

# LEADER letter

OHIO SOYBEAN ASSOCIATION MEMBER NEWSLETTER

Established: August 17, 1966

Serving the legislative interests of Ohio soybean farmers for 47 years.

May 2014

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#### **LETTER FROM**

#### the president



In the previous issue of the *Leader Letter*, I mentioned the OSA (Ohio Soybean Association) *Policy Connection* e-newsletter, an exclusive benefit for OSA members only. One topic that will be covered in the e-newsletter is in the area of Ag data. Ag data is fast

becoming a modern agricultural commodity, and the potential benefits of applying Ag data in the agriculture sector are large.

Before the industry moves forward, the American Soybean Association (ASA) is working on many issues that need to be addressed. Some include:

- Ownership of data
- Privacy of the data
- Availability of data
- · Compatibility and Interoperability of data
- Quality of data
- Compensation for data
- Managing the data
- Storing the data

- · Security of the data
- Cost of software computer needs
- Providing information and education to farmers on all these topics

As a result, ASA recently created a resolution on the topic for the first time this year, asserting that production data has monetary value and is the property of farm owners and operators, not to be used without consent. This resolution is called the "ASA Working Group on Ag Data" and has been involved in working on a farm-group set of priorities, in conjunction with other commodity groups and both major general farm organizations. I am excited to serve on the ASA Working Group Ag Data Task Force. The possibilities from using Ag data are unlimited, and include the opportunity for farmers to improve productivity and stewardship goals.

Lastly, if you still haven't signed up for the OSA *Policy Connection* e-newsletter, be sure to visit www.soyohio.org/connection.

Jerry Bambauer OSA President Auglaize County soybean farmer





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## Ohio Soybean Association Recognizes Brown and Gibbs as Legislators of the Year

update

The Ohio Soybean Association (OSA) recently recognized Sen. Sherrod Brown (D-OH) and Rep. Bob Gibbs (R-OH) as OSA Legislators of the Year. OSA awards this distinction to a legislator or legislators who have shown a tremendous contribution to the success of the Ohio soybean industry.

Brown and Gibbs both played critical roles in the passage of the farm bill in early 2014 as both men served on their respective chambers' Agriculture Committee. Thanks to their work, Ohio soybean farmers' priorities were front and center in the new bill.

"It's my pleasure to recognize Sen. Brown and Rep. Gibbs as OSA Legislators of the Year," said Jerry Bambauer, OSA president and Auglaize County soybean farmer. "As agriculture is only one percent of the U.S. population, it is more important than ever to cultivate the relationships we have with the legislative leaders who understand farmers' contribution to U.S. citizens and the economy. I want to thank Sen. Brown and Rep. Gibbs for recognizing that contribution and working so hard on behalf of Ohio's 24,000 soybean farmers."

During the farm bill process, Brown partnered with Chairwoman Debbie Stabenow (D-MI) to be the leading voices of support for the Agriculture Risk Coverage program, both supported by OSA.

Brown and Gibbs have both been very accessible to soybean farmers and held multiple conference calls with leaders across the state. They supported expanded funding of the Biobased Marketing Program and the continuation of the Renewable Fuel Standard, which includes a required level of use of biodiesel, the only advanced biofuels currently available on the market.

Gibbs was officially presented this award during OSA's visit to his office on Capitol Hill.

In addition to the farm bill, Brown and Gibbs currently support the passage of the Water Resources Development Act, which will help ensure farmers' ability to get their product to both domestic and international markets. Without the final passage of this legislation, U.S. infrastructure will continue to decay.



#### Record Biodiesel Production Adds to Soybean Farmers' ROI

Biodiesel industry used oil from almost half-billion bushels of U.S. soybeans last year

Last year's record-breaking biodiesel-production total means record-breaking industrial demand for U.S. soybean oil and bigger profits for U.S. soybean farmers.

According to the U.S. Energy Information Administration (EIA), the U.S. biodiesel industry produced 1.36 billion gallons of biodiesel in 2013, 37 percent more than in 2012. The EIA says that production required the use of at least 5.5 billion pounds of U.S. soybean oil.

That volume is the oil from more than 468 million bushels of U.S. soybeans.

Research has shown that the biodiesel industry's demand for

U.S. soybean oil increased soybean value by 74 cents per bushel between 2006 and 2012.

In addition, using soybean oil for biodiesel supports the U.S. animal agriculture sector. As the biodiesel industry's demand for soybean oil rises, so does the supply of soybean meal. That larger supply reduces the prices poultry and livestock farmers pay for feed.

U.S. soybean oil remains the primary feedstock for U.S. biodiesel production. The soybean checkoff partners with the National Biodiesel Board to conduct research on biodiesel's benefits and promote its use.

#### U.S. Soybean Meal Exports Hit Record Volume

Exports of U.S. soybean meal achieved a record level for the first six months of the current marketing year according to the latest Census report.

