Layer in the right
RISK MANAGEMENT

Hedge Your Bets Early
Expect the Unexpected

Learn Your Lessons
Don't be a Risky Business
In fields across America, nematode numbers are rising. Field trials show that NEW Trunemco™ seed-applied treatment provides a leading level of nematode protection and higher yields than the competition in soybeans, cotton and corn.
The Risk of NOT Managing Risks
Countless risk factors are beyond soybean producer control. But the risk of doing nothing is very real and carries significant costs. Learn what can happen when risk is not managed properly.

Risky Business?
Every industry faces risk. In fact, some risks are universal. Soybean producers can learn lessons from what has worked successfully in other industries… including higher education.

Planning for Contingencies
No one needs to be reminded of the challenges of 2019. But revisiting them can help soybean producers prepare for 2020. Read more about the lessons learned and knowledge to be applied.

When Opportunity Looks Like Hard Work
Many of today’s young farmers recognize there must be a way to generate off-farm income to survive. And for some, it is simply risk management.

Uncertain Outlook
Anything’s possible with the 2020 soybean market. But market analysts say one thing is certain: producers need to hedge a portion of production when the opportunities arise.

Partnering with Pork on African Swine Fever
African swine fever (ASF) is spreading worldwide. The United Soybean Board has partnered with the National Pork Board to address the disease’s prevention and mitigation. Should ASF reach the U.S., the economic losses for both the pork and feed industries could be devastating.
JANUARY 2020 PERSPECTIVE

Use Hindsight for 2020 Planning

It’s been said that hindsight is 2020. If that’s the case, Illinois soybean farmers learned a lot of lessons from 2019 that we may be able to apply to the 2020 growing season.

The Illinois Soybean Association (ISA) also uses what has worked in the past to help guide focus for the future. ISA’s mission is to ensure Illinois soy is the highest quality, most dependable, sustainable and competitive in the global marketplace. We concentrate our efforts on those areas that will return the most bang for the buck for soybean farmers, including risk management.

One of our current strategic plan’s objectives is to optimize farmer profitability through three areas; business management, yield and sustainable production practices. The ISA checkoff program funds projects and programs that leverage tools and technology to help farmers improve yield and profitability and provide business management support.

We also look for ways to build support, recognition and engagement with producers. ISA sponsors educational opportunities to help farmers manage risk and increase profitability.

One of those occasions is coming up—the annual ILSoyAdvisor Soybean Summit. Illinois soybean farmers say the free, one-day event has added value to their decision making in the past.

This year’s conference is scheduled for March 10 at the Crowne Plaza in Springfield, Ill., and promises the same. The Summit will feature experts who will share in-season agronomic tips, agribusiness management techniques and the latest in production agriculture technology. You can find out more specifics about the program and register at www.ilsoyadvisor.com.

Other educational risk management opportunities can also be found via ILSoyAdvisor.com:

- Subscribe to ILSoyAdvisor weekly updates.
- Participate in webinars covering diverse, in-season production topics.
- Listen to podcasts for tips on challenges such as soil compaction or soybean stress.

This issue of Soy Perspectives also provides recommendations for managing risk, from crop insurance to pests, and from technology to economics. You will get an update from subject experts about the market outlook for the year ahead, learn how young farmers are managing risk and how industries outside of agriculture address minimizing challenges to their businesses.

And while we may not be able at the beginning of the year to view 2020 with perfect vision, we can prepare to anticipate and tackle any tough decisions as they emerge. I hope your new year is full of fresh opportunities for soybean production success.

“One of our current strategic plan’s objectives is to optimize farmer profitability through three areas; business management, yield and sustainable production practices.”

DOUG SCHROEDER | ISA Chairman
Don’t, No DO, Raise Your Voice

“Don’t raise your voice!” How many times did we hear that from our parents growing up, and how many times have we perhaps said something similar to our children?

Today, I am asking you to do the opposite. DO raise your voice!

Illinois Soybean Growers (ISG), through Voice for Soy (voiceforsoy.org), provides a pathway for Illinois soybean farmers to add their voices to critical issues affecting our industry. When farmers collectively take action, we make our voices heard. Here’s how you can participate:

RAISE YOUR VOICE TO PROTECT THE RENEWABLE FUEL STANDARD (RFS). Talk to your legislators. ISG is part of a broad coalition of biofuel and farm advocates calling on President Trump to fix a flawed proposal from the Environmental Protection Agency (EPA). The plan fails in its effort to revitalize farm economies and reopen biofuel plants across the Midwest. In pressing for renewable fuels support, ISG and about 60 other organizations have stressed EPA’s draft plan undermines the administration’s commitment to restore integrity to the RFS and accurately account for biofuel demand destroyed by Small Refinery Exemptions (SREs).

RAISE YOUR VOICE FOR TRADE. ISG works hard to make sure international markets are open for top-quality Illinois soybeans. We monitor issues that can affect global market access, including activity to confirm ratified agreements are followed and new agreements address key issues for soybean farmers. Most recently, ISG pressed for successful passage of the United States-Mexico-Canada Agreement (USMCA). USMCA is critical to expanding our exports.

RAISE YOUR VOICE FOR EFFECTIVE FARM LEGISLATION. Without an effective farm bill, Illinois soybean farmers face uncertainties when making production decisions. The most recent legislation extended programs that provide needed price and income protection on a farm-by-farm and crop-by-crop basis and raised the soybean marketing assistance loan rate from $5 to $6.20 per bushel. Illinois soybean farmer contact with lawmakers is critical to maintaining favorable farm bills.

RAISE YOUR VOICE WITH ISG’S POLITICAL ACTION COMMITTEE. Illinois farmers are invited to join the ISG Political Action Committee (ISGPAC). ISGPAC offers farmers strong involvement in political races and a way to talk with legislators about key issues. ISGPAC helps nurture relationships and keeps key contacts in office. Visit ilsoygrowers.com/isgpac to learn more.

It’s time to raise your voice! Permission granted to take action and push for solutions that will enhance your farm’s profitability.
What if producers neglect key risk-management strategies?

> BY LAURA TEMPLE

Farming is the original risky business. And it seems to become less predictable every year.


Countless risk factors are beyond producer control. But the risk of doing nothing is very real and carries significant costs.

“’The biggest risk for farmers is not taking one,’” says Tanner Ehmke, manager, CoBank Knowledge Exchange, which provides research and knowledge sharing for the agriculture industry. “When you are not taking risks and being proactive, you leave the door open to becoming a victim of circumstances. And that actually elevates your risk.”

Ehmke explains that risk analysis requires a long-term view of an operation.

“Start with questions like, ‘What is our business model? Our future goals? And how will they be achieved?’ to begin to see risks,” he says. “Then identify the team that will help reach those goals and manage risks.”

That team is critical, as different perspectives help producers understand the real costs of not proactively managing business risks.

“Producers write checks for things they are comfortable with and understand, and production issues are among those things,” says Eric Osterhaus, principal, K-Coe Isom food and ag consulting and accounting firm. “When uncomfortable, the tendency is to do nothing or delay decisions. We see this more often with managing price risk and marketing than with production.”

For example, farmers rarely choose to cut costs by skipping a key production input without carefully penciling out potential yield losses.

“Price risk management does not always get that same amount of focus,” Osterhaus continues. “Better understanding the risk management tools available, focusing on knowing costs, and using outside advisors can all help producers make more proactive decisions that reduce risk.”

The advisor team should include a banker, crop insurance expert, local co-op supplier and others. Their insight and support can prevent producers from falling victim to scenarios like these.

