Market Access a Main Focus in 2014

- ISA Partnerships Help Build Markets
- Take Advantage of Online Resources
Are you getting the most out of your crop?

Find new profit potential in your field. It’s only a click away at SoybeanPremiums.org, where you’ll find buyers, locations and details for programs such as non-GMO contracts and food-grade soybeans. Programs are available throughout the U.S. Click on “Find a Premium Program” to see the latest opportunities in your area.
Building Trade Partnerships can Increase Soybean Profitability

Gaining and maintaining access to global markets for U.S. soybeans creates demand that helps ensure farmers’ success and profitability once soybeans leave the field. And that path is lined with both challenges and opportunities. Read about some of the current issues farmers face.

ISA Supports Alternative Funding for Infrastructure Fixes

Public-Private Partnership (P3) financing is one way to increase funding for critical infrastructure updates. ISA supports this model and serves as a facilitator among farmers, government and private groups to foster support for P3 to fix roads and bridges, and locks and dams. Get a glimpse into some of ISA’s efforts to help enhance soybean transportation.

Leadership Involvement Supports Ag Livelihood

Sara Prescott is an Illinois Beef Association (IBA) district director, representing the checkoff division. She joined her husband, Michael’s, family Angus business in 2007. Learn how immersing herself in agriculture has created leadership and promotion opportunities, and why she is so passionate about farmers getting involved with their industries.

Partnerships Expand ISA’s Reach to Support Livestock Growth

The Illinois soybean checkoff partners with many groups to help meet ISA’s objective to: “increase global animal consumption of Illinois soybeans and soybean products.” Investigate ISA’s activities, from local to global, and how they might affect Illinois soybean demand.

Illinois Sees Cover Crop Renaissance

Cover crops aren’t new to Illinois. But new science is fueling a renewed interest in cover crops, which shows how the crops can benefit soil health, water quality and farmer profits. Read more about how to put cover crops to work on your farm.

Yield Challenge Growers Find Ways to Bust Production Myths

ISA’s Yield Challenge encourages soybean farmers to try new management practices to boost yields. In 2013, the fourth year of the program, participants experimented with fertilizers, micronutrients, seed treatments, fungicide and insecticide applications and more. Find out what worked and what didn’t as these producers tried to bust soybean production myths.
While growth within the Illinois livestock sector has been dramatically outpaced by the national average in recent years, increasing worldwide demand for meat and dairy makes the potential for animal agriculture opportunities in Illinois great. Economic returns support those opportunities. University of Illinois research finds raising livestock and processing meat and dairy products in Illinois accounts for $27 billion and more than 99,000 jobs. Many of those dollars stay local.

Animal agriculture is the top Illinois soybean customer, and the Illinois Soybean Association (ISA) maintains animal agriculture as its number one priority. Illinois soybean farmers understand it takes strong local support to build and expand animal agriculture operations. That’s why we help advocate for livestock producers and champion their efforts whenever possible. That might include attending siting meetings in support of neighbors or lobbying in Springfield.

We also invest in programs and research that support animal agriculture and greater use of the soybean meal consumed by our number one customers. Hogs account for more than 82 percent of the soybean meal consumed in Illinois. ISA partners with the Illinois Pork Producers Association in not only promoting pork products to Illinois consumers, but also making better use of hog manure as fertilizers. We currently are helping fund the technical environmental information exchange between Ted Funk, retired University of Illinois professor, and pork producers. Funk also has been instrumental in providing information to help soybean farmers make efficient and responsible use of manure as fertilizer.

ISA continues an effort started last year to reach out to grain farmers and help targeted communities see the advantages of raising livestock. As part of this effort, ISA is hosting about a dozen local roundtable discussions this winter that connect grain farmers with livestock producers. With farmer-to-farmer conversations, those with an interest in livestock have the opportunity to ask questions and learn more about diversifying their operations. Contact us to see if any additional roundtables are scheduled yet this month for a location near you.

Learn more about our many approaches to animal agriculture at www.ilsoy.org.

Bill Raben
ISA Chairman
The soybean industry can support the swine industry by promoting the use of enzyme-treated soybean meal and fermented soybean meal. These two sources of soybean meal do not contain oligosaccharides and only small amounts of antigens. Support to market these sources of soybean meal will assist the swine industry in formulating better diets, and it will increase the total market for soybean meal.

3. All diets fed to pigs and poultry in the U.S. are formulated based on concentrations of digestible amino acids and digestible phosphorus. Most diets also are formulated to meet specific requirements for metabolizable energy. There are differences among sources of soybean meal in the digestibility of nutrients and energy, but livestock producers do not have tools to distinguish between sources with low digestibility and sources with greater digestibility.

The soybean industry may help the livestock industry by documenting these differences and developing tools that will allow them to distinguish between different sources of soybean meal based on digestibility of amino acids, phosphorus and energy. Possibilities for selecting varieties that will produce soybean meal with increased digestibility of energy and nutrients should also be investigated.

The soybean and livestock industries are dependent on each other, and the success of one often also results in success for the other.