Export shipments for the period October 2013 to March 2014 reached 7,023,122 metric tons (MT), surpassing the same periods for the 2010 and 2013 marketing years when supplies from South America were reduced. The volume increase came at the very beginning of the season as South American shipping delays caused buyers to turn to the U.S. as soon as new crop was available. Much of this early demand came from the European Union, which has recognized U.S. quality and U.S. logistical advantages, especially from ports on the East Coast.

Another region that has seen a notable uptick is Southeast Asia, where shipments of U.S. soybean meal have recovered compared to the prior marketing year. Shipments to Southeast

Asia rose 49% during the first 6 months of the current marketing year.

The seasonality of export demand for U.S. soybean meal has increased, as the U.S. has become very competitive to most destinations during the first half of the marketing year. Export volume for the first 6 months is expected to represent 70% of total export shipments this marketing year.

"Soybean meal is high in protein which makes a quality feed for animals both domestically and internationally," said Amy Davis, Ohio Soybean Council (OSC) board member and soybean farmer from Warren County. "Nearly 97 percent of U.S. soybean meal goes to feed poultry, swine, aquaculture and other livestock raised here in Ohio and around the United States."

## **High Oleic Soybean Motor Oil Drives Innovation**

Biosynthetic Technologies takes the next step on the road to commercialization

A motor oil with a high-oleic-soybean-oil base just took the next step toward commercialization. The oil, tested on more than one million miles in 100 Las Vegas taxicabs, delivered impressive results in tests by demonstrating the ability to extend the life of engines.

Biosynthetic Technologies, the company that developed this technology for the past 5 years, recently achieved certification from the American Petroleum Institute (API) on a motor oil containing 35 percent of a synthetic ester, called an estolide, made from high oleic soybean oil. This certification is expected to facilitate commercialization of the technology. Farmers and other consumers may see this high-oleic-soybean-oil derived product in stores in as little as two years.

High oleic soybeans, currently grown in select areas of the United States, including Ohio, produce oil that delivers higher stability in high-heat situations. This characteristic makes this soybean oil more attractive to premium industrial users, such as motor-oil manufacturers. That could result in big demand for U.S. soybeans and added profitability for U.S. soybean farmers.

The API certification verifies the motor oil formulated with the biosynthetic ester passed the rigorous standards required for motor oil use, clearing the way for use by motor oil manufacturers. The soybean checkoff funded a project with Biosynthetic Technologies to achieve API certification.

Motor oils made with the new, high-oleic-soybean-based estolide do not thin out at high temperatures to provide superior engine protection. The estolide also does not evaporate at high temperatures like some petroleum oils, adding yet another benefit to the motor oils. These characteristics offer the potential for longer oil change intervals, as demonstrated in the field tests conducted on taxicabs in Las Vegas.

## 2014 Ohio Soybean Yield and Quality Contest

The Ohio Soybean Association (OSA) recently announced the launch of the state's fifth Soybean Yield and Quality Contest for the 2014 growing season. Contestants must be current members of OSA and raise at least 10 acres of soybeans in Ohio. Those who are not currently OSA members may join when entering the contest. The entry fee is \$100 and entrants may submit multiple entries.

The following seed companies have agreed to pay the entry fee for their varieties entered: Beck's Hybrids, CROPLAN, LG Seeds, R Farm Seeds, Rupp Seeds, Seed Consultants, Shur Grow, Stine Seed Company and all Monsanto varieties including, but not limited to, Asgrow, Channel and Stewart Seeds.

Entrants can choose to enter one or more of four categories that include:

- conventional tillage
- no-till
- non-GMO soybeans conventional tillage
- non-GMO soybeans no-till

Developed to promote the importance of oil and protein, the quality contest is optional to enter. However, a farmer must enter the soybean yield contest in order to enter the soybean quality contest. This contest is based on the overall highest percentage of oil and protein content in the state. Entrants in the quality contest must submit a two-pound sample of soybeans for testing.

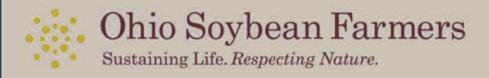
Entrants will be eligible for several prizes. An overall state yield winner will be awarded along with category prizes for the top placing entrants. Awards will also be given to the top placing entrants in the quality contest based on the percentages of oil and protein. All prize packages will be announced mid-September at www.soyohio.org/yieldcontest.

All entry forms and entry fees must be received by **August 29, 2014.** The entry form along with a complete listing of contest rules can be downloaded at www.soyohio.org/yieldcontest.

Additional sponsors of the 2014 Soybean Yield and Quality Contest include: Ohio AgNet, Ohio's Country Journal and the Ohio Soybean Council.



# OHIO SOYBEAN DAY AT THE FAIR Saturday, August 2rd, 2014





This voucher allows one FREE admission per household to an Ohio soybean farmer or an Ohio Soybean Association member, and \$4 admission to each family member in

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their party on Ohio Soybean Day at the Fair, Saturday, August 2nd, 2014.