WHAT IF PRODUCERS DON’T PLAN FOR VARIABLE INPUT AND CROP PRICES?

Financial management of input costs and crop marketing ties directly to profitability.

“Emotion is one of the biggest obstacles to effective marketing for soybean profitability – specifically fear,” says Osterhaus. “With taking advantage of profitable prices, there are two ‘fears’ that prevent most producers from moving forward…production fear and price fear.

“Production fear is ‘Will we raise the soybeans?’ Often we see the best marketing opportunities occurring at the exact time when producers are most uncertain of their crop,” he says. “Price fear is the risk of selling today and seeing the price go higher tomorrow. These two fears tend to paralyze producers, and they see profit levels slip away.”

Osterhaus says that without proper planning and the ability to use available risk management tools, emotion can take over such decisions—especially when under stress.

“Is the true cost per acre known? That’s a great tool for business profitability decisions,” he adds. “Without understanding at what point the crop makes a profit, farmers can go broke saving money on inputs or holding on to crop too long.”

A financial management strategy for inputs and crop marketing helps producers look at all tools and options to reduce fears and keep moving in uncertain seasons, instead of doing nothing.

Working with a team to execute that strategy also helps manage and spread financial risk, notes Ehmke. “Advisors can uncover new options when dealing with challenges,” he says. “They can bucket out input, market, technology and other risk to minimize the bad and optimize the good.”

He offers specific examples for inputs.

“A supplier, like the local cooperative, knows the risk of getting inputs,” Ehmke explains. “Working together, producers and suppliers can figure out how to help each other minimize risks. That’s what early purchase, buyers’ groups or local warehousing do.”

A similar concept works for crop marketing.

“When trade for soybeans was lost, what did you do in advance?” he asks. “Those who did nothing had to accept local bids or find storage. A team helps uncover new options to add value.”

WHAT IF PRODUCERS DON’T HAVE CROP INSURANCE?

“Last year is one of the best illustrations of what could go wrong without crop insurance, and the value it brings,” says Bruce Sherrick, University of Illinois agriculture and consumer economics professor and member of the FarmDoc team. “Crop insurance worked as it was supposed to last year, despite everything that couldn’t be predicted.”
For farmers without crop insurance in 2019, they may have had access to support in counties labeled disasters. But for those in other counties, crop insurance may have been the difference between having opportunity to plant in 2020 or not.

Sherrick describes crop insurance as a cornerstone of managing financial risk. Its counter-cyclical nature ensures basic revenue and opens the door for additional support in tough years. For producers considering cutting back to save input costs, his advice is a categorical “no.”

“That’s not a bet to take,” he explains. “The government programs announced this year tied to crop insurance. Support is being offered to those already managing risk.”

According to Sherrick, revenue insurance is chosen most often, with options that allow producers to proactively price crops. While the government terms and acronyms change with new farm bills, tools are made available to help navigate it.

“As we look ahead, any real support for producers in challenging years like 2019 is likely to be tied to the crop insurance and conservation titles within the farm bill,” he says. “Crop insurance records are tied to many other production and business management risks. Without crop insurance, additional support may not be accessible.”

WHAT IF THERE IS NO SUCCESSION PLAN FOR THE OPERATION?

“The risk of not having a succession plan is that the operation may not be a farm in just a couple years,” says Curt Ferguson, estate planning attorney for The Estate Planning Center in Salem, Illinois. “Any error in planning can force the sale of the farm, so you have to plan appropriately.”

Ferguson says planning is about more than just documents. Unexpected death or disability leaves an empty chair. True planning is knowing who will fill that chair to make farm decisions and then equipping those people to be prepared.

“How involved is the next farm operator in decisions?” he asks. “Are they engaging with the operation’s outside advisors so they are prepared to get help and information they may need?”

He adds that a well-thought-out plan protects the farm legacy in more circumstances than just death. Key concerns and potential threats that he discusses with his clients include divorce, accidents—including those with lawsuit implications, looming long-term care needs like assisted living or nursing home care, and navigating estate taxes.

“The process of transfer of assets is a huge opportunity to create protection of those assets that otherwise would not exist,” he explains. “If you look for ways to protect assets when divorce or lawsuit proceedings are underway, you’re too late. But with succession planning, assets can be passed on to the next generation in such a way that they are protected from those threats.”

WORTH THE RISK?

“When looking at 2020, remember that it starts where 2019 ended,” says Sherrick. “For example, however long trade issues last, the half-life will be twice as long as the event. In other words, we might only get halfway back in twice the amount of time.”

And who can afford to not manage those risks?
Soybean Production Risk Snapshots

Potential risks abound at every step of soybean production and business management. Understanding key risk factors helps producers invest time, energy and resources to mitigate them. These snapshots include considerations for the 2020 growing season and beyond.

Strip-Till to Maximize Soil Benefits

To till or not to till? Which is best for soybean yields? For soil health? According to Stephanie Porter, Golden Harvest agronomist, strip-till production could be an option for the future of soybean production.

- Takes advantage of quality equipment and technology for residue cutting, coulters and row cleaners in soybeans
- Alleviates risks with cold soils for earlier planting
- Improves emergence, vigor and stands
- Reduces soil erosion
- Releases less carbon and maintains organic matter
- Reduces or prevents compaction
- Conserves energy, fuel time and money compared to tillage
- Increases fertilizer efficiency
- Works well with cover crops
- Improves root growth and development
- Boosts soil biological activity and health

Counteract Cloudy Days with Management

As a photoperiod-sensitive crop, soybean vegetative growth, flowering and pod fill all depend on absorbing sunlight.

"The Illinois Climate Network stations measure incoming shortwave, or solar, radiation, which depends on latitude, time of year and atmospheric conditions like cloudiness," says Illinois State Climatologist Trent Ford, Ph.D. "If we compare stations over the same time of the year, differences in solar radiation from year to year can be used as a proxy for cloudiness. The extent and thickness of clouds impacts the amount of solar radiation that reaches the surface. In general, the higher the frequency of cloudy days the lower overall solar radiation will be."

While farmers can't control the number of sunny versus cloudy days during the growing season, management practices can position the crop for success. For example, twin rows can encourage sunlight penetration through as much of the crop canopy as possible, and some strobilurin fungicides have shown the ability to increase photosynthesis.
Strengthen Financial Planning with Input Costs Estimates

Estimating costs of soybean production provides key information to formulate a strong marketing plan for the year ahead. This chart shows how Iowa State University estimated costs of soybean production for 2019, accounting for volume and early purchase discounts. It provides a starting point for Illinois soybean producers to calculate estimated costs for 2020 production.

Scout and Test for Common Pests

"The two biggest pests in Illinois soybean production are sudden death syndrome (SDS) and soybean cyst nematode (SCN)," says Jason Carr, CCA Soy Envoy and Bayer technology development representative, based in El Paso, Illinois. "And they are closely associated. SCN is found in every county in Illinois and damages soybean roots, making them more susceptible to SDS infections. Genetics help protect soybeans, but these pests have been developing resistance to some genetics. Farmers must continue scouting fields and testing soil to stay ahead of them."

SDS Profile

**CAUSE:** Fusarium virguliforme fungus attacking soybean roots early in the growing season, especially in cool, wet spring conditions, poor drainage, compacted soil or presence of SCN.

**COST:** Yield losses of 20% to 50%

**CONTROL OPTIONS:** Resistant varieties and fungicidal seed treatment

SCN Profile

**CAUSE:** Nematodes, microscopic roundworms which attack soybean plant roots.

**COST:** Yield loss due to direct root damage and increased susceptibility to soil-borne diseases, for economic losses of $1.5 billion in the U.S. each year.