Hans H. Stein is a professor of animal science at the University of Illinois, where he is conducting research and providing outreach programs in the area of intestinal physiology and feed ingredient evaluation.
With the investment of cash, care and concern devoted to growing soybeans, the stakes are high for the success of each year’s crop. That effort doesn’t stop once soybeans arrive at the elevator. Gaining and maintaining access to global markets for U.S. soybeans creates demand that helps ensure farmers’ success and profitability once soybeans leave the field.

“Market access is critical to our profitability,” says Mike Marron, soybean farmer from Fithian, Ill., and ISA vice chairman. “Illinois sends almost half of its soybean crop to the export market, so it’s very important to achieve and maintain open access. To maintain and increase our competitiveness and maximize the price for our soybeans, we have to look for ways to differentiate ourselves and identify advantages we can leverage in international markets.”

A bright spot in the U.S. soybean export portfolio continues to be China, which is the top international destination for U.S. soybeans. “China’s demand for U.S. soybeans has been great for Illinois soybean farmers,” says Marron. “While there are occasional issues that crop up, just like in any relationship, China continues to be a vital export market for us.”

The same, however, cannot be said for the European Union (EU), the second largest importer of biotech soy after China. “Their regulations have made it harder for biotech imports and have slowed soy farmers’ ability to use new technologies. But Europe still imports a large amount of U.S. soy and biotech soy,” says Brent Babb, international market access director for the U.S. Soybean Export Council (USSEC) based in St. Louis.

John Baize, president of John C. Baize and Associates, says that while controversies over biotechnology have been a nuisance in the European Union, there is no real evidence the EU’s biotech approval and labeling laws have had any significant impact on export demand for U.S. soybeans. That’s because most of the world’s soybeans now contain biotech traits.

According to David Green, a consultant with Greenhouse Communications, LLC, based in Virginia, market disruption in the EU is lessening as the availability of non-GMO soy diminishes. “That said, pockets of EU countries continue to seek non-biotech soy, while others still have a negative opinion of biotech traits, and of soy in general,” says Green.

To maintain and increase our competitiveness and maximize the price for our soybeans, we have to look for ways to differentiate ourselves and identify advantages we can leverage in international markets,” says Mike Marron, soybean farmer from Fithian, Ill., and ISA vice chairman.

EU Authorization System: Backlog of Applications is Growing

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<thead>
<tr>
<th>Number of product submissions and authorizations received between 2004-2013</th>
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<td>Applications submitted</td>
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Note: projected submissions are for 2013 and 2014 combined, based on a survey among technology providers.

Source: Europabio, September 2013
Source: Qualisoy/Greenhouse Communications

While the EU feed marketplace is sorting itself out, two central issues remain unresolved,” Green adds. “The first is the ongoing delay in biotech approvals. As more and more biotech events are approved globally, the long approval timeline – four years-plus in the EU – means a greater chance of unapproved events appearing in EU shipments, leading to trade disruption.”
Negotiating Trade Agreements

Trade agreements can go a long way to assuring favorable terms between trading partners. Two notable trade agreements that include the United States are currently being negotiated, the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP).

According to USSEC’s Brent Babb, both agreements would increase exports of meat and poultry and create more harmonious regulations on multiple issues that could enable trade (see page 13).

The TPP would create a large free trade zone covering 40 percent of world GDP and 30 percent of global trade. According to a report by HSBC Global Research, TPP is a proposed mega-regional trade agreement that would open up trade and investment in 12 Pacific Rim economies.

“The U.S. administration hopes to have TPP completed in 2014, but a couple of issues remain with Japan’s entry and requests to protect industries and textile issues with Vietnam,” he says.

TTIP is a potential trade agreement between the EU and the United States that aims to remove trade barriers in a wide range of economic sectors, making it easier to buy and sell goods and services, as well as tackling differences in technical regulations, standards and approval procedures. Babb says TTIP negotiations have just begun.

“Europe has negotiated multiple FTAs globally and often removes or limits their sensitive industries in the negotiations, but the U.S. standard is to include all industries, so there could be some tough negotiations ahead,” he says.

The second issue, he says, is zero tolerance for any EU-unapproved biotech traits destined for the food market, which costs U.S. food exporters millions of dollars annually to assure there is zero non-EU approved biotech in their products. The U.S. and EU food industries have been pressing for a resolution for several years without success.

Green adds the EU effect is felt in several markets that model their biotech laws to those of the EU, like Korea. He says Turkey also is threatening to be a major problem because a non-governmental organization (NGO)-inspired court case resulted in an already approved Bt corn trait having its import approval rescinded. NGOs now threaten to take up a similar case against 16 corn events and three soybean events that have already been approved. Green expects this activity to continue to be a concern.

The only market where sustainability really is an issue is the EU, according to Baize. He says some major European food companies and the Dutch feed industry want to import only sustainable soy, and created the Roundtable on Responsible Soy (RTRS) to source it.

“The RTRS has not worked very well,” says Baize. “The U.S. Soybean Export Council developed the U.S. Soybean Sustainability Assurance Protocol to satisfy the EU requirements, and it appears that protocol will be accepted.”

Green adds the EU has been at the forefront in development of ever more stringent health, safety, social and environmental policies that apply across member states.

“Green parties and well-organized, professional NGOs have often framed the debate and driven their agendas at the political level. They see the media and food retailers as the main gatekeepers to consumers,” says Green.

