

The background of the cover is a photograph of a woman with short brown hair, smiling, sitting in the driver's seat of a combine harvester. The harvester's dashboard and various control panels are visible in the foreground. The title 'Soybean' is written in large, green, stylized letters with a white outline. The word 'THE NORTH DAKOTA' is written in smaller, white, sans-serif capital letters above the 'y' in 'Soybean'. A green soybean leaf is positioned above the 'n' in 'Soybean'. A yellow soybean is positioned between the 'S' and 'y'. Below the title, the text 'VOLUME 1 • ISSUE 1' and 'JUNE 2012' is written in white, sans-serif capital letters. The text 'GROWER MAGAZINE' is written in white, sans-serif capital letters below the title.

THE NORTH DAKOTA Soybean GROWER MAGAZINE

VOLUME 1 • ISSUE 1
JUNE 2012

Debut Issue INSIDE

First North Dakotan
to Lead USB
Bullish on Beans
Get to Know
the Growers



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Contents

VOLUME 1 • ISSUE 1 • JUNE 2012



Features

6 | Bullish on Beans

There's nothing negative In USDA's May Supply/Demand report for soybeans.

8 | North Dakotan

Leads USB

Vanessa Kummer takes the reins of the United Soybean Board.

10 | Senate Agriculture

Committee Passes

2012 Farm Bill

The measure will now go to the full Senate for consideration.

14 | World Demand

A good U.S. soybean crop needed to meet world demand.

17 | Congressional Committee

Hears Trade Testimony

Need for consistency is stressed.

18 | Sugar Beet Cyst Nematode

Implications for soybeans.

19 | Pythium Seed Decay

Causes pre- and post-emergence damping off.

20 | Insects to Watch

Scout for soybean aphids and spider mites.

22 | Rural Infrastructure

Time for a new approach?

24 | Soybean Cyst Nematode

An important disease to watch

25 | Promoting Northern

Grown Soybeans

North Dakota farmers travel overseas.

26 | Food Grade Soybean Industry

Leading the way for research, production, promotion and marketing education.

Departments

5 Letters

7 Soybean Briefs

15 Soybean Production Tips

28 Legislative Update

29 Getting to Know the Grower



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NORTH DAKOTA SOYBEAN COUNCIL

Welcome to the first issue of the North Dakota Soybean Grower! The North Dakota Soybean Council has been seeking better opportunities to deliver valuable news and information to all ND soybean producers and believe this publication will serve as the ideal communications vehicle.

Through this magazine, the Council will work to more effectively communicate the value the checkoff is delivering to soybean producers. In collaboration with the ND Soybean Association, we will strive to communicate the full spectrum of what is happening with the soybean industry on a local, statewide, national and international level.

It's no secret that soybean production has expanded to the west and north in North Dakota over the last decade. There are now 6,000 soybean producers in North Dakota that are contributing to the checkoff. And, this investment is paying significant dividends in the areas of research, domestic and international marketing, promotion and education. Through the involvement of both the Council and the Association in this magazine, you will receive timely and accurate news and information of value and have your pulse on the programs underway to help you become more successful and profitable.

If you have suggestions on topics to address in future articles or comments on this quarter's issue, please contact our Communications Director, Suzanne Wolf, at 888-469-6409 or swolf@ndsoybean.org.



Monte Peterson,
Chairman
North Dakota
Soybean Council

NORTH DAKOTA SOYBEAN GROWERS ASSOCIATION

The idea for this magazine came out of a joint executive committee meeting early last year. We brainstormed ideas about things we could do together to better serve the soybean farmers in North Dakota. We're very excited to see it start to take shape now.

In the past, we've run into situations where we have a message we want to get out to our members and all farmers in the state and we have not had a good way to do that. This is one way we're working to improve that.

The local perspective is what we're really excited about. I don't know if there's ever been a magazine focused solely on North Dakota soybeans in the past, and I think there's a need for it. NDSU does a lot of good research and they have trouble sometimes getting the information out to the growers. There's a lot of good data out there. We just need a vehicle to get it to the farmer, and this will do that for us.



Jason Mewes,
President
North Dakota Soybean
Growers Association



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Bullish on Beans

There's nothing negative in USDA's May Supply/Demand report for soybeans. Soybean ending stocks for the current marketing year were cut 40 million bushels from April, and USDA's first estimate of 2012/13 ending stocks is a very tight 145 million bushels, leaving the stocks-to-use ratio at a historically low 4.4 percent.