**CONTROL OPTIONS:** Resistant varieties and some seed treatments

Grade Marketing Performance to Improve Decision-Making

After the fact, looking at how crop marketing decisions were made can increase confidence in the soybean sales process for next year and beyond, according to Eric Osterhaus, principal with K·Coe Isom. He offers several considerations for a crop marketing report card:

- What was decided and when?
- Were decisions proactive or reactive to the market?
- How effectively were cash tools, or physical crop contracts, used to take advantage of markets?
- How effectively were paper tools, like options and futures, used to reduce risk?
- Did or would an outside advisor improve marketing decisions?

Monitor Interest Rates for Opportunities

"Based on Federal Reserve trends, interest rates for farm operating loans have been loosening, and are likely to hold," says Tanner Ehmke, manager, CoBank Knowledge Exchange. "The risk of rates increasing is low, and the chances of them dropping is moderate. When rates are trending lower, farmers may want to consider locking those rates in for long-term debt."

**Farm Operating Loan Fixed Interest Rate by Federal Reserve Districts**

Source: Federal Reserve Banks of Dallas, Kansas City, Chicago, Minneapolis, and St. Louis
What Have We Learned from This No Good, Very Bad Year?

> BY TARA SMITH

After a year like 2019, the most you can hope for is 1) you survive and 2) you and those you work with learn from the experience.

In particular, it would be awfully nice to take last year’s lessons learned about the farm safety net – the gaps, the inconsistencies and the ugly warts – and make improvements now so that farmers have more certainty the next time Mother Nature rears her ugly head.

Now there are some things that were almost unavoidable. Certainly, announcements about ad hoc disaster assistance and additional trade aid payments right in the middle of planting season created perhaps the most confusion last spring. But as we know, there is not much USDA can do to control the timing of passage of an ad hoc disaster bill through Congress, and there’s arguably even less USDA can do about presidential tweets announcing farm policy. USDA Secretary Perdue and his team were dealt a rough hand.

However, several areas where tweaks to policy could make future years a little less stressful exist. Here’s a few stakeholders should consider and work with USDA for amenable solutions:

**Prevent Plant Buy-Up** — Crop insurance policies have prevent plant coverage, and they offer the option of “buying-up” this coverage by 5 percent (it was 10 percent until that privilege was taken away in 2017). There are rules and regulations around that buy-up, and not everyone reads those rules and regulations the same way. What can USDA do to improve those rules, make them clearer and be sure they are applied more consistently so farmers have the answers they need? What can crop insurance companies do to get answers to farmers in a timely fashion?

**Planting Deadlines** — There was a lot of talk last year about extending planting deadlines for crop insurance. Those deadlines are critical to ensuring the crop insurance program is actuarially sound and based on the best science available from local land grant universities. Do resources need to be given to land grants to review and assess these deadlines more frequently? Do actuarially sound changes need to be made before the next growing season?

**Harvest Price Option on Prevent Plant** — It was a surprise to many farmers last year that there was no harvest price on prevent plant payments. Would it be a useful addition to the crop insurance toolbox with the appropriate premium adjustments?

**Haying and Grazing Cover Crops** — USDA provided considerable flexibility for the allowance to hay and graze cover crops, including the flexibility to sell that hayed crop, instead of just using it on-farm or for donation. Are there less extreme flexibilities that should be considered as regular practice?

There isn’t much that can be done at this point to make the 2019 crop year any better, but there are a lot of avenues farmers, the crop insurance industry, USDA and other stakeholders can consider for ways to make the safety net better for next time. Because there’s always a next time.

As executive vice president for Michael Torrey Associates, Tara Smith leads a team of staff focused on developing and implementing legislative and regulatory strategies for clients, including Illinois Soybean Growers. Smith previously worked as a senior professional staff for the Senate Agriculture Committee under Senator Pat Roberts (R-KS) where she covered commodity programs, crop insurance and disaster assistance. Smith grew up on a corn and soybean farm in central Illinois.

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"AFTER A YEAR LIKE 2019, THE MOST YOU CAN HOPE FOR IS 1) YOU SURVIVE AND 2) YOU AND THOSE YOU WORK WITH LEARN FROM THE EXPERIENCE."

TARA SMITH | executive vice president for Michael Torrey Associates
Come on out to the 2020 Soybean Summit, the premier Illinois soybean event where you can meet all the major players involved in your farming success. You’ll be introduced to leading soybean experts and all the latest in soybean management, agronomy, technology and business to help you be the best that you can be. All you have to do is pop in and say hello.

REGISTER FOR FREE TODAY AT ILSOYADVISOR.COM/SOYBEANSUMMIT

#2020SoybeanSummit
It’s easy to think of risk management as the latest hedge or great rate on the last operating loan. But risk management can cover everything from hailstorms to helium balloons. When risk management strategies are fully applied throughout a business, the awareness of risk and ways to mitigate it become part of the workday culture and increase the likelihood of long-term success.

Sally Alexander, chief risk officer and director of risk management and insurance for Colorado State University (CSU) in Fort Collins, Colo., and her team manage the university’s self-insurance reserves and buy insurance for insurable exposures. In her 12-year tenure, she’s seen awareness of risk management and a greater understanding of it rise among university personnel.

“Risk managers have to add value to our organizations,” she says. “The best success we can have is when somebody else is talking about risk management.”

Creating awareness of risk management among department heads, managers and directors in a large university system may seem a gargantuan task. It can be just as hard in farming where key players, such as retailer agronomists, bankers and consultants aren’t on site every day.

Susanne Johnson, director of risk management at Iowa State University (ISU) in Ames, Iowa, also with a 12-year tenure, addresses this challenge by offering her team up as a resource to help departments, units, students and faculty make decisions that help them achieve their objectives.

“We help them navigate ways to get things done, including policies, procedures, event logistics and the more traditional side of risk management, insurance and claims,” she says. “We get involved across the university in multiple ways. We are responsible for the oversight of the youth activities policy. We administer the program, including background checks, program registration forms and outreach. We help departments have appropriate volunteer agreements in place. We also recently added an international risk analyst since ISU is active around the world.”

The types of risks universities share are relatively common across the country. They include human disease, foodborne illnesses, lab accidents, weather, cybercrime or infrastructure scares with information technology, racism, discrimination, violent incidents, active shooters and reputation risks that includes improper employee behavior and utilities. The latter is especially vivid as Johnson retells an incident of a helium balloon connecting with electric lines in Ames and shutting down the electrical system in the city and at the university.
“Having insurance doesn’t manage your risk,” Alexander says. “All insurance does is finance your risk. When I work with a student organization or other group, I always explain that having insurance is not going to stop anything bad from happening. Rather, how we plan programs and events from an operational point of view will more likely reduce risk of something going wrong.

“Now, insurance will help pay for bad things that happen,” she continues. “So, part of our annual renewals and underwriting process is to ask stakeholders across campus about the operational practices they engage to manage risk. This really helps me understand what a department head or program manager is trying to achieve. From the framework this process gives me, I can then encourage CSU to underwrite the program or know we need to look toward an outside insurer.”

CSU is highly decentralized, autonomous and has what Alexander calls a healthy risk appetite. That’s why she says it is important to make sure there are enough diverse voices at the decision table so that someone can say, “Wait a minute. Have we thought about enough of the possibilities so that we can move forward?” A perspective from someone unfamiliar with the business or college may shed light on a risk not previously considered.