He adds that one piece of EU legislation, the Renewable Energy Directive, has adversely affected U.S. soy oil trade. There is concern among stakeholders in the EU and the U.S. that pressure could build for sustainability in other sectors across the food supply chain.

The U.S. now exports to more countries than it did in the 1960s. While only 39 countries imported U.S. soybeans in 1967, the number of countries importing U.S. soybeans increased to 55 by 2010. There has been an expansion of trade along the extensive margin. The increase in exports to China seems to coincide with the decline in exports to the original 39 partners, the majority of whom were developed countries. Terry Roe, program director for The Center for International Food and Agricultural Policy at the University of Minnesota, notes that China filled the hole created by a decline in U.S.-EU trade.

Source: Center for International Food and Agricultural Policy, Applied Economics, University of Minnesota

Changing U.S. Soybean Export Landscape

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As public revenues struggle to keep up with a growing backlog of infrastructure projects, Public-Private Partnership (P3) financing is one way to increase funding for critical updates. ISA supports this model and serves as a facilitator among farmers, government and private groups to foster support for P3 to fix roads and bridges, and locks and dams.

“We must make sure our infrastructure can carry, in a cost-effective way for farmers, the volume of soybeans grown,” says Rob Shaffer, soybean farmer from El Paso, Ill., and ISA director. “Many industries face the same threats. Government budgets can’t keep up. We’re taking a proactive approach with public and private parties who can affect change and take action.”

What’s a P3?
P3s offer a financing model that combines private sector revenue streams with government funding sources, such as bonds or grants, to build and repair infrastructure. P3 projects allow more flexibility and can cover dozens of unique approaches to share costs and responsibilities between public and private entities.

In the U.S., P3s are most common in the highway sector, according to Mark Carr, chairman of the Inland Water Transportation Committee, National Academy of Sciences Transportation Research Board. However, he points to the Water Resources Reform and Development Act (WRRDA) as progress towards P3s being used to fund repairs to maritime navigation.

“We believe Illinois soybean farmer efforts were instrumental in getting Senators Dick Durbin and Mark Kirk and Illinois Representatives Cheri Bustos and Rodney Davis to introduce WRRDA in March 2013,” says Shaffer.

Where There’s a Will, There’s a Roadway
Improving roads and bridges that limit efficient movement is another main focus in ISA’s work to align private and public sectors for the benefit of local communities statewide. In Peoria County, ISA is working with local officials to prioritize which township bridges and road segments are the best candidates for a P3. The effort is progressing toward a resolution that could be a model for other similar finance partnerships.

Brian Elsasser is a Peoria County board member and grain farmer from Princeville, Ill. He appreciates ISA’s efforts to look out for rural residents like himself and many of his constituents.

“We have more bridges under restriction than ever before, and we’ve got to find new revenue sources,” he says. “The board is grateful for the dialogue ISA has started and the opportunity to work toward alternative funding solutions.”

Carr says communication with decision makers is critical. “The farmers, shippers and communities who rely on these systems must closely engage with leaders and politicians. If they aren’t in tune with the problems, they won’t be able to address them.”

ISA checkoff-funded research from 2012 confirmed the economic challenges farmers face with road and bridge issues. For example, the report notes if the LaGrange Lock in Cass County closed for 90 days during peak soybean harvest movement, 341 barge loads would be diverted into 21,000 trucks, increasing the time and cost of transport.
Leadership Involvement Supports Ag Livelihood

Sara Prescott is an Illinois Beef Association (IBA) district director, representing the checkoff division. She joined her husband, Michael’s, family Angus business in 2007. Sara’s father-in-law, Richard Prescott, operates the Mendota farm and focuses on Angus seedstock and marketing freezer beef. Sara and Michael run a purebred/commercial operation near Lincoln, Ill.

Why did you get involved in beef industry leadership?

I have a huge passion for the beef industry. Michael and I looked for beef groups in our area to join. When we found none, we took it upon ourselves to restart an affiliate group in central Illinois called the Heartland Beef Alliance. During the past few years, we have strengthened membership and participation by offering educational and networking opportunities to discuss practices on our farms so we can learn from each other. Being part of the IBA board helps me build leadership skills, but also allows me to explore new avenues in beef production.

I also participate in events that allow me to promote beef to consumers. Engaging the public about the beef industry is so fulfilling and allows me to reach out to those who are interested in our livelihood, as well as in incorporating beef into their everyday meals.

What other leadership roles have you taken on in agriculture?

Last year, I served on the IBA Board of Directors as Young Producers Council Chairman. This group was started to help engage individuals age 21 to 40 to become more active in the beef industry. This was a great opportunity for me to participate in beef policy and checkoff events. Being part of the checkoff committee has opened large avenues. I have been involved with Illinois Farm Families, National Cattlemen’s Beef Association and the start-up of the Illinois Cattlewomen.

Why is it imperative for other producers to get involved?

More issues and policies are coming to the table with agriculture. We must stand together and defend the industry we work so hard for every day. “We hope our operation continues to grow so that our children can be the fourth generation here,” says Sara Prescott, pictured with her husband, Michael, their children and some of their cattle.