Soybean exports are projected to increase 14 percent, to 1.5 billion bushels. The season-average price forecast has a mid-point of \$13 a bushel, compared with \$12.35 this marketing year.

USDA projects a record global soybean crop, up eight percent from 2011, led by an expected rebound in South American production. Global end-

ing stocks are projected to increase five million tons.

For the current marketing year, Oil World thinks global soybean production could be down nine percent from last year, due mainly to a 12 percent decline in South America. Oil World has cut its South American soybean crop forecast at least six times since December. The German-based newsletter says the smaller world crop will necessitate a certain amount of rationing.

The International Grains Council cut its estimate of South American soybean production six times since September. The crop is now 15 percent below last year, at less than 116 million tons. That's more than 20 million tons below the IGC's



of soybeans in Brazil, based in reais, were higher this spring than in July 2008 when beans were \$16.50 per bushel.

Mike North, senior risk management advisor with First Capitol Ag, thinks, because of the tightened acreage number in the planting intentions report, and where we're at with regard to stocks, soybeans will be well supported, at least into that June 30th planted acreage number.

Carrol Duerr, manager of the Colfax (ND) Farmers Elevator, says the short crop in South America will change the marketing pattern for soybeans here in the US. "We're gonna need beans for export right away this year, as soon as harvest has taken place, so you may see a strong basis right after harvest. South America won't have product to export until their harvest next winter."

Duerr thinks farmers should only sell a certain percent of their crop and carry some of it into the new-crop marketing year because of the way the market looks today.

Cordonnier says there is concern in Brazil if there will be enough soybeans left for domestic crushers to make it until the next crop becomes available in January. In the first four months this year, Bra-

estimate in September.

Soybean and Corn Advisor President Dr. Michael Cordonnier pegs the total South American crop this year at 112.9 million tons, 23 million tons below last year.

Brazil's real has hit a nearly three-year low against the dollar. The weaker real is a boon for soybean farmers in Brazil, as beans are priced in dollars, while farm inputs are priced in reais.

Minnesota native Kory Melby, now an agribusiness investment consultant in Brazil, reports that the price

ZSK12 - SOYBEANS - DAILY OHLC CHART



zil's soybean exports ran about one-third above last year. Brazilian crushers are worried about running out of soybeans and have already started to reduce their crush.

During a conference call on its third quarter performance, Archer Daniels Midland chief risk officer Craig Huss said he is "very concerned" about the potential for low US soybean supplies due to the shift toward corn plantings. Huss said it will be difficult to buy beans going forward. "We will see a reduction in exports as South America will rationalize what they have. They may carry their beans longer if there's a carry in the market." Huss does expect more soybean acres than farmers' initial planting intentions.

Cordonnier says record-high soybean prices are encouraging farmers in Brazil to sell their crop, forward contract next year's crop, and buy their seed at a record pace. Even though soybean seed prices have risen 30 percent in Brazil from last year, some of the most popular varieties were sold out, five months before planting starts. He expects at least a three to five percent increase in Brazil soybean area next season.

DICAMBA-TOLERANT BEANS

BASF Crop Protection has submitted to US regulatory agencies the registration application for Engenia herbicide, a technologically advanced dicamba formulation. Farmers will be able to use Engenia in combination with other herbicides and agronomic practices, in a weed control system enabled by dicamba-tolerant crops currently in development. Commercialization of the dicamba-tolerant system for soybeans is expected in the US mid-decade.

ENLIST OPPOSITION

USDA has received thousands of public comments in opposition to Dow AgroScience's proposed deregulation of new corn varieties that are resistant to a new 2,4-D herbicide.

Most of the opposition centers on concerns the new corn will lead to increased use of 2,4-D, resulting in more potential for spray drift. A company spokesman says the Enlist Weed Control System is designed to address many of those concerns.

2,4-D SURVIVES

The Environmental Protection Agency (EPA) has denied a petition from the Natural Resources Defense Council (NRDC) to ban 2,4-D, a widely-used herbicide ingredient, saying its review of studies relating to the health risk posed by 2,4-D found that it was not necessary to revoke registrations of its use, which the NRDC asked the agency to do in a 2008 petition.