**MANAGE FOR WEATHER**

As with farming, weather is one of the bigger risks universities face. Johnson says her team completes an annual hazard analysis that takes into account rain, flooding, hail, tornadoes, high winds, ice and snow. Alexander says Colorado experienced devastating hail loss in the last year.

In addition to sporting events, weather is a risk that warrants caution during field days, plot test observations and livestock events. Alexander’s team works with CSU Extension, as does Johnson’s team with ISU Extension and Outreach, to ensure the right protocols are in place.

“When someone is planning an event, I always ask questions about its objective and purpose,” Alexander says. “Whatever the event is, you have to think about the types of hazards that could happen, followed by how you will manage against them occurring.”

She says this includes having a plan to move an outside activity indoors in case of a weather event. Also, planners must consider their audience. A group of youths or minors raises the risk profile. It is less so with adults, but you still have to make sure the field or facility is safe, and people aren’t falling into holes or tripping on things that should have been removed earlier.

**SEEK HELP WITH COMPLIANCE**

Whether it be a private business or a university, understanding regulatory compliance is critical to managing risk, Johnson says.

“Following federal, state and local laws, including labor regulations and OSHA requirements is important,” she says. “Awareness is a big part of knowing which regulations apply to your situation. It’s important to understand why. As a public institution, there are some things that ISU may be exempt from that a private business may not be or vice versa.

“Know who your resources are when it comes to compliance,” Johnson adds. “None of us has all the answers. Even if there is a compliance office, staff won’t know all the ins and outs of OSHA, Department of Transportation, Fair Labor Standards Act and such, but they know who can help. Just like farmers go to their accountants, tax attorneys and insurance agents, these relationships and the knowledge they bring are what help professionals stay in compliance.”

She stresses the need for continuing education on regulations because the rate of change continues to increase. UAV (unmanned aerial vehicle) regulations are but one example of shared learning by university officials and farm owners and managers.

**EVERYBODY’S BUSINESS**

“Risk management is everybody’s business. I see it as a decision-making and management framework. It is a process to get everybody thinking about identifying risks and hazards,” says Alexander. “Risks can also be opportunities, but you have to have all the information you need to make informed decisions. When you see it as a management tool, risk management is valuable.”
Whether shipping by river, road or rail, the soy checkoff is committed to ensuring America’s infrastructure is a significant advantage for U.S. soybean farmers. We’re looking inside the bean, beyond the bushel and around the world to keep preference for U.S. soy strong. And it’s helping make a valuable impact for soybean farmers like you.

See more ways the soy checkoff is maximizing profit opportunities for soybean farmers at unitedsoybean.org
The 2019 growing season was not a great one for the record books—delayed and prevented plantings, a dry summer and a late harvest. While farmers worked through those challenges individually, including on my family’s farm near Mahomet, the Illinois Soybean Association was partnering with others in the industry to collectively address these and other challenges the industry faced.

**We’re proud of that work.** ISA funded innovative, new projects during the last fiscal year to seek ways to bolster profitability. We also maintained tried-and-true programs to generate continued return on investment success.

As we move into a new growing season, Illinois soybean farmers can feel confident that ISA is poised to take additional steps to efficiently and effectively secure our profitable future. And we look to Illinois farmers for feedback on those efforts to make the most of your contributions.

Contact us at ilsoy@ilsoy.org or (309) 663-7692.

**DOUG SCHROEDER | ISA Chairman**
4 Illinois soybean farmers serve on the United Soybean Board. One is on the executive committee. 8 farmers serve on the American Soybean Association board.

ISA directors participated in the Soy Leadership Forum, Symposium for Chief Executive and Chief Elected Officers, Soybean Leadership College and Get on Board Program.

7 ISA Soy Ambassadors are currently part of the two-year leadership program. About one-third of the current board was a Soy Ambassador at some point.

Two-thirds of current ISA directors have completed at least one session of the Leadership Excellence Program. Half have completed all four sessions.
ISA co-hosted AgTech Nexus in Chicago, which included 130 agtech innovators, funders and farmers and an exclusive dinner for 15 technology influencers. ISA sponsored the World Agri-Tech Innovation Summit and met with more than 60 agtech companies.

ISA funded university scholarships, local and multi-state university research, statewide sustainability and profitability surveys.

ISA representatives discussed leading ag technologies and farm-level adoption for a crowd of 1,350 as part of an InfoAg panel discussion.

The award-winning Soy Perspectives magazine launched in January 2019 with distribution to 43,000 Illinois soybean producers. An ISA readership survey indicated 37% of respondents saved an article for future use.

ILSoyAdvisor.com had 165 soybean management blog articles receiving 21,353 views.

- 11 award-winning webinars had 3,072 viewers
- CCAs earned 575 continuing education credits
FARMER PROFITABILITY

20 wheat and soybean experts collaborated on an Illinois Double-Crop Guide to promote planting a wheat cover crop for increased farmer profitability and nutrient management.

ISA's Profitability Radio Program broadcast 204 spots over five months for a total of more than 400 minutes of airtime.

182 farmers with 281,785 acres benchmarked their sustainability in a FieldRise survey.

ISA educational events attracted 280 farmers and CCAs at the Soybean Summit, more than 400 farmers at five Better Bean Series events and 72 farmers at Tech Connect, a new event focused on agtech opportunities and use.

BETTER BEANS ARE BACK.
1,142 participants from 47 countries visited Illinois soybean farmers and facilities.

21 consulate offices were represented at ISA's annual consulates dinner in Chicago.

Since Mexico removed a 20% retaliatory duty on U.S. pork in mid-2019, exports have rebounded with ISA's partnership promoting pork with the U.S. Meat Export Federation.

More than 100,000 people visited the Gulfood 2019 show in Dubai and many stopped in at the highly-regarded U.S.A. Poultry and Egg Export Council (USAPEEC) pavilion, supported by ISA, where 15 members exhibited.

ISA introduced several shippers to newer, more competitive freight options resulting in containerized soybean and soybean meal shipments with freight value of $285,600.
100% biodiesel is used by the Chicago Park District thanks to an ISA pilot project that proved high-blend levels of biodiesel can be used all year, problem-free.

15 B20 Club members use a total of 5.3 million gallons of B20 biodiesel annually, contributing to cleaner air and more sustainable operations throughout Illinois.

ISA supports the Illinois Livestock Development Group. Of the 74 notices of intent to construct livestock facilities submitted to the Illinois Department of Agriculture in FY19, 67 were approved. ILDG helps livestock producers navigate the permit system.

ISA facilitated containerized soybean transactions of about 886,000 bushels worth nearly $11 million to five countries.

ISA helped found the World Initiative for Soy in Human Health (WISHH) 20 years ago to spur development and create trade for U.S. soy in emerging markets. ISA and WISHH continue to ensure U.S. soy is the protein of choice for food and animal feed in Africa, Asia and parts of Latin America.

ISA helped identify varieties with potential to protect billions of dollars in net farm revenue by outcompeting synthetics and grains displacing soybean meal in feed rations.
**INFLUENCE AND REACH**

**CHECKOFF**
- 15 ISA thought leadership perspectives were shared through various channels in 2018-19 to support ISA’s engagement and leadership role as the top soybean-producing state in the country.

**ISA’s Chicago office** hosted **44 meetings** with more than **500 people attending.**

**NONCHECKOFF**
- ISA contributed $253 to each of 79 county ag literacy coalitions reaching nearly **450,000 students with lessons related to soybeans.**

- The Voice for Soy website was updated to include 12 issue areas, positioning ISG as an expert in legislative and governmental affairs.

