weaknesses that threaten the Illinois soybean industry. Already, the hypothetical question is being addressed.

Roads and Bridges
ISA publicized checkoff-funded research on the negative effects of crumbling rural roads and bridges at a press conference in late September 2012. The failing bridge in Stockland, Ill., was held up as an illustration of how farmers lose money when rural bridges degrade to the point they are no longer passable by farm equipment. The Iroquois County bridge currently has a reduced weight limit so farmers and the nearby elevator must make extra trips that cost money and time. If closed completely, the elevator could close as well.

Farmers in and around White County, Ill., felt the real effects of bridge issues firsthand after the New Harmony Bridge over the Wabash River was closed last May. The bridge connects White County and Posey County, Ind. The closure was especially burdensome during harvest. Farmers had to move farm equipment on longer, more expensive routes or not travel between the two states at all, limiting market access.

Waterways
ISA, the United Soybean Board (USB) and Soy Transportation Coalition (STC) studied the effects of a lock or dam closure preventing barge traffic along the inland waterways. The study “Locks and Dams: A Ticking Time Bomb for Agriculture?” showed a failure at the vulnerable LaGrange Lock on the Illinois River would have ripple effects all the way to Joliet, costing millions and reducing soybean prices 7.4 cents per bushel.

Those findings became reality last September. The lock at Granite City, Ill., south of the LaGrange Lock, was closed for emergency maintenance, causing a 63-vessel (455 barge) backup. STC reported the closure cost the shipping industry alone $3 million a day.

“Our checkoff-funded studies have predicted outcomes we’ve seen throughout the state,” says Paul Rasmussen, soybean farmer from Genoa, Ill., and ISA transportation vice chair. “We need to keep pressing for improvements to our critical infrastructure.”

Checkoff-Funded Research Creates Action
ISA is funding four projects to improve transportation and protect Illinois farmer profits:

- Illinois Rehabilitation of Soy-Focused Roads and Bridges. The goal is to develop plans to prioritize and rehabilitate the worst rural, soy-related bridges in the state.
- Bond Finance for Critical Illinois Infrastructure. ISA will encourage public-private market financing of Illinois’ inland transportation infrastructure.
- Alignment between Transportation/Logistics Companies’ and Farmers’ Goals. The plan is to collaboratively improve freight movement and logistics efficiencies specific to the soybean industry.
- Illinois Container-on-Barge (COB) Pilot Project Facilitation. ISA will initiate a COB circuit that will be commercially competitive and sustainable.

“We have a lot of momentum right now,” says Rasmussen. “Look for more announcements regarding our recent trade mission to Asia, our upcoming transportation summit, March 19, in Joliet and news about bridge rehabilitation.”
As the next generation of tough broadleaf weeds continues to challenge growers everywhere, it’s clear that glyphosate alone is not enough. BASF Advanced Weed Control offers growers the most sites of action in the industry and the superior, proven performance growers can rely on.

Learn more about it and find your local BASF Authorized Retailer at AdvancedWeedControl.basf.us.
Illinois soybean farmers may have better trade opportunities if the ongoing Trans-Pacific Partnership (TPP) free trade agreement negotiations ultimately come to fruition. The 15th round of negotiations on TPP concluded in New Zealand late last year.

“U.S. agriculture, especially soybeans, has consistently benefitted when free trade opportunities are expanded and protectionist trade barriers are reduced,” says Danny Murphy, soybean farmer from Canton, Miss., and American Soybean Association (ASA) president. “With additional countries joining negotiations, expansion of the agreement can provide a significant boost to our industry and serve as a platform for increased soy exports.”

The TPP currently includes the U.S., along with Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam. Canada and Mexico also joined the latest round of discussions.

Murphy says the hope is to enhance trade and investment among partner countries; promote innovation, economic growth and development; and support job creation and retention.

The Asia-Pacific Economic Cooperation (APEC) roughly 20-country region includes more than 40 percent of global trade and 40 percent of the global population. Many of the economies are growing faster than the world average, and together generated 56 percent of global gross domestic product (GDP) in 2010. Asia-Pacific markets already are key destinations for U.S. agricultural products. U.S. statistics show agricultural exports to the region totaled $83 billion in 2010 and accounted for 72 percent of total U.S. ag exports to the world.