"EPA's comprehensive review confirmed EPA's previous finding that the 2,4-D tolerances are safe," the agency said in a statement on its website.

PRIAXOR FUNGICIDE REGISTERED

BASF has announced the EPA registration of Priaxor and Merivon fungicides. Priaxor is a two-to-one premix that contains F500, the same active ingredient as Headline, and Xemium, which the company says provides a new mode of action for soybeans. Merivon is a one-to-one premix of F500 and Xemium. It's labeled for use on several pome and stone fruit crops.

FMC NEWS

FMC Corporation has announced that Triple Crown insecticide is now available, providing growers with three-way protection against aphids, stinkbugs and other key pests. FMC says Triple Crown provides soybean, corn and cotton growers quick knockdown, long-lasting residual and translaminar activity.

MORE OILSEEDS

Statistics Canada's survey shows Canadian farmers plan to plant a record 20.4 million acres of canola this year; eight percent above last year's record of almost 18.9 million acres. All wheat acres are put at 24.3 million, a 13 percent increase over last year. Canadian farmers say they'll plant 5.1 million acres of durum, a 27.5 percent increase. Barley acres are expected to climb 23 percent. Dry pea acres are up 42 percent from last year; lentil planting intentions are down four percent. Manitoba farmers intend to boost acres of dry beans 141 percent from a year ago.

FORE!

Mark your calendar for Tuesday, August 28th, for the North Dakota Soybean Growers Association's Golf Tournament, at Rose Creek in Fargo.

Telling the Checkoff Story

Vanessa Kummer takes the reins of the United Soybean Board and guides the organization on a new long-range strategic plan.

Thirty-five years ago, a pair of newlyweds, Paul and Vanessa Kummer, settled into life on the farm near Colfax, North Dakota. It's Paul's home farm.

"He's never moved," explains Vanessa, "I was raised at Litchville, which is about 100 miles from here. My mother and father were originally from this area; my dad is originally from Colfax, so it was kind of like coming home."

Vanessa and Paul have two children, Blaine and Rachel. Blaine joined the farming operation after securing a degree in agricultural economics at North Dakota State University. Blaine's wife, Megan, is an attorney in Wahpeton and takes a support-role on the farm. Rachel is a math teacher in Denver, Colorado. Soybeans, corn and sugarbeets are grown on the Kummer farm.

Vanessa is an active partner on the farm. That's always been the case. In the 1990's, Vanessa saw the need to look beyond the home farm and joined the North Dakota Soybean Growers Association. Vanessa spent

six years on the NDSGA board, culminating with a two-year term as president in 1999 to 2000.

Kummer has served nine years as a United Soybean Board director, including time as the global opportunities committee chair and team lead for the strategic planning team. This past December, Kummer took over the USB chairmanship, becoming the first North Dakotan and the first woman to lead the soybean checkoff.

The Long Range Strategic Plan was approved in 2011. A transition is being made to working groups or teams that will concentrate on the issues of oil, meal, freedom-to-operate and customer focus.

The mission of the soybean checkoff is to invest and leverage checkoff resources to maximize profit opportunities for U.S. soybean farmers. Success has been seen in the export markets and through new domestic use. The strategic plan divides oil and meal into separate priority areas.

"I'm really hoping that we see growth come back to the United States in the protein market; we need

more demand for poultry and more demand for pork, those are the customers that we really care about and that we really want to focus on."

Animal agriculture faces a myriad of pressures, ranging from regulatory concerns and threats from environmental and animal rights activists. Kummer says the U.S. Farmers and Ranchers Alliance has been created by more than 40 industry partners to communicate the true story about agriculture.

"So many (people) are spreading misinformation when they talk about animal agriculture; we're really trying to get the real story of agriculture to the person in the city, mainly."

Kummer says this issue includes the freedom-to-operate priority.

"Freedom-to-operate encompasses so many different areas. It encompasses consumers and their attitudes and opinions and what that means for spending in the grocery story; it includes government regulations; it includes transportation infrastructure and we need good infrastructure

to be competitive in the market; it includes biotechnology, both here and overseas for market access. It includes a lot of different areas that demand attention."

Vanessa Kummer is still spending many hours, looking beyond the farmstead. Hours are spent representing soybean farmers throughout the country and world. Her face lights up when telling the soybean checkoff story. For her fellow North Dakota soybean growers, Kummer has a final thought.