- More than 250 sustainability leaders attending a Field to Market meeting in Chicago heard about ISA’s approach to sustainability and U.N. Sustainable Development Goals.

- 70 Voice for Soy users received text message Action Alerts with 278 letters delivered to 11 legislators as 62 individuals took action.

- ISG held more than 35 legislative and key leadership meetings, including with the U.S. Trade Representative, USDA Risk Management Administrator and Cuban President Miguel Diaz Canal during his first U.S. visit in September 2018.

- 18 groups participated in a first-of-its-kind ISA water leadership roundtable in Chicago. The Soy in the City initiative reached more than 4,500 Chicago business influencers.

- ISA engaged 60 public officials and 300 Capitol staff members during a spring soy latte event at the state’s capitol to talk biodiesel.

**FUNDING**
- FUNDED BY THE ILLINOIS SOYBEAN CHECKOFF AND MEMBERSHIP DOLLARS
EFFICIENT PRODUCT DELIVERY

The U.S. Army Corp of Engineers completed rehabilitation and repairs to locks and dams along the Illinois Waterway in 2019. ISA hosted 6 tours with more than 200 transportation officials to facilitate discussions.

ISA worked with more than a dozen top tier media outlets including the Wall Street Journal, Crains's Chicago Business, Bloomberg and Reuters regarding containers, securing 38 articles with 2.6 million impressions.

68,761 containers of soybeans were exported from Illinois representing about 62.1 million bushels.

ISA was invited to attend events with more than 3,600 ag transportation stakeholder participants. 11 educational presentations were made to nearly 600 ag, transportation and logistics professionals at industry meetings.

VISION
Enable Illinois soybean producers to be the most knowledgeable, sustainable and profitable in the global marketplace.

MISSION
Ensure Illinois soy is the highest quality, most dependable, sustainable and competitive in the global marketplace.

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FUNDED BY THE ILLINOIS SOYBEAN CHECKOFF
It’s easy to make more on your soybeans.

Find the connections you need to see your profits grow. Thankfully, SoybeanPremiums.org already did the hard work of finding them for you. Food-grade, identity-preserved and non-GMO, connect with premium programs and buyers in your area today.
The Illinois Soybean Association founded www.SoybeanPremiums.org more than ten years ago to help match customers and soybean farmers for specialty premium programs. Although growing specialty soybeans isn’t for all farmers, some programs offer the opportunity to capture more than $2.00 over the market price. The Soybean Premiums website includes a variety of premium programs that farmers can consider.

“As we meet with customers around the world, many are interested in non-GMO, organic, food-grade and other specialty soybeans,” says Lynn Rohrscheib, United Soybean Board member and a farmer from Fairmount. “And the good news is, they are willing to pay more for them. We want Illinois farmers to know about these opportunities.”

Rohrscheib says GMO labeling laws are creating interest in non-GMO soybeans in Asian and South American countries. She expects that demand for non-GMO will continue to grow, but that commodity soybeans will remain the focus in the U.S.

For example, a report from Verified Market Research valued the global non-GMO soybean market at 73.07 million metric tons in 2018 and projects the market to reach 99.80 million metric tons by 2022. In-state processors and strong export interest from Japan make non-GMO soybeans one of the largest premium opportunities in Illinois.

The Soybean Premiums website posts contract program opportunities from buyers like Cargill, Schilling Seed and The Scoular Company. The site includes contract growing opportunities across the country, but can be filtered to see the programs offered in Illinois or in neighboring states.

With the challenging soybean market farmers have been experiencing lately, check out www.SoybeanPremiums.org to see if a program is right for you.
Four Reasons to Consider Growing IP Premium Soybeans

Growing identity-preserved (IP) soybeans isn’t for all farmers. But all IP programs aren’t created equally either. Requirements vary. The amount of paperwork varies. The incentive varies. In fact, soybean premiums can range from 75 cents to more than $2.50 per bushel. There’s a lot to consider when it comes to deciding if an IP-contract-program is right for your farm. That includes proximity to delivery location, storage, labor and even weed-control options for non-GMO programs. But, according to ag economist Gary Schnitkey, there are some good reasons to consider premium programs.

1. The University of Illinois conducted a study of the tendencies of more profitable farms. Many of those farms were participating in premium programs.

2. With the trade and weather impacts to today’s soybean market creating lower soybean prices, premiums make up a higher percentage of the price per bushel.

3. If farmers are worried about any yield drag with growing specialty soybeans, it’s easier to justify when prices are lower. The premium is worth more when prices are lower.

4. Fulfilling niche markets with specialty soybeans that consumers are buying adds to the overall demand for soybeans.

Unfortunately, many contract premium programs aren’t announced until January or February, which comes after many farmers have booked their seed for the coming season. If you have some acres open, check out the opportunities on www.SoybeanPremiums.org.

Non-GMO Opportunities in Illinois

Typically, there are multiple programs available from different buyers of non-GMO soybeans in Illinois. In fact, non-GMO soybean production in Illinois is on a growth trend.

Weed control may present a challenge for growing non-GMO soybeans, but it’s a challenge that many Illinois farmers have overcome.

Easy access to river transportation, shipping containers and in-state processors contribute to making Illinois the largest producer of non-GMO soybeans in the U.S.

Straight from the Users of SoybeanPremiums.org

“Scoular supplies the Asian food market with IP, variety-specific soybeans. We made a multi-million dollar investment in a soybean and grain cleaning facility near Chicago in 2015 and have been shipping food grade soybeans through this plant ever since. Efforts like SoybeanPremiums.org help us find producers interested in our value-added programs.”

Chase Holoubek, IP Specialty Grains, Export Merchandiser, The Scoular Company

“When a neighbor asked me about opportunities to make a little extra from soybeans, I sent him to SoybeanPremiums.org. It only takes a few minutes to check out the website and see what options are available for your farm.”

Lynn Rohrscheib, a farmer from Fairmount
Planning for Contingencies

FARMING LESSONS LEARNED FROM 2019

> BY TIM ALEXANDER

Planting and harvest in 2019 were bookended by an extended winter, an early frost and a fall snowstorm, leading many Illinois soybean producers to experience yield and profit losses due to the short window for plant development. Throw in a market-reducing trade war with China and delay in congressional approval for the United States-Mexico-Canada (USMCA) trade pact and, at the very least, maybe producers can look back for lessons that can be learned from 2019.

UPGRADE FARM TECHNOLOGY ASSETS

It’s easy to see why farmers may be reluctant—or financially unable—to invest in emerging ag technologies and equipment advances. However, farm management technologies can provide a more precise view of an operation, helping to identify potential inefficiencies. The right tech tools can also give farm managers an opportunity to more proactively micro-manage expenses and finances and limit risks to their operations during challenging times.

“Sustainability is about doing more with less. Once you have economic sustainability, then all of the other aspects of sustainability can become possible, especially in production agriculture,” says Patrick Christie, founder and EVP of Conservis, a farm management software company serving midwestern producers and farm managers. “You can’t improve what you can’t measure.”

Investing in agtech can help farmers sustain field performance and agronomic opportunities, according to Christie. He recommends two core areas for farmers to focus upon: data collection, and an investment in a pro data system that can optimize the information programmed into it.

“Getting data that are high quality from your field, or your geodata, organized is a top priority. We’re finding that farmers who are able to leverage data successfully are connecting all of their field data into a business system. A lot of money can be made or lost, for example, through how you manage your inventories. If they haven’t already done so, farmers need to organize their farm-centric business information,” Christie says.