How can soybean farmers work with beef producers to help lead agriculture?

Illinois cattle leaders take an active role in reaching out to state legislators and regulatory officials about the importance of the beef cattle industry. We also use our checkoff to likewise target consumers about beef. Both of these efforts speak to the sustainability of the state’s beef cattle industry. There’s no doubt livestock production is important to Illinois soybean farmers. Working as a combined force is one way more farmers can get involved.

Why is association membership important to Illinois agriculture’s future?

Any trade association needs a strong membership base to advocate the policy positions of those it represents. Membership in a state association is key to this work. It contributes numbers and membership dues to drive policy programs. One of these inputs is no good without the other. That’s why our associations need farmers to join and become active members.

What tips do you have for young producers to get involved with leadership?

Look for local groups that are involved with leadership and state associations. In my experience, once you can get involved with leadership, your possibilities are endless.
Partnerships Expand ISA’s Reach to Support Livestock Growth

Some facts are simple. For example, it’s a simple fact that livestock are the top soybean consumers. However, it takes more than just facts to increase livestock demand and grow the livestock supply in Illinois and globally.

That’s where partnerships come into play. And the Illinois soybean checkoff partners with many groups to help meet the Illinois Soybean Association’s (ISA) objective to: “increase global animal consumption of Illinois soybeans and soybean products.”

Building a Market

“Any market is important. If we can find it, open it and sell to it, it helps us promote our soybeans,” says John Hagenbuch, soybean farmer from Utica, Ill., ISA director and member of the U.S. Meat Export Federation (USMEF) executive board. “Both international and domestic markets are important. USMEF does a wonderful job promoting meat outside the U.S. Domestically, commodity groups do a good job keeping things running.”

On the international side, about 20 percent of broilers, 10 percent of beef and 23 percent of pork production is exported, according to the United States Department of Agriculture (USDA). The Illinois soybean checkoff supports a USMEF campaign in Mexico that promotes pork through various media channels to 25- to 45-year-old mothers. Results to date are promising.

With the USA Poultry and Egg Export Council (USAPEEC), ISA supports projects that build demand for poultry in developing markets such as the Middle East, Peru and Korea.

On the domestic side, grain and livestock farmers are uniting to address consumer issues that impact demand for meat and food.

“If we don’t continue to address misperceptions about farming over time, our market share will decrease, fewer pigs will be raised, fewer soybeans will be used, and there will be less demand for our products,” says Todd Dail, pork producer and grain farmer from Erie, Ill., and IPPA president.

Soybean checkoff dollars are invested in a local project with Carthage Innovative Swine Solutions, Carthage, Ill. The focus is to further understand the value of soybean meal to improve immune function and aid in overall health of livestock. For example, if data demonstrate that increasing soybean meal improves the health of the pigs, then producers could potentially add additional soybean meal to swine diets and increase soybean consumption.

Checkoff Fact: Studies Aid Overall Livestock Health

If we don’t continue to address misperceptions about farming over time, our market share will decrease, fewer pigs will be raised, fewer soybeans will be used, and there will be less demand for our products,” says Todd Dail, pork producer and grain farmer from Erie, Ill., and IPPA president.
U.S. meat has a great reputation in Mexico. However, when it comes to overall quality, the USMEF is working hard to overcome the traditional perception that unrefrigerated and unpackaged meat from wet markets is the freshest. Buying packaged meat from regular grocery stores is becoming more common.

Growing the Supply

ISA and IPPA are collaborating to help Illinois pork producers address expansion and operating challenges. One challenge livestock producers face is dealing with manure. To address this concern, Ted Funk, an expert in livestock confinement structures, was hired to help educate, train and inform livestock farmers on best management practices.

“This year working with Ted Funk, we have definitely seen some results. He has helped educate farmers on how to use manure to improve their farms,” says Dail. “This is a good example of how ISA and IPPA can work together to be a resource for farmers that benefits all of us.”

Multiple livestock businesses are expressing interest in placing barns in Illinois, says Lindsey Henson, who helps lead ISA’s livestock initiatives. She says, “We are focusing on strengthening the relationship between ISA and these businesses. These types of relationships are valuable and important to maintain and grow the livestock industry in Illinois.”

New livestock and poultry barns generate new business for producers and also for the farmers who provide the feed and for the companies that process animals, Henson says.

To help attract new livestock producers to Illinois, the Illinois soybean checkoff invests in the Illinois Livestock Development Group (ILDG). This group helps people with the permitting process and provides other resources and tools producers need to build barns or expand.

“We are here to let livestock producers know that Illinois is open for business,” says ILDG Chairman and ISA Treasurer Rob Shaffer, an El Paso, Ill., livestock and grain farmer.

“Working with industry groups, whether it’s local, state, national or international, allows us to leverage our funds and resources to make the livestock industry more robust,” says Hagenbuch. “This makes the soybean industry stronger because we feed their market with our production.”

This is the first in a three-part series examining ISA’s local to global partnerships. Parts two and three will explore transportation and sustainability. ♦
ISA Covers Gamut of Global Issues

Farm Bill

Issue: ISA is pleased that a framework for the final farm bill was put into place in late January. The programs are authorized for the 2014 through 2018 crops.