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# Senate Trying to Move Forward on Tax Extenders Package

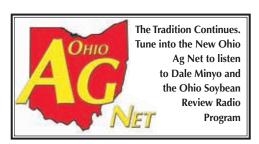
The U.S. Senate is considering the tax extenders package passed by the Senate Finance Committee in April. The tax extenders package includes a two-year extension of the \$1 per gallon biodiesel tax incentive, and a reinstatement of the pre-2014 expensing amounts for farm infrastructure and equipment under Section 179.

The first procedural motion passed easily to allow the Senate to move to debate on a bill (HR 3474) that would be the vehicle for the Senate tax extenders bill. Revenue measures must originate in the House of Representatives, thus the Senate must attach the tax extenders to a bill that came from the House. However, efforts by some Senators who oppose the measure, or wish to offer amendments, continue to pose a threat to the bill going forward. One dispute centers on whether the cost of extending the tax credits should be offset with funding cuts or increased revenues elsewhere. The Senate has been stalled by procedural battles on other measures as well, as Senators seek to offer and vote on amendments addressing contentious and often unrelated issues.

The biodiesel tax credit expired on Dec. 31, 2013 and the biodiesel industry's production has stalled in the absence of this tax credit.

The reinstatement of Section 179 expensing at previous levels would enable farmers and other small business owners to expense investments made in new technology, equipment and infrastructure in their operations. Given the land-based and capital-intensive nature of farming, not to mention the ever-advancing technology we need to farm sustainably and competitively, this program helps us to stay on the cutting edge of our industry.

On the House side, Ways and Means Committee Chairman Dave Camp, R-Mich., is planning to address the extenders individually rather than as a package. The fate of the biodiesel tax credit under this process is uncertain.



# SOYBEAN PESTS SHOWN TO REDUCE YIELDS



# We're helping you write a better end to this story.

Your soybean checkoff dollars are funding dramatic new research that will ultimately result in disease and pest resistant soybean traits. These ongoing efforts as well as research into new soybean varieties are helping boost the yields and profits of Ohio's soybean farmers.

This message brought to you by Ohio soybean farmers and their checkoff.





## **ENTRY FORM**

# 2014 Ohio Soybean Yield and Quality Contest

This form must be completed in full and signed. Please read the 2014 Contest Rules before filling out this form. If you have any questions, call the Ohio Soybean Association office at **614-476-3100**.

Please type or print legibly - entry form and contest rules also available at www.soyohio.org/yieldcontest

Name				
Address				
City				StateZip
Phone	County of Field Location			
Ohio Soybean As	ssociation Membership #			
Soybean Variety	Name and/or Number			Planting Date
Category of Ent  ☐ Conventional ☐ Non-GMO co	•	☐ Yield & Quality☐ No-till☐ Non-GMO no-	-till	
Seeds planted per acre		_ Row spacing		Soil type
Requested conte	est officials (refer to #2 in	the rules section for	a list of sug	gested officials)
Official:	Name		Title	I
	Company			
	Address			
	City	State	Zip	Phone
				of my knowledge and agree all contest information cretion of the Ohio Soybean Association.
Signature of applicant				Date
Entry fee: \$100 -	Make check payable to the	ne <b>Ohio Soybean Asso</b>	ociation	
• Fach on	trant will be granted a one	a-vear membership to	the Ohio Sou	whean Association If you are currently a

- Each entrant will be granted a one-year membership to the Ohio Soybean Association. If you are currently a member, your membership will be extended for one year. If you wish to waive the membership grant, check here □.
- If you have multiple entries, each additional entry will go toward a one-year endowment to a member of FFA or an individual in an agricultural field of study in an Ohio college or university.

Entry deadline: Postmarked by August 29, 2014

Submit this form along with your entry fee to:

Ohio Soybean Association Yield Contest - 918 Proprietors Road, Suite A, Worthington, Ohio 43085

Questions? Call or email Adam Ward at 614-476-3100 or award@soyohio.org.

#### Frogeye Should Be on Your Radar

Recently, soybean researchers from Kentucky, Indiana, Illinois and many states in the southern U.S. that border the Mississippi River reported the presence of the fungus *Cercospora sojina* that is resistant to the

strobilurin fungicides. This fungus causes frogeye leaf spot on soybeans.

"To date, we have not identified any *Cercospora sojina* isolates from locations in Ohio that are insensitive to these fungicides," commented Anne Dorrance, professor from The Ohio State University. "More monitoring will take place in 2014," she continued.

Samples were taken in Ohio last year, and it was found that this fungus is not as widespread here. However, if farmers think they have frogeye, they should send it to the lab immediately and researchers can have

an answer within 48 hours. They will let you know if the strobilurin fungicides will still be effective or if you will need to consider a triazole compound.

"We have had a hard winter and most farmers

practice good rotation with their field crops and plant varieties that are resistant to frogeye, so they shouldn't be too concerned, but it is still a good idea for farmers to be on the lookout," said Dorrance. "If it is caught early, we can advise farmers

on what to do," concluded Dorrance.





Managed by the Ohio Soybean Council and soybean checkoff, the Soybean Rewards Program helps Ohio soybean farmers increase productivity, yield and profitability by providing information and research related to premium opportunities, new varieties, disease and pest management and conservation practices.



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