University of Illinois farm economist Gary Schnitkey says 2019 income for some Illinois grain farms was negative. And with farm income steadily declining, Christie understands producers are reluctant to spend money on technology this winter. But, he encourages them to do so anyway.

“When there is revenue pressure, success comes down to efficiency and costs. Farms have a lot of moving parts. An opportunity to save money may come after a decision window closes, but you must maximize revenue opportunities. Having a better view on when to market or having a data set that can move alongside your crops as they go to market can be very beneficial,” he says.

Christie offers an additional economic benefit to investing in a good data collection system for the farm. “Because we are in a depressed farm economy, bankers are looking for more information to confirm their credit is properly risked. Farmers that can present a complete, core management view of their farms to bankers or lenders have an advantage in that relationship. Farmers that can deliver a complete business system can transform their opportunities,” he says.
“When there is revenue pressure, success comes down to efficiency and costs. Farms have a lot of moving parts. An opportunity to save money may come after a decision window closes, but you must maximize revenue opportunities. Having a better view on when to market or having a data set that can move alongside your crops as they go to market can be very beneficial.”

GARY SCHNITKEY, University of Illinois farm economist

CONSIDER NEW WEATHER TOOLS

Staying current with weather and climate technologies can help farmers stay ahead of the curve when planning for contingencies as well, says Bryce Anderson, DTN senior meteorologist.

“There is a continued trend towards more site-specific information,” he says. “We offer an on-farm weather sensor and weather monitoring station that allows producers to take in real, specific information on temperature, rainfall, humidity levels, evapo-transpiration and more, including a node that can be added that provides soil moisture information. Producers are able to save costs because they have more information available not based on a reading at a weather measuring site 15 or more miles away. There can be a marked difference in rainfall amounts at that distance.”

As the average size of U.S. farms increases, so does necessity to employ a site-specific weather system, says Anderson. “We have growers that own more than one weather station, one at home site and one in a field miles away. Others have as many as four or five. This type of investment can actually help mitigate the impact of the current commodity price scenario,” he says.

Such weather systems provide the ability to monitor real-time wind speed and direction, which can save farmers money when applying herbicides, pesticides or fertilizers. High-end farm weather systems also track field-level data and store it, allowing farmers to base decisions on historical information exclusive to their operation.

MANAGE NUTRIENTS AND SOILS

“The number one thing growers can do as far as a soil fertility program is make sure their soil Ph levels are correct,” recommends Pete Fandel, soil expert and agriculture professor at Illinois Central College. “Any time you can get your Ph level into that 6.3-to-7 zone, that’s going to make most of the nutrients already available in your soil more available for a plant to use.”

For farmers looking to mitigate weather-related contingencies, Fandel advises upgrading tiling systems for a relatively quick return on investment and to improve plant quality under stress.

“We’ve moved into pattern tiling and can control the amount of water level on a field more quickly over a wider geography because of the narrower spacings,” says Fandel. “And with tile now being a little more shallow than it used to be, we are not taking all of that excess water out of a field that a plant might like to have back in July or August if it doesn’t rain.

“When you want a field to dry down, say in the spring, you can let the excess water go. Later, you can store more water,” he explains. “This also might be a good year to try a little more minimum-till or less tillage. This can help save money by keeping crop nutrients in the field.”

INVEST IN COMPREHENSIVE CROP INSURANCE

Investing in a comprehensive crop insurance plan can help farmers plan for contingencies related to the weather, says Bradley Clow, Country Financial crop operations manager in Bloomington.

“Farmers can help protect their livelihoods by making sure they visit a crop-certified insurance representative in Illinois. Take the time to identify your specific farm operation, the crops you are growing, the land, the soil type—all of this is imperative in making the coverage selection to protect your livelihood,” he says.

“We had more than 2,600 prevented planting claims in 2019 in Illinois, a new record for Country Financial, so we have adopted some new ideas from what we learned from that. Everybody learns lessons from past years.”
Membership Application

Yes, I would like to belong to the Illinois Soybean Growers (ISG) and American Soybean Association (ASA).

Save time and postage – join online at www.ilsoygrowers.org.

Please sign me up as a Policy Member for:

- [ ] 1 year $150
- [ ] 3 years $300

- [ ] Yes, I would like to contribute an additional amount to Illinois Soybean Growers Political Action Committee (ISGPAC)
  - [ ] $25
  - [ ] $50
  - [ ] $75
  - [ ] $100
  - [ ] Other $_____________

Your name, email address and other information provided on this form are held in strict confidence. ISG does not sell or share your information with anyone. For more information, please visit www.ilsoy.org/privacy.

Member Information

Member Name: _______________________________ Date of Birth: ________________

(Please Print)

- [ ] Male
- [ ] Female

Spouse’s Name: ________________________________

Farm/Company Name: ________________________________

Home Address: ________________________________

City: ___________________________ State: ______ Zip: ________ County: ________________

Home Phone: ________________ Cell Phone: ________________________________

- [ ] Yes, I would like to receive text message Voice for Soy Action Alerts via my cell phone
  
  (Message and data rates may apply. Opt-out option available)

Email Address: ____________________________________________

(Email address required.)

- [ ] Farmer
- [ ] Retired Farmer
- [ ] Other (occupation):

Payment Information

- [ ] Check (payable to Illinois Soybean Growers, 1605 Commerce Parkway, Bloomington, IL 61704)
- [ ] To pay via credit card visit www.ilsoygrowers.com

Dues are not tax deductible as a charitable contribution for federal tax purposes, but may be deductible as a business expense.

Illinois Soybean Growers (ISG) is a membership organization serving more than 43,000 Illinois soybean growers. ISG provides advocacy in Springfield and Washington, D.C. to promote the interests of soybean farmers, and research, promotion and education programs that enhance soybean production and use. For more information, visit the website www.ilsoygrowers.org.
“Entrepreneurship is not for everyone,” says Seed Life startup owner, Katie Dowson, Divernon, Ill. And for those who have ever started a business from scratch, they likely will say the same.

But Katie Dowson is a dreamer, and a doer, too. She brought that dream to fruition in 2018 when she founded Seed Life, a full-service seed sales and seed treatment company in Virden, Ill.

Certainly not a newcomer to the seed industry—Katie grew up with a dad in seed sales—she caught the same passion for the industry when she started selling seed on her own in 2014.

And just like many of today’s young farmers coming into the industry, Katie recognized Seed Life as an opportunity to generate off-farm income long-term. This trend is proven by USDA’s September 2019 Beginning Farms report that cites more beginning farmers are likely to work off-farm and be more dependent on off-farm income streams.

For Katie Dowson, Seed Life is more than just off-farm income – it’s risk management. At age 26, she talks about risk management strategies for young farmers with startups like hers like someone who has weathered the ebbs and flows of the cyclical ag economy for a few decades.

Thinking about Cash Flow

“Diversifying Seed Life’s cash flow increases opportunity,” says Dowson. “That’s why Seed Life’s diversification strategy has five income streams: seed sales, seed treatments, seed transportation, facility venue rental, and Seed Life gear and swag.”

Dowson built multiple income streams into her business venture from the beginning, understanding she would need that flexibility and peace of mind that the business is not dependent on one revenue source.

“Whether you’re looking at diversification streams within your off-farm business, or just looking at diversification in general, more young farmers can come home to the farm if they create opportunities without taking cash flow away from the main operation,” she says.

There’s No Crystal Ball

“It’s all hard work, nobody starts at the top and I don’t know what challenges Seed Life will face next – there’s no crystal ball,” she says, painting an honest picture of what it feels like to weather the first year with a new company.