Importance to soybean farmers: ISA supported efforts to provide for the approved flexible farm safety net. The bill offers a choice between price-based and revenue-based tools.

The Agriculture Risk Coverage (ARC) is a revenue-based payment program where payments are triggered if lower prices or yield causes revenues to fall below a benchmark calculated by a five-year rolling Olympic average. Farmers select whether to enroll in a farm- or county-level-based revenue benchmark for their farms.

The Price Loss Coverage (PLC) is a price-based payment program where payments are triggered if prices fall below a legislatively set price level ($8.40 per bushel), and will cover 85 percent of a farmer’s base acreage. Farmers also are eligible to sign up for the Supplemental Coverage Option (SCO), which is revenue insurance based on countywide losses. The SCO premium subsidy is 65 percent and covers up to 86 percent.

Payments for both are capped at $125,000 per individual or $250,000 per married couple.

The bill also eliminates direct payments while maintaining decoupled farm support programs that will minimize the possibility of planting and production distortions that could trigger new World Trade Organization (WTO) challenges. Farmers may choose between maintaining existing crop acreage base or reallocating current base acreage to reflect average acres planted to covered commodities in 2009-2012.

The bill makes enterprise units permanent within crop insurance, allows the purchase of enterprise unit coverage and will help strengthen the next generation of agriculture by providing a 10 percent increase in premium support to beginning farmers.

Renewable Fuel Standard (RFS)

Biodiesel Volumes

Issue: The Environmental Protection Agency (EPA) proposed to set the RFS Required Volume Obligation (RVO) for biomass-based diesel at 1.28 billion gallons for 2014 and 2015 and reduce the total Advanced Biofuel requirement to 2.2 billion gallons. ISA supports a 2014 volume that is at least consistent with 2013 projected production of 1.7 billion gallons. In addition, the biodiesel blenders tax credit expired at the end of 2013 but could be retroactively extended.

Importance to soybean farmers: Biodiesel is the leading EPA-designated Advanced Biofuel. Illinois is a biodiesel leader with five biodiesel plants and an estimated annual production capacity of nearly 200 million gallons. Due to many factors including favorable Illinois tax programs, the industry has grown...
ten-fold in 10 years. The biodiesel industry has supported nearly 9,000 jobs in all sectors of the state economy, generated $1.66 billion of household income, and was responsible for more than $3 billion of Illinois GDP between 2004 and 2011.

**Waterways Improvement Funding**

**Issue:** ISA has been pursuing waterways improvement legislation for years. Both the House and Senate have independently passed water resources development legislation that would expedite regulatory and environmental reviews and restructure the funding mechanism for dredging and harbor maintenance projects. If differences can be ironed out and sent to President Obama for signature, it would be the first water resources development bill in seven years.

The water bills could potentially authorize $8.2 billion for U.S. ports and inland waterways. The conference committee is currently negotiating to reconcile the bills. The House bill authorizes 23 specific projects, while the Senate measure lays out a set of criteria for the Army Corps of Engineers to follow in selecting which projects to move forward.

**Importance to soybean farmers:** Included in both versions is the Water Infrastructure Now Public-Private Partnership Act, introduced by Illinois Senators Dick Durbin and Mark Kirk and U.S. Representatives Cheri Bustos and Rodney Davis. The act would create a pilot program to explore agreements between the Army Corps of Engineers and private entities as alternatives to traditional financing, planning, design and construction models. The program is intended to expedite projects such as lock and dam modernization along the Mississippi and Illinois rivers.

**Free Trade Agreements**

**Issue:** With several rounds of negotiations completed in 2013, ISA believes the Trans-Pacific Partnership (TPP) remains on track. The goal of the agreement is to enhance trade and investment among partners, promote innovation, economic growth and development, and support job creation and retention. The TPP includes the U.S., Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

Meanwhile, ISA considers the Transatlantic Trade and Investment Partnership (TTIP) agreement with the European Union (EU) to be an ambitious and comprehensive trade and investment pact that could promote U.S. international competitiveness, jobs and economic growth.

The TP and TTIP would benefit from granting the Obama Administration Trade Promotion Authority (TPA) to “fast-track” any negotiated agreement through the legislative process. Bills were introduced in January in the House and Senate to grant such authority under specific conditions.

**Importance to soybean farmers:** Illinois soybean farmers may have better trade opportunities if TPP negotiations come to fruition. Several countries would lower tariffs on soybean products and provide opportunities for new markets. In developed countries, reform would likely boost U.S. meat and dairy exports, which would be a positive for domestic soybean meal demand.

The U.S. entered TTIP negotiations last summer that could open doors to greater U.S. soybean sales. Significant non-tariff barriers -- mainly restrictions and delays with the approval of biotech varieties -- limit Illinois soybean farmers from fully capitalizing on the market. TTIP would address issues that could make U.S. and EU regulations and processes more efficient and set a standard for addressing similar non-tariff barrier issues in other international markets.

Biotech Food Labeling

**Issue:** The labeling issue is drawing attention in more than 25 states, including Illinois. Connecticut and Maine already have passed state labeling regulations, with enforcement contingent upon other states passing similar regulations. Washington state voters and California voters each narrowly rejected labeling measures during the last year.