Moving forward, ASA would like to see Japan become part of the negotiations. Japan’s economy is second only to China’s in the region, and is the fourth largest U.S. agricultural export market, worth nearly $12 billion, despite substantial import barriers. Soybean and soybean meal exports enter Japan at zero duty, while soybean oil is subject to tariffs in Japan.

Japanese barriers to U.S. livestock exports are more restrictive. Removal under a TPP agreement would offer substantial new opportunities to expand U.S. meat and poultry exports. Since soy is included in feed rations, demand in the U.S. for soybeans would expand accordingly.

“President Barack Obama has set a goal of concluding TPP negotiations late in 2013. ASA continues to monitor progress on market access issues,” says Murphy. “Profitability and growth of the U.S. soybean industry is dependent on trade. With 57 percent of our crop exported today, the key to continued growth is improved market access through free trade agreements which provide for reductions or elimination of tariffs and adherence to sanitary and phytosanitary (SPS) standards.”
A recent checkoff-funded study found that Illinois soybean farmers are improving yields while protecting the environment. Since 1980:

- Soil erosion has decreased 32 percent.
- Soybean production has increased 50 percent with only 6 percent more land.
- Energy use has dropped 41 percent.
- Carbon dioxide emissions have declined per bushel and per acre.

Data analyzed between 1980 and 2011 were land use (planted acres per bushel), soil erosion (tons per bushel), irrigation water applied (acre inches per bushel), energy use (BTUs per bushel) and greenhouse gas emissions (pounds of carbon dioxide, CO₂, per bushel).

“The data show Illinois soybean farmers are on the right track. By continuing to readily adopt new technologies and conservation practices, results will be even better in years to come,” says Stewart Ramsey, senior principal for IHS Global, the firm that analyzed the data.

“Without farmers eager to accept new technologies and practices developed in the past 30 years, these results would not have been as significant. I have been farming 7,500 acres of soybeans with my father, brother, uncles and cousins for 27 years, and a number of things have helped us collectively reduce soil erosion and increase efficiency and yields. We use minimal till or no-till practices, plant cover crops in the winter, use irrigation and select seeds that match our field conditions. All of these elements together help me use less time, energy and land than before. I predict 30 more years of research and development will bring more tools that increase efficiency while reducing impacts.”

“Farmers feed the world, and we must do so while being conscious of our environmental impacts. Since I started farming in 1975, I have adopted practices and equipment that help protect the environment. I started using conventional tillage methods, transitioned to vertical tillage, and used no-till on all 500 acres for the first time last year. No-till reduces water runoff and soil erosion while preventing CO₂ emissions. I have also begun planting more narrow rows, which increases yields with less energy and fewer passes. Whether it is weed control or tillage method, I always ask myself, ‘Is my mode of action as friendly on the environment as it could be?’ That will help me continue to provide quality soybeans to my customers.”

“Technology has come a long way since I first started farming in 1961, which involved multiple tillage passes. Over time, I began taking steps to make farming more efficient and easier on the environment. This includes using a field cultivator with rolling baskets, which creates a good seedbed with fewer passes. I also plant narrow rows and pay attention to fertility, seed selection and timing of fertilizer application to increase yields on less land. We are on a good path to become more sustainable, so let’s keep doing what we’re doing and also embrace new technologies and information from research studies as they arise.”
New Biodiesel Campaign Helps Illinois “Get Pumped Up!”

While the Illinois biodiesel industry has made steady gains in recent years, the industry remains in its infancy and requires continued support. A new effort from ISA revisits why using biodiesel is an exceptional choice for farmers and those in the trucking and petroleum industries.

“ISA is using checkoff dollars to build more excitement for biodiesel and educate customers about its benefits – from creating demand and added value for soybeans, to fuel-cost savings, emission reductions and decreased use of foreign oil,” says Lyle Wessel, soybean farmer from Waterloo, Ill., and ISA director. “As soybean farmers, we should all be at the forefront in promoting biodiesel use by asking our co-ops and fuel suppliers to make it available.”

“Biodiesel has been one of the most important and successful checkoff-funded programs since its inception, but we need to keep up the positive momentum,” says Rebecca Richardson, ISA industrial uses consultant.

Based on market research conducted last summer, the new campaign focuses on three main reasons for supporting biodiesel: quality for petroleum marketers, return on investment (ROI) and sustainability for truck fleet owners, and added demand for farmers.