"As a director on the United Soybean Board, we are really focused on getting a return on investment for all U.S. soybean farmers and North Dakota soybean farmers need to remember that the elevator is not their customer," said the Colfax farmer, "That's just the place where you ship your beans on the way to the end-user. Whether that customer is overseas or at home, we want to make sure the product we sell to them has enough protein and has the quality they're looking for."

Vanessa,
Paul, and
Blaine
Kummer,
Colfax, ND





Senate Agriculture Committee Passes 2012 Farm Bill

Five days after releasing the Committee Print of the 2012 farm bill, and one day after postponing markup, the Senate Agriculture Committee approved the Agriculture Reform, Food and Jobs Act of 2012 on April 26th.

According to Chair Debbie Stabenow, the bill reforms food and agricultural policy by eliminating direct payments and emphasizing the need to strengthen risk management tools for farmers, saving billions of dollars. Overall, the bill will reduce the deficit by \$23 billion dollars by eliminating unnecessary subsidies, consolidating programs to end duplication, and cracking down on food assistance abuse. These reforms allow for the strengthening of key initiatives that help farmers and small businesses reach new markets and create American jobs.

The measure will now go to the full Senate for consideration.

Arkansas Republican John Boozman was one of four southern Senators voting no. "The commodity title will have a devastating impact on southern agriculture which relies heavily on irrigation and therefore benefits less from crop insurance. Furthermore, the new revenue plan is designed to augment crop insurance, so this new program leaves gaping holes in the southern safety net."

Georgia Senator Saxby Chambliss said the Senate farm bill's one-size-fits-all approach doesn't work with regions that are more diverse than ever. "It is neither equitable nor fair and attempts to redistribute resources from one region to another," said Chambliss. "After deducting a fair share for deficit reduction, certain commodities receive more resources than others and crops such as peanuts and rice are left without any safety net whatsoever." Chambliss also listed wheat and barley among crops that are the biggest losers under the Senate farm bill.

Senate Agriculture Committee leaders Debbie Stabenow and Pat Roberts emphasized that this is a reform bill and are committed to sending it to President Barack Obama before the current law expires September 30th. The two leaders say they want to work with Southerners to see what can be done to address their safety net concerns.

In early May, the farm community sent a letter to Senate leaders Harry Reid and Mitch McConnell, urging the Senate to schedule floor time for the bill as soon as possible. That was followed by a "Dear Colleague" letter from some 47 senators to the leadership asking for floor action.

Stabenow said some of her Committee members



SENATE AGRICULTURE COMMITTEE CHAIR DEBBIE STABENOW IS COMMITTED TO FINALIZING THE FARM BILL BY THE END OF SEPTEMBER

wanted an individual revenue system, some wanted a county system, so they gave farmers flexibility to decide what's best for their farm and the risks they face. Stabenow said the Senate farm bill has the tightest payment limits ever.

In addition to direct payments, the Senate farm bill also kills the ACRE and SURE programs and replaces them with what's called the Agriculture Risk Coverage program that has a \$50,000 payment limit for individuals, or \$100,000 for a married couple.

The Senate farm bill reduces the farm payment limitation for individuals to \$750,000, and there'll be stricter rules on who's actively engaged in farming. The bill does not place restrictions on crop insurance premium subsidies.

While the budget savings of \$23 billion is the same as the bill submit-

ted to the Super Committee last fall by leaders of the Senate and House Agriculture Committees, American Soybean Association Washington, D.C. lobbyist John Gordley says the commodity title is different. "It has the revenue program that was developed by Chairwoman Stabenow. It does not have the target price program that was developed by House Agriculture Committee Chairman Frank Lucas."

Last November, those two options were packaged together and prepared to send to the Super Committee which failed to reach agreement on debt reduction. While the Super Committee failed, Gordley says the work on the farm bill laid the groundwork for what the Senate did this year. "A lot of the agreement that the House and Senate were able to reach at the staff level on the other titles of the farm bill was included in the bill the Senate Agriculture Committee reported to the full Senate."

Gordley says the revenue program has been modified somewhat since last year. "Agriculture Risk Coverage (ARC) is the name and it's still pretty much what the Senate Agriculture Committee put together late last year."