Additionally, California Senator Diane Feinstein asked the Obama Administration to use its executive powers to require labels for biotech food ingredients under the Food and Drug Administration’s (FDA) authority. Food companies, which prefer to not have to follow a patchwork of state regulations, also presented a labeling standard that could be the basis for a national standard.

**Importance to soybean farmers:** Labeling bills have been introduced in both the Illinois House and Senate. Both bills, SB 1666 and HB 3085, would require whole and processed foods for retail sales containing biotech ingredients to be labeled. ISA believes label-driven cost increases in Illinois could lead to a rise in food insecurity and hunger. Multiple studies already have verified that biotech foods are safe to consume and do not need to be labeled.
Cover crops aren’t new to Illinois. Many farmers remember fathers or grandfathers adding a small grain cover crop to their rotations. Now new science is fueling a renewed interest in cover crops, which shows how the crops can benefit soil health, water quality and farmer profits.

“Most of Illinois has flat, darker soils, so growers may not have seen the need for cover crops, thinking the only benefit is erosion control,” says Mike Plumer, coordinator, Illinois Council on Best Management Practices. “It’s an ongoing process to help growers understand cover crops bring many benefits, including yield increases, to nearly all 650 Illinois soil types.”

Tim Seifert, soybean farmer from Auburn, Ill., and ISA director, has firsthand experience with cover crop benefits. “Cover crops have been around forever. Why all of the attention now? In the past 10 to 15 years, we’ve seen a growing interest in soil conservation and fixing nitrogen,” he says. “Cover crops are a great way to realize these benefits and improve soil quality.”

Seifert first planted cover crops three years ago. His on-farm experiments focus on small plots with different cover crop varieties, including cereal rye, annual rye, tillage radishes and crimson clover, in rotation with corn and soybeans.

“We started small and have seen different results between varieties and mixes of crops. Plus, the results vary from one year to the next, so it’s definitely a learning experience,” he explains.

Cover crops can provide yield increases for both corn and soybeans that exceed the cost of planting the cover crops. A good management plan is key to cover crop success.

Plumer says cover crops can provide yield increases for both corn and soybeans that exceed the cost of planting the cover crops. But he cautions success often depends on management skills.

“Cover crops demand attention to details,” says Plumer. “When they’re managed well, cover crops definitely help enhance the short- and long-term profitability of an operation.”

Plumer adds cereal rye followed by no-till soybeans has shown yield increases as high as three to five bushels per acre, with proper management. The yield-enhancing potential also has been documented through a farmer survey sponsored by the Conservation Technology Information Center. The survey...
showed during the 2012 drought, cover crops boosted soybean yields by 11.6 percent and corn yields by 9.6 percent when compared to side-by-side fields without cover crops.

**Suppress Weeds and Diseases**

In addition to yield increases, cover crops can help control weeds, suppress soybean cyst nematode (SCN) and reduce the impact of some soybean diseases, says Plumer.

While cover crops may reduce overall weed pressure, some can help control herbicide-resistant weeds, including Palmer amaranth. “Our work has shown that no-tilling soybeans into cereal rye at high seeding rates provides control of maresetail (horseweed),” he says. “In fact, using cover crops in combination with herbicides, we’ve eliminated Palmer amaranth in three years, even in fields where they’ve had trouble controlling it with herbicide alone.”

Cover crops also can contribute to SCN control. Jason Bond, Southern Illinois University-Carbondale plant pathologist, says cover crops can have direct or indirect benefits in reducing SCN pressure. Direct benefits can result from a cover crop such as a Brassica (rapeseed or canola) releasing compounds that interfere with SCN, especially when used as a green manure crop. Indirect benefits include helping to increase the microbial diversity in the soil.

“An increase in the number of plant species grown in a field can contribute to an increase in microbial diversity,” says Bond. “So using cover crops is one of the few ways a farmer can increase soil microbial activity.”

Bond’s work also shows annual rye and cereal rye can successfully suppress SCN, while wheat showed minimal impact on SCN populations. “Some of these species also are good for suppressing weeds, so they may be using the same compounds to impact soil pathogens,” he suggests, adding further research is needed to explain the differences and impacts on SCN.

**Sustain Long-Term Benefits**

In addition to in-season benefits, Plumer recommends farmers take a long-term look at what cover crops have to offer their operations.

“Cover crops increase soil quality, organic matter and help reduce erosion. All of those factors add to the long-term sustainability and profitability of the farm,” says Plumer.

Seifert agrees it is a long-term commitment. “Cover crops are not the kind of practice you go into for a year. You need to be devoted to learning how to use them effectively. You may not see a yield increase every year, but you will see cumulative benefits over time,” he says.