On any given day, you can find Dowson treating seed, calling on farmers and running the office. As she builds the Seed Life team, which currently consists of three salesmen and an agronomist, there’s still a lot of “jack of all trades” hats that she wears to keep Seed Life going.

“I don’t think people fully understand that the beginning is not glamorous. You might not even get a paycheck the first couple of years, sinking every dime back into the business,” she says. “But it’s knowing that you’re building a successful enterprise that will keep growing for the future. And we’re making payroll.”

“I’m proud we made it through the first year,” Dowson sums, spoken like someone that’s learned the ins and outs of Quick Books, quarterly taxes, and surprise startup costs during her first year’s crash course in entrepreneurship.

Rounding out her tips to other young entrepreneurs? Lean on your support system, which for her is husband, Adam, and parents, Darren and Stacie Lewis. Among other great advice – get a good accountant, establish your brand, focus on customer service and get savvy with social media. ■
Anything’s possible with the 2020 soybean market. But one thing is certain: When you see an opportunity to hedge some production using November soybean futures north of $9.80, do it.

“More than any year I can remember, 2020’s outlook is very much a work in progress. Soybean farmers will want to hedge early in the year, especially if we get to $9.80 futures. This could come with prolonged South American weather concerns or following USDA’s final 2019 crop production report,” says Mike Zuzolo, president, Global Commodity Analytics and Consulting.

Zuzolo sees similarities to 2017-18 when the U.S. soybean carryover was 438 million bushels. The average price that year was $9.33 per bushel. While the soybean carryover at the end of the last marketing year was 913 million, the current year’s estimate is down to 475 million.

At the same time, the 2019-20 global soybean stocks-to-use ratio of 27.2 percent is already below 2017-18’s 29.2 percent. And near-term tighter soybean supplies create some 2020 price optimism for Curt Kimmel, owner and commodity broker for Bates Commodities.

He agrees $9.80-$10 is a good target for hedging. “Farmers should really consider using the futures market. The basis for fall delivery is too wide for forward cash sales,” he says.

Long-term challenges to profitability will likely remain. “U.S. farmers will need to look at being low-cost producers,” says Stephen Nicholson, senior grain and oilseed analyst, Rabo AgriFinance. “The trade war alone has reduced the average price paid to soybean farmers by $1-1.50. African swine fever (ASF) has added another 50 cents to a dollar to the reduction.”

RaboResearch analysis shows a 75 percent probability farmgate prices will remain under $9.60 per bushel. The trade war with China, African swine fever (ASF) and global weather may be the three primary factors that could move the soybean market during the coming year.

ONGOING TRADE WAR

While soybean demand is relatively solid, U.S. soybean exports may be overestimated if China trade negotiations remain stalled or become unfavorable to U.S. farmers.

“We saw China become a more active buyer of U.S. soybeans later in 2019 because they saw U.S. soybeans as competitive against South America’s and they wanted to placate the Trump Administration during negotiations,” says Zuzolo. “There is about 4.6 million metric tons of soybeans on the books potentially at risk of cancellation if negotiations falter.”

If the tariff spat does continue, farmers may see irreversible damage to their market.

“We need to reestablish China as a trade partner soon,” says Kimmel. “It is hard to recapture market share as China builds relationships with South America for soy and with Denmark for new pork breeding stock to replace that destroyed due to ASF.”

PERSISTENT PIG DISEASE

Market watchers say the hole in soybean meal demand created by ASF in China and Southeast Asia will last until the disease is under control. China produces 25 percent of the world’s pork.

“The longer ASF is an issue, the fewer pricing opportunities U.S. soybean farmers will have,” says Zuzolo. “Should it spread to North America, it may have a devastating impact on demand.”

WORLDWIDE WEATHER WATCH

On the supply side, Kimmel notes the key to price direction lies with Southern Hemisphere weather, which could lower yields there, and then to the U.S.

“If spring U.S. weather cooperates, we could see a rebound in soybean acres. The USDA baseline is 84 million planted acres.
The Many Moving Parts That Could Keep 2020 Soybean Market in Flux

with a trendline yield of 50.5 bushels per acre. That would mean a 500-million-bushel carryover with good weather, and a cap on prices,” he says.

With risk of oversupply weighing on corn and soybean prices, Nicholson says maintaining crop rotations and “crop diversity is good strategy for capturing price strength and keeping production costs down. Specialty premium prospects are also attractive for increasing revenues.”

Countries reporting African swine fever in last five years:

Belgium, Benin, Burkina Faso, Bulgaria, Burundi, Cabo Verde, Cambodia, Cameroon, Central African Republic, Chad, China, Congo, Cote D’Ivoire, Czech Republic, Estonia, Gambia, Ghana, Guinea-Bissau, Hungary, Italy, Kenya, Laos, Latvia, Lithuania, Madagascar, Malawi, Moldova, Mongolia, Mozambique, Myanmar, Namibia, Nigeria, Poland, Romania, Russia, Rwanda, Senegal, Serbia, Sierra Leone, South Africa, Slovakia, Tanzania, Togo, Uganda, Ukraine, Vietnam, Zambia, Zimbabwe (as of December 2019)
ISA Supports Successful Statewide Ag Literacy Efforts

The ISA checkoff program in 2018-19 helped support 79 county ag literacy coalitions serving 89 Illinois counties through the Illinois Ag in the Classroom project. The funding helps train teachers, supports classroom presentations and strengthens relationships at local schools. ISA dollars totaled $253 to each county coalition for opportunities related to soybeans. Specifically:

- 448,379 students were presented a lesson with content related to soybeans.
- New Soybean Ag Mag included spring planting lessons and a companion booklet focused on technology and drones.
- A soybean poster and postcard series was distributed to teachers and consumers.
- Summer reading, book grants included George Washington Carver and Oh Say Can You Seed.
- Earth Day anniversary preparations included 4R and biodiesel lessons.

ESMC Partners with United Soybean Board on Sustainability

The Ecosystem Services Market Consortium has received funding from the United Soybean Board (USB) to help develop an ecosystem service protocol for the soy and corn belt. ESMC’s ecosystem services protocols measure soil organic carbon, greenhouse gas (GHG) emissions, water quality and water use efficiency. Through the partnership, ESMC will work with soybean farmers in Illinois, Indiana, Iowa, Minnesota, Missouri, Nebraska and Ohio in a pilot project covering 50,000 acres. ESMC champions a voluntary, market-based approach to incentivize farmers and ranchers to implement conservation practices that provide quantified ecosystem benefits. The resulting environmental credits will be available for purchase by corporations to meet their sustainability goals when ESMC launches its marketplace in 2022.

Illinois Nutrient Research & Education Council Releases Cover Crop Guide

The Illinois Nutrient Research & Education Council (NREC), together with cover crop experts and the Illinois Fertilizer & Chemical Association, has published an updated Cover Crop Guide. The original guide was distributed to help farmers make informed decisions about getting started with cover crops. The new guide is updated with the latest science and links to other resources to make informed decisions. To receive a copy, visit www.illinoisnrec.org.