ASA's concern was that if producers were given the option between the revenue program and

the target price program, which increased target prices by an average of some 30 percent, planting flexibility could be lost. The bill being proposed to the super committee last fall also tied eligibility for deficiency payments to actual production instead of the way the counter-cyclical program that we have today is structured where you get payments when prices fall below target prices for crops, regardless of what you actually produce.

According to Gordley, "By tying payments to actual production and raising target prices by 30 percent, we were concerned we'd be going back to producers producing for government payments which we had back in the 1980s and early '90s and we feel that the last three farm bills starting with 1996, Freedom to Farm, producers have had a lot of planting flexibility to follow the market and it's been very profitable for producers to do so, and we consider that to be the primary goal in this 2012 farm bill is to maintain that degree of planting flexibility."

Gordley points out the ARC is also tied to actual production, but the amount of government payment applies to a very narrow band of a producer's revenue, or county revenue. "But, only 10 percent of revenue is covered and of that only 65 percent

of average planted acres would be paid on at the farm level option, and 80 percent of average acres would be paid under the county-level option. So we don't think that potential payment is going to affect producers' planting decisions and that they'll continue to look to the market to decide what they want to grow."

Other key features of the bill include its consolidation of multiple conservation programs, targeting of conservation funding toward conservation measures on working lands versus land retirement, authorization and funding for the new Foundation for Food and Agriculture, full funding of the Foreign Market Development Program (Cooperator) and Market Access Program (MAP), and mandatory funding for ASA's two Energy Title priorities, the Biobased Market Program and the Biodiesel Education Program.

The next step in the process is getting floor time for the farm bill in the Senate.

In the House, Gordley says the issue is whether or not Agriculture Committee Chairman Lucas is able to get his bill across the House floor given the fact that there's a lot of opposition among House members, particularly new House members, to farm programs generally,

Continued on next page

and there's a lot of interest in trying to cut back spending on the food stamp program, which is called SNAP. "There was a very sharp cut in that program in the Ryan budget which passed the House some time ago, and it remains to be seen how many members of the House of Representatives, many of whom represent urban and suburban districts, are willing to vote for a farm bill that has a sharp cut in nutrition programs, and particularly in food stamps."

Regarding the opposition from southern senators, Gordley thinks the Senate Agriculture Committee will continue to try to find ways to make the bill more acceptable if not attractive to some of the southern commodity groups that were unhappy-rice and peanuts, primarily. "They did put what amounts to floor prices in the revenue bill for rice and peanuts, but those groups continue to say that that's not going to help them, it's not going to provide the kind of support they need. They want a price support as they have had under a target price program, and at significantly higher levels than we have today."

That's not something the Senate Agriculture Committee was willing to do. "It is something that Chairman Lucas is committed to," says Gordley, "and we assume his bill will look like that, and

then we'll see if he can get it through the House and get it to conference. Otherwise, the outlook for getting a farm bill this year is clouded by uncertainty."

The current farm bill authorities expire at the end of September. Congress has had to extend those authorities before for at least several months if not a year. "We'd prefer not to do that. We'd like to see the Senate bill go forward," says Gordley.



JOHN GORDLEY

"And we'll see if we get a conference before the August congressional recess and before the

November elections.

Otherwise, Gordley says we may find ourselves in a lame duck session in late November into early December. Congress has to make a lot of decisions about whether or not to extend the tax cuts that are expiring at the end of the year; there's the sequestration process that was set up under the Budget Control Act that would trigger in January, and somewhere in the lame

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duck session, if we haven't resolved the farm bill before then, there will be an effort made to attach it to one of these must-pass pieces of legislation.

The Senate farm bill eliminates four commodity programs and rolls them into one, saving approximately \$15 billion; 23 conservation programs are streamlined into 13, saving nearly \$6.4 billion; \$4 billion is saved in the nutrition title; 15 program authorizations are eliminated in the Rural Development title; two programs are combined and another two eliminated in specialty crops; and over 60 authorizations are eliminated from the research title, saving at least \$770 million over five years.

North Dakota Senator Kent Conrad said the Senate farm bill builds on a strong crop insurance program, and actually improves upon it by adding a shallow-loss program. "For the first time, we'll have a shallow-loss program that can provide some assistance to farmers if they have losses below 25 percent or if they see sharp price declines."