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**Put Cover Crops to Work with These Tips**

Due to the steep learning curve for managing cover crops well, Mike Plumer and Jason Bond recommend growers do some homework before getting started:

- Get informed. Talk to a neighbor and learn what they know. Do some online research, or attend meetings for more information.
- Set goals. Knowing what you want to accomplish is key to selecting the right cover crop species for your fields.
- Start small. Plant cover crops on five to 20 acres. Growers can expand acreage after they’ve found what works on their farm.
- Time carefully. Planting dates and kill dates are critical for cover crop success, so growers should understand how this will affect their farm’s entire system.
- Monitor. Set up on-farm tests to check cover crop success against areas not planted to cover crops.
- Be patient. As with traditional crops, cover crops will not be equally successful every year.
- Think big picture. Don’t overlook the non-yield benefits of cover crops, such as weed and SCN suppression, soil organic matter and overall soil quality.
- Consult these resources for more information:
  - Illinois Department of Ag Cover Crops Network – www.agr.state.il.us/covercrops/
  - Midwest Cover Crops Council – www.mccc.msu.edu/
  - Plant Cover Crops blog – plantcovercrops.com/why-plant-cover-crops/

This article was the last in a three-part series on crop rotation. The other articles in the series appeared in the January and February 2014 issues of *Illinois Field & Bean*. 
Save on Membership

Farmers interested in joining Illinois Soybean Growers (ISG) during the organization’s 50th anniversary can save $50 on a three-year membership. A three-year membership can be obtained for only $145 until Aug. 1, 2014. Look for ISA at upcoming trade shows, farmer meetings and education events to sign up, or visit www.ilsoygrowers.com.

Moms Get Answers to Food Questions

While walking down grocery aisles, consumers face food packaging covered in claims like all-natural, hormone-free, raised without antibiotics, non-GMO, free-range and organic.

Illinois Farm Families gives consumers the chance to investigate the store shelves and separate food facts from marketing ploys. The Chicago-area Field Moms last month walked through an Ultra Foods store in Wheaton, Ill., a local grocery store serving Chicagoland.

Joined by Illinois farmers, store managers and a dietitian, the Field Moms learned how to read labels, look past marketing claims and make better choices to feed their families.

Field Mom Susan Herold shared on her blog, “There are so many more confusing labels out there designed to get you to buy (food), so take some time to do some factual research on these things to avoid spending extra money where it may not be healthier for your family at all. Use your head and ask yourself, ‘Is this something that is healthy just because it claims it is cholesterol-free or fat-free? Does organic mean that it has more nutrients for my family? No.’”

Field Moms also met many farmers behind the food, including farmers whose products reach the Chicago market as Farmland pork, or the soybean meal those pigs consumed.

Illinois FFA Helps Raise Teacher Resource Awareness

ISA joined forces with Illinois FFA chapters last month to distribute to teachers information about the free resources available to educate Illinois students about agriculture and the impact of food production on their lives. National FFA Week was Feb. 15-22, and farmers and FFA chapters visited many area schools, targeting grades 3-8, to provide the materials.

ISA’s Pod to Plate (www.podtoplate.org) resources teach students about where they get their food. Resources include a video series and lesson plans covering the path of a soybean from field to dinner plate. Teachers also can access interactive games, teacher’s guides, recipes, and stories and photos from Illinois soybean farmers via SoyCam. Teachers have the opportunity to order additional materials from the online catalog, such as books, magazines and soybean crayons. Lesson plans available help fulfill Common Core standards.
Yield isn’t the only factor that boosts bottom lines. ISA has developed several checkoff-funded online tools to help soybean farmers learn about current issues that affect their operations.

“ISA is committed to the future of soybean farming, which means educating farmers about how they can continue to advance production skills and make the most of increased yields,” says Don Guinnip, soybean farmer from Marshall, Ill., and ISA Production Committee chair. “Checkoff-funded online tools highlight topics unique to the Illinois soybean industry.”

Identify Problem Weeds
As more Illinois farms experience resistant weeds, farmers will need to take new approaches to weed management. ISA’s interactive weed management map helps soybean farmers combat herbicide resistance. Select an Illinois county to view which weeds resist which herbicide modes of action, and visually compare growth stages for common weeds using the photo gallery. Visit the WeedMap Tool Kit at www.ilsoy.org/profitability/weed-management.

Understand Soybean Composition
Soybean buyers pay their suppliers more for high-quality beans because they can extract more high-value oil and meal. That’s why more than just yield and volume affect the price elevators pay soybean farmers, a price quantified by the Estimated Process Value (EPV). Using protein and oil data collected from the 2012 and 2013 crop years, the QualiMap Tool Kit allows Illinois soybean farmers to see EPV by crop reporting district and better understand the impact soybean composition can have on profitability. Access it at www.ilsoy.org/composition/qualimap-tool-kit.

Discover Illinois Transportation Infrastructure
Illinois farmers continue to increase soybean yields, but the state’s extensive, aging infrastructure system is struggling to keep up. A new interactive transportation map takes users on a journey to discover just how vast the system is, and how Illinois railways, waterways, roads and bridges affect the state soybean industry. Visit www.ilsoy.org/transportation/ to learn about checkoff-funded programs underway to fix infrastructure.

Realize Animal Agriculture’s Impact
Livestock farmers are the No. 1 customers of Illinois soybeans, so a strong animal agriculture industry goes hand in hand with a strong soybean industry. The animal agriculture value map, accessible at www.ilsoy.org/animal-agriculture/value-map, shows how animal agriculture contributes to local economies in each Illinois county. Checkoff funds help ensure the state’s animal agriculture sector continues to grow.