The campaign urges people to “Get Pumped Up! On Biodiesel,” with specific reasons based on feedback from farmers, truckers and petroleum marketers. The campaign debuts this month at the Mid-West Truck Show in Peoria, Ill., and will continue to be used online and at events such as Commodity Classic and M-PACT (Midwest Petroleum and Convenience Tradeshow) in April.

“The campaign shares with potential customers the reasons biodiesel made from soybeans and other renewable feedstocks holds an edge over petroleum-based diesel,” says Wessel. “Increased use, whether in a combine or semi-truck, and support from a growing customer base, will keep the momentum moving forward and grow both the biodiesel and soybean industries.”
NSRL Shares Tips with Russian Delegation

The National Soybean Research Laboratory (NSRL) at the University of Illinois hosted scientists from Far Eastern Federal University (FEFU) in Vladivostok, Russia, last November to learn more about incorporating soy into human foods.

Professor Tatyana Dolgova, head of scientific school of biomedicine, and Svetlana Minenko, project administrator focused on food nutrition and biomedicine, were impressed with the ingenuity of incorporating soy into cultural recipes and menu items. Melinda Anderson with NSRL says the women have high hopes for future collaborations between the FEFU and NSRL.

“Soybeans are a staple crop near our university, so we found the presentations about soybeans especially interesting. We are planning to host a conference in Vladivostok, so we can share all the valuable information we learned while at the University of Illinois,” says Minenko.

FEFU is a federal institution of higher education accredited and funded by the Russian Ministry of Education. FEFU is the top-rated, largest and oldest university of Eastern Russia, one of the top five Russian universities and only Eastern Russia school accredited as a scientific university.

Documentary Follows Fish Farmers

A new soybean checkoff-funded documentary highlights the many benefits of using U.S. soy as an ingredient in fish feed, from sustainability to affordability to quality.

The video was produced by the U.S. Soybean Export Council (USSEC), which along with the checkoff, funds research at Hubbs-Sea World Research Institute and seafood producer Pacifico Aquaculture. Studies focus on the benefits of replacing fish meal and fish oil with U.S. soy in feed for aquaculture. The video follows the aquaculture production process at Pacifico Aquaculture’s operation in Mexico, which raises native white bass and hybrid striped bass.

“We have research and studies that show many species of fish have superior rates of growth and weight gain when fed soy-based feeds,” says Sharon Covert, soybean farmer from Tiskilwa, Ill., and United Soybean Board (USB) customer focus action team chair. “With this mini-documentary, we show how sustainable soy is and what a good product soy-based feeds can produce.”

USAPEEC Promotion Lifts Korean Chicken Sales

Sales of U.S. chicken have increased in Korea, thanks to a recent USA Poultry and Egg Export Council (USAPEEC) sales promotion with the country’s largest hypermarket chain. Illinois soybean checkoff dollars help fund USAPEEC promotions in Korea and other key markets.

For two months last fall, USAPEEC teamed with E Mart to promote cooked items made locally using U.S. chicken as a raw material. E Mart featured two items at 140 of its store deli counters nationwide: “New Spicy and Sweet Chicken Gangjeong” and “Lean Chicken Skewers.” During the sales event, the two products edged out bestselling local favorite – “Big Fried Chicken.”

USAPEEC reports high sales for both products were linked to increasing U.S. broiler usage for processing. According to Donghae Food, Korean manufacturer/supplier that worked with USAPEEC, an average of 60 tons of U.S. poultry products were consumed prior to the promotion. During and after the promotion, consumption jumped to 110 tons. In 2011, the U.S. exported more than 112,000 tons of poultry and egg products to Korea, worth about $144.2 million.

CALENDAR OF EVENTS

<table>
<thead>
<tr>
<th>Event</th>
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<tr>
<td>Commodity Classic</td>
<td>February 28-March 2</td>
<td>Kissimmee, FL</td>
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<td>Illinois Soybean Summit</td>
<td>March 4, Normal, IL</td>
<td>Normal, IL</td>
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<td>Illinois State Fair</td>
<td>August 9-18</td>
<td>Springfield, IL</td>
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<td>Farm Progress Show</td>
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February 2013
Transportation Partner

Transportation touches every bottom line throughout the Illinois soybean industry— from farms, to grain elevators and processors, to food companies and export markets. Keeping roadways, railways and waterways flowing smoothly depends on partnerships. Steve Jaeger, executive director, Heart of Illinois Regional Port District (TransPORT) in Peoria, Ill., received ISA’s Excellence in Transportation Award for spearheading efforts to develop, expand and secure such opportunities for soybean products.