North Dakota Senator John Hoeven said the key is the farm-level option. "We had some challenges with the 'Big-I' states in getting that option for the supplemental revenue coverage, but we have that in there and that's really important for our growers."

North Dakota Hosts Reap Tour

North Dakota and Kentucky have been chosen as the Northern and Southern host states for the 2012 Regional Exchange and Awareness Program (REAP). REAP consists of a four-day tour highlighting the agriculture and industry unique to a particular region, and encourages learning and relationship building between soybean growers and the agriculture industry. The North Dakota tour will occur July 23-27 and is scheduled to include visits to the Northern Crops Institute; a soybean processing plant; a cattle farm; a coal mine; the North Dakota Great Plains Research Center; USB Chair Vanessa Kummer's farm and more. The Kentucky tour will begin on August 6th and is scheduled to include a tour of Vulcan Construction Materials, which uses B5 soy biodiesel at its facility; a lock and dam; the Kentucky Soybean office; University of Kentucky research plots; a tobacco farming operation; an apple, peach and cherry orchard; Kenny's Farmhouse Cheese; CPC Commodities; and a tour of Mammoth Cave before departing on August 10th. Twelve participants from southern states will attend North Dakota's tour and 12 participants from northern states will attend Kentucky's tour. The American Soybean Association, the United Soybean Board (USB) and Bayer CropScience sponsor the tours.



Good U.S. Soybean Crop Needed to Meet World Demand

U.S. soybean exports to China are a lot different this year. John Baize, President of John C. Baize & Associates, an international agricultural trading and policy consulting firm specializing in the oilseeds sector, says sales of US soybeans to China started off the marketing year substantially below the pace of a year ago.

"That was because Brazil had about seven million tons more soybeans on hand on the first of September than they did a year ago," says Baize. "They sold those beans last summer and they got delivered in the fall when we normally would've been selling. Now, South America's coming in with a crop that's at least 20 million tons less than a year ago, and supplies are tight, so the rest of the year when we normally wouldn't be selling much to China and other countries; we're probably going to have a very good year."

According to Baize, Oil World estimates US soybean sales to China at 2.3 million tons in the last three months



MARKET CONSULTANT JOHN BAIZE DESCRIBES THE DROUGHT-REDUCED SOUTH AMERICAN CROP AS A GIFT TO U.S. SOYBEAN FARMERS.

of the current marketing year, up from 600,000 tons last year.

Baize says the drought-reduced crop in South America is a huge gift for US soybean growers. Brazil was initially expected to produce 75 to as much as 78 million tons of soybeans; now it looks like they're going to end up at 64 to 65 million tons. Crop estimates in Argentina have dropped from 51-52 million tons to as low as 40 million tons.

"Paraguay has half a crop and you've got a smaller crop in Uruguay, and you add it all up and

it could be as high as 24 million tons less than a year ago," says Baize. "That's very tight supplies in a global market that's still growing. So the world is going to have to turn to the United States for increasing volumes in the next year to meet its needs because it's just not available elsewhere in the world. The world supply is shorter than normal and the US is going to be in a position to supply it, provided we have a good season. If we don't, the world is going to be extremely short."

Baize expects China's

demand for soybeans will continue to grow. While the population may not be growing, he thinks 40 to 50 percent of the population is still way below the national average in terms of per capita consumption of meat and as their incomes grow that's going to grow. "If you look at what USDA said in its long-range estimates released in February, I think these may be a bit aggressive, but it says China's soybean imports would grow from 56.5 million tons in 2011/12, to 90 million tons by 2021."

Looking at growth in global soybean demand in the last 10 or 20 years, Baize says trendlines suggest that if you project that out to the future, the world's going to need an additional 70 million tons of soybeans in 10 years to meet global demand. "To put that in perspective", says Baize, "Brazil is the second-largest exporter and it's probably going to grow around 64 or 65 million tons this year. So we're going to have to grow global production in the next 10 years more than Brazil's total produc-

Soybean Production Tips

tion to meet the demand.”

Baize also thinks we'll continue to see demand growth for soybeans in Southeast Asia, where populations and economies are growing; in Indonesia, Thailand, Malaysia, the Philippines. Baize also expects continued growth in parts of the Middle East and he thinks India could conceivably shift from being a substantial soybean meal exporter to a net soybean importer in the next five to six years because its population is expected to surpass China within the next 15 years and its economy has been growing.