Get Social
Connect with ISA on social media. Stay up to date on the latest checkoff-funded programs and Illinois soybean news. Like Illinois Soybean Association on Facebook and follow @ilsoy_news on Twitter.

Join the Conversation on www.IILSoyAdvisor.com
ISA recently launched www.IILSoyAdvisor.com, a website and forum centered on increasing Illinois soybean yields through better management decisions. Industry experts contribute articles and share the latest production research, agronomic information and recommendations on managing soybeans. With its discussion forum, the website also serves as a gathering place to share stories, ask questions and connect with others. The website also includes real-time agricultural information, relevant articles on production, technical resources, case studies, videos, blogging, tools and more.
Yield Challenge Growers Find Ways to Bust Production Myths

**TRUE:** Each growing season, ISA's Yield Challenge encourages soybean farmers to try new management practices to boost yields. In 2013, the fourth year of the program, 82 participants experimented with fertilizers, micronutrients, seed treatments, fungicide and insecticide applications and more. Winners profitably increased yields 11.2 and 8 bushels per acre.

**MYTHBUSTERS**

■ Soybean yields have reached a plateau.

**FALSE:** During his 12 years as a certified crop specialist in central Illinois, Jay Cave has noticed a shift in how farmers think about soybeans. “Farmers are paying more attention and treating soybeans like the higher-value crop they are, especially at $10-12 per bushel,” says Cave, adviser with Sunrise Ag Service Company in Easton, Ill. With record soybean yields exceeding 160 bushels per acre in other states, the new “100 Bushel Challenge” add-on option encouraged participants to push the envelope and show what’s possible in Illinois. While the winning 2013 Illinois yield of 80.3 bushels fell short of that, it is well above the state average of 49 bushels per acre.

■ Yield Challenge participation involves a lot of extra work.

**FALSE:** John Breedlove, soybean farmer from Manito, Ill., has partnered with Cave in the Yield Challenge since 2011. “It is very easy to try new techniques when it’s small scale,” he says.

Of Breedlove’s 700 soybean acres, 15 were dedicated to Yield Challenge last season. Only three acres are required for a challenge plot. Throughout the season, participants submit into a database information about their operations, planting, management practices and harvest. Once data are verified by a third party, the Yield Challenge coordination team at Illinois State University takes care of the rest. “We used a weigh wagon to quickly harvest two acres of the challenge plot, sent in samples to be tested for protein and oil, and harvested remaining acreage as usual,” Breedlove adds.

■ Successful practices aren’t profitable or adaptable to an entire farm.

**FALSE:** “If something works in my challenge plot, I’ll adapt it to all my soybean acres,” says Dan Arkels, soybean farmer from Peru, Ill. “There’s no way to find out what works and what doesn’t if you don’t try.” Previously, Arkels gained additional bushels by applying pre-plant fertilizer to his challenge plot acreage. It’s now a standard part of his management program. “When advising growers on what practices to try, my advice is to do something that’s economical on the entire farm,” says Cave. “Don’t go overboard with too many experiments.” Cave estimates Breedlove spent $26 more per acre on his Yield Challenge plot to apply fungicide and insecticide at R3, and got an eight-bushel-per-acre bump compared to regular acreage. Breedlove will implement the practice on all acreage in 2014.

It’s not too early to rally a support system of local agronomists, crop advisers, industry experts and even other growers in your area and start preparing for the 2014 Yield Challenge. Visit www.soyyieldchallenge.com. Registration opens April 15.

**Checkoff Fact: 2013 Yield Challenge Yields Positive Results**

The 2013 Yield Challenge included 82 participants with an average bushel per acre increase of 2.61. The top bushel per acre increase was 11.2. Yields ranged from 44.18 to 80.36. The most popular management practices implemented were foliar feeding and foliar fungicides.
Building Barns Builds Soy Markets

Every livestock and poultry barn houses a local market for soybeans and corn. The Illinois Livestock Development Group (ILDG), which is supported by the Illinois soybean checkoff, consulting engineering firms and livestock associations help farmers follow Illinois regulations and find resources for help.

“Careful planning goes into new buildings and renovations to existing barns,” says Terry Feldmann, agricultural services manager for Maurer-Stutz Engineers, a Peoria-based firm. “For every step in the process, from selecting or expanding a location through construction, accounting for details ensures that farmers have their house in order.”

Check out key stages in the process of building livestock and poultry barns.

Engineers develop detailed plans for every aspect of a building or renovation. New barns must follow Illinois setback requirements, which vary depending on barn size. Aerial photos like this one from Carroll County help determine if a selected location meets requirements. Aerial photos also help planning for access roads and preventing runoff.

Although the permitting and building process can take up to a year, working through details at each step results in farms like this in Whiteside County that represent the No. 1 customers for Illinois soybeans.

Site checks and inspections occur as needed throughout construction. Following properly designed plans provides adequate manure storage and a comfortable climate for animals, as seen in these projects in progress in Whiteside and Warren (lower right) counties.

A construction crew pours concrete for the slab of a new barn in Henry County.

Photos submitted by Maurer-Stutz Engineers and Laura Temple
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*Data Source: Beck’s Practical Farm Research, seed treatment studies, and third party data compiled over multiple years.