Local Government Helps State Industry Compete Globally

Why did the Illinois government create TransPORT in 2003?

TransPORT is a state agency that was created to spur economic development throughout a specific region. TransPORT is one of 17 Illinois port districts that encompasses 95 miles of the Illinois River, from Marshall County to Mason County, and includes 40 river docks and terminals. Peoria and surrounding counties already had access to barge, truck, rail and air transportation modes, and that enables the region to provide competitive intermodal logistics.

How much of your business efforts are agriculturally based?

The port authority helps to market and create new opportunities and advocates for all modes of transportation. Because so much of the area’s economy is agriculturally based, a significant amount of our policy work aims to facilitate seamless movement of ag products.

What impact will the new port in Pekin, Ill., have on Illinois agriculture?

We are developing our own facility in Pekin, but it will not compete with existing private facilities. Instead, it will cater to specialized commodities including dry bulk, liquid cargo (ethanol) and inbound coal. The facility will save the ethanol industry money because they have not had a barge option previously. Beginning in 2013, phase one will be to create the dry and liquid bulk facility. Phase two will be to create two new market areas—a roll-on/roll-off ramp for transporting heavy equipment and a crane to load containers onto barges—a transportation option ISA is working to develop. More information about TransPORT can be found at www.portdistrict.com.

ISA is developing a pilot container-on-barge (COB) circuit, which will help TransPORT’s Phase Two be commercially viable and sustainable. It is already an option on the Columbia River (pictured). Interested farmers and stakeholders may learn more at an ISA-hosted transportation summit, March 19, in Joliet, Ill. The goal is to facilitate further partnership, collaboration and alignment between farmers, transporters and other industry partners. Register online at summit.ilsoy.org.

Steve Jaeger

“Steve has been instrumental in leading the Heart of Illinois Regional Port District in moving forward with developing a public international marine terminal in Pekin along the Illinois River Waterway. He constantly looks for initiatives that will create jobs and generate real economic value to the local, regional and state economies,” says Ron Kindred, soybean farmer from Atlanta, Ill., and ISA director.
ISA Honors Soybean Industry Advocates

The Illinois Soybean Association (ISA) honored retiring directors and soybean industry award winners at a meeting in Chicago, Dec. 13. Five farmers and retiring directors were recognized for their work with ISA, including Doug Winter of Mill Shoals, Ill.; Dale Crawford, Sullivan, Ill.; Pat Dumoulin, Hampshire, Ill.; Dean Campbell from Coulterville, Ill.; and Matt Hughes from Shirley, Ill.

Deb Moore was named the ISA Excellence in Image Building award winner. Moore has helped enhance Illinois soybean farmers’ positive image through various outreach opportunities. Moore farms with her husband, Ron, near Roseville, Ill., and serves as an Illinois Farm Families (IFF) spokesperson and works with the IFF Field Moms program.

The ISA Excellence in Sustainability award winner, Justin King, helps guide farmers toward accepting and employing sustainable soybean production practices. He is a district conservationist with the Bond County Natural Resources Conservation Service (NRCS).

The ISA Excellence in Leadership award winner, Philip Bradshaw, a soybean and hog producer from Griggsville, Ill., has been active on several state and national agricultural leadership fronts. ISA CEO Craig Ratajczyk noted, “Phil is a great ambassador for Illinois soybeans. He is not only a national leader among soybean groups, he has demonstrated a healthy succession plan and taught the next generation how to run his own business successfully.”

Captain Robert Jornlin was named the ISA Excellence in Industrial Uses award winner. Jornlin is a long-time proponent of domestic biodiesel consumption. As captain of the USS 325 LST Memorial – the only active landing ship tank in operation today – he advocates for the fuel by using it in the ship. Jornlin served in the Navy during the Korean War on an LST.

ISA CEO Craig Ratajczyk presents immediate past chairman Matt Hughes with a U.S. flag that flew at ISA’s office during Hughes’ tenure.
"I pledge my loyalty to the fight against glyphosate resistant weeds, and to my fields upon which they grow, for all farmers, with liberty and no weeds for all."

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