Calendar of Events

National Biodiesel Conference
> January 20-23 • Tampa, FL

Illinois Double-Crop Farmers’ Forum
> January 30 • Mt. Vernon, IL

Commodity Classic
> February 27-29 • San Antonio, TX

ISG Annual Meeting and Policy Session
> February 4 • Bloomington, IL

2020 ILSoyAdvisor Soybean Summit
> March 10 • Springfield, IL

2020 Soybean Summit Scheduled for March 10

Illinois soybean farmers are invited to sign up and attend the 2020 IL SoyAdvisor Soybean Summit. Funded by the ISA checkoff program, this year’s one-day event will be held March 10 at the Crowne Plaza in Springfield, Ill. The Summit will educate producers and industry representatives on a variety of in-season agronomic tips, agribusiness management techniques and the latest in production agriculture technology, which can lead to higher yields and greater profitability. Attending the Soybean Summit is free and includes complimentary breakfast, lunch and coffee breaks. Check back for more information on the event at www.ilsoyadvisor.com.

ISA Helps Fund Study Outlining Insufficient Rural Internet Access

A new study commissioned by the national soy checkoff and partly funded by the ISA checkoff program reveals the lack of access to broadband in rural areas takes a significant toll on American farmers and the economy. According to the study, 60 percent of U.S. farmers say they do not have enough connectivity to run their businesses. Other significant findings include:

- 78 percent of farmers do not have a choice in internet service providers.
- 60 percent of farmers say the internet service they do have is slow, with most relying on cell signals or hotspots to connect to the internet.
- 40 percent have a fixed internet connection, while others rely on satellite connections.

USB will share data with internet service providers and influencer organizations to tackle policy and technical challenges involved in delivering high-speed broadband access to rural areas.
From promoting the profitability of using high-quality soybean meal in India to training animal producers on nutrition in Colombia, the soy checkoff is working behind the scenes to develop more market opportunities for U.S. soy. We’re looking inside the bean, beyond the bushel and around the world to keep preference for U.S. soy strong. And it’s helping make a valuable impact for soybean farmers like you.

See more ways the soy checkoff is maximizing profit opportunities for soybean farmers at unitedsoybean.org.
“With crops it’s important to have the right information at the right time to react correctly. Drones help accomplish that. Insurance companies and agents want to make sure when a farmer is in need, they get the help they deserve. By using the combination of a drone and analysis software the process becomes faster, more efficient and accurate. It’s because of examples like using drones for insurance, farmers can get verifiable proof they can use for their compensation.”

BARBARA HORVATIC | Using Drone Mapping for Crop Insurance, PrecisionAg, July 15, 2019

“Variety selection is always your most important decision when planting soybeans. By choosing varieties carefully, you can increase your yield potential by 5 to 12 bushels per acre and reduce yield losses due to white mold, sudden death syndrome, Phytophthora root and stem rot and soybean cyst nematodes without any additional cost. The final step is to strategically match the varieties you select with the pest pressure and productivity of your specific fields.”

MICHAEL STATON | Michigan State University, March 28, 2019

“Back in March, projected 2019 plantings of U.S. corn and soybeans combined at 177.4 million acres, some 11 million more than the eventual reality, which is a nine-year low. Farmers will undoubtedly be looking to make up for that gap in 2020, and the splits will depend on corn and soybean prices and estimated profitability over the next few months. And if soybean area increases dramatically, stocks could go along for the ride. The ratio of soybeans to corn in the Chicago futures market is often one indicator of which crop U.S. farmers may prefer to plant in the next cycle. It is still early to make judgments for 2020, but the ratio has been increasingly favorable to soybeans ever since bottoming out in May.”

KAREN BRAUN | U.S. Soybean Supply Exodus: Fleeting or Final?, Reuters, October 2019

“There has been much talk of “flooded soil syndrome” for fields or sections of fields where no crop was planted (in 2019) and there were no weeds or crop growth since the flood. In these cases, soybeans may require inoculation...Entire fields or portions of fields were planted later than usual or were not planted. This will result in variable removal of phosphorus (P) and potassium (K) with harvest. Reduced yields combined with continued low market values create uncertainty about P and K fertilization decisions for the 2020 season.”

IOWA STATE UNIVERSITY EXTENSION | October 1, 2019

“Effective risk management involves anticipating possible difficulties and planning to reduce their consequences, not just reacting to unfavorable events after they occur. The two primary aspects of risk management are: 1) anticipating that an unfavorable event may occur and acting to reduce the probability of its occurrence and 2) taking actions which will reduce the adverse consequences should the unfavorable event occur.”

GEORGE F. PATRICK | Purdue University, Managing Risk in Agriculture

“If you don’t invest in risk management, it doesn’t matter what business you’re in, it’s a risky business.

GARY COHN | visiting fellow, Harvard Kennedy School of Government

Managing risk is very different from managing strategy. Risk management focuses on the negative-threats and failures rather than opportunities and successes.

ROBERT S. KAPLAN | senior fellow, Harvard Business School

“Total enterprise risk management is critical, but implementing it is both expensive and easier said than done. Even the most sophisticated financial institutions are still basically silo risk managers.”

DANNY KLINEFELTER | professor and Extension economist, Texas A&M University
What is the likelihood it will be found in the United States?

Now that ASF has been confirmed in China, more people are aware of the seriousness of the disease and are taking its control to heart. With that said, university research shows the risk has doubled for ASF to reach the U.S., either through a deliberate infection, travelers bringing ethnic meat products into the country which may contain the virus, or other ways. While there are states that allow plate waste to be fed to pigs here, facilities are known, licensed and inspected. As long as they are in compliance, we can mitigate that risk.

What is the United States doing to be prepared for ASF, should it reach this country?

There are two camps. The first is the prevention camp and the steps being taken to stop it from entering the U.S. The second is the response camp and what farmers should do to address it.

One of the most important first steps for response has been to raise general awareness of ASF so pork producers know what it is and how to report it. We are driving producers to consult our foreign animal disease preparation checklist which can be found on pork.org that outlines what they can do to prepare. That includes being registered with USDA, using their PremID and working with state officials should depopulation and disposal become necessary. The Secure Pork Supply Continuity of Business Plan (securepork.org) details procedures should ASF be identified in a herd. We also have related resources in pork.org.

Why should Illinois soybean farmers partner with pork producers on the issue?

Iowa State University economist Dermot Hayes estimated losses from ASF could reach $8 billion for the pork industry in just one year. That figure does not include feed-related losses of $4 billion and $1.5 billion for corn and soybeans, respectively. This shows we are all in this together. We need to focus as an ag industry on what we can collectively do to address ASF.

According to United Soybean Board (USB) Vice President of Meal Strategy Keenan McRoberts, ASF prevention and mitigation is a top priority. In collaboration with NPB and key stakeholders across the soybean supply chain, USB’s efforts include:

- U.S. Soybean Export Council (USSEC) travel protocol for USSEC-funded travel outside the U.S. and USSEC-sponsored travelers in the U.S. from ASF-positive regions.
- Moratorium on all swine-related trade team activities for ASF-positive countries.
- USSEC-sponsored overseas events include increased ASF awareness and understanding.
- USB support for Dee et al. research on mitigants for foreign animal diseases.
- ASF crisis management exercise and follow-up webinar with Qualified State Soybean Boards to establish proactive and coordinated response.
- ASF-Soy Supply Chain Workshop to identify potential opportunities to prevent ASF entry to the U.S. and mitigate risk. Outcomes include USB’s investment to develop a risk-free surrogate virus assay, inactivation testing through feed ingredient processing and formal risk assessment.
Getting your B wrong is frustrating.
Aspire® is a superior boron delivery system combining two forms of boron with potassium in every granule for uniform nutrient distribution. Fields applied with Aspire are proven to improve crop performance with higher yields than standard methods.
Ensure your B is right where you need it for optimum plant health.

DISCOVER HOW TO BRIGHT
AspireBoron.com