The growth that's slow, according to Baize, will be in Korea, Taiwan, Japan, and Europe, the developed countries where the population's aging and not growing. “We expect those to decline over time but we should see growth in the Americas, Central America, northern South America, the Caribbean where populations are growing and hopefully incomes continue to rise. The growth, in my opinion, in the future, will not be in the United States. In fact, we've seen our demand go down over the last five years while the rest of the world is growing.”

The focus of this article was to be production problems in some of the new growing areas in North Dakota. However, Greg Endres' answers probably apply to all areas and all growers, no matter how much experience they've had growing soybeans.

Endres, the Area Extension Agronomist at the Carrington Research Extension Center, thinks most newer growers are doing alright, but he has some suggestions to fine-tune soybean production. “Folks are moving more and more toward wide rows, 30-inch rows, and we know that's not the distance between rows to optimize yield. We have lots of data in North Dakota as well as the Midwest indicating that intermediate row spacing would help us optimize yield potential from 12 to 22-inch rows.

So why do growers plant beans 30 inches apart? “I can reply in one word—corn. People are getting into corn in a big way and most everyone has corn planters and aren't likely to park them when they're done planting corn, and will just continue on with soybeans.”

Plus there is concern about white mold but Endres doesn't think it's a good idea to go to 30-inch rows with the primary reason of white mold. “And if people are reducing their planting rates in the wider rows it provides more of a cushion, making sure we have an adequate stand just because the seeds are closer together in those 30-inch rows. They have more confidence with planters versus air seeders or grain drills and planting in 24 or 15-inch rows. We know there's more variability there in planting depth as

compared to a row crop planter.”

Endres says there continues to be a discussion about seed inoculants. Recent grower surveys show soybean growers are overwhelmingly using seed inoculation as a common strategy. “More commonly the question is which formulation, or which trade name, should I use?” says Endres. “We've conducted seed inoculation trials here at the Center for a long time, and what's interesting is when you put all the data together we do see a couple bushel increase in yield with inoculation.”

Endres also cautions growers to do their homework on special inputs, such as micronutrients and growth enhancers. “There's a lot of pressure out there for people to use some products that will maybe bump up our yield substantially, depending on what marketing information you want to read. So we're really cautioning people to be careful about this.”

Endres says in the research on micronutrients or combinations of micronutrients and growth enhancers at Carrington, they're having a very difficult time seeing true yield increases. And when they do, they have an even more difficult time seeing a consistent yield response.

“There's a lot of micronutrients out there that our data indicates there is really no reason to apply these, such as zinc. We are confident that soybeans are not going to respond to a zinc application, even though guys will automatically apply it for their dry beans. But soybean is a different animal; I'd be very wary of products containing zinc.”



WHAT IS THE DIFFERENCE BETWEEN THE NORTH DAKOTA SOYBEAN GROWERS ASSOCIATION AND THE NORTH DAKOTA SOYBEAN COUNCIL?

CHECKOFF FUNDS ARE USED TO

- Market soybeans and soybean products, both domestically and internationally
- Develop new uses for soybeans
- Improve soybean production methods and quality through research
- Keep producers informed about how these investments are bringing value

Under federal law, checkoff dollars cannot be used to support lobbying efforts in Washington and Bismarck. That's the role of the North Dakota Soybean Growers Association

MEMBERSHIP FUNDS ARE USED TO

- Develop and promote state and federal policies that benefit North Dakota soybean growers.
- Lobby legislative officials on critical issues affecting your farming business
- Work toward government incentive programs for companies to use biodiesel

Although the North Dakota Soybean Growers Association's successes in Washington and Bismarck benefit all soybean producers, they depend upon the support of soybean producers to fund its policy initiatives.



Congressional Committee Hears Trade Testimony From ND Grower

Bob Sinner, Casselton, North Dakota, represented agriculture issues before the House Small Business Committee May 16th. Sinner is a partner in Sinner Bros. and Bresnahan, a family-owned business that produces for the food-grade market. SB & B Foods has been involved in the international market since 1988.

Speaking before the House committee, Sinner highlighted the USDA Market Access Program (MAP), the need for consistency in trade rules

and investment in the infrastructure necessary to facilitate trade.

"One of the challenges we have encountered over the years as we have expanded to other markets is the lack of consistency in international standards," said Sinner, "Each country brings a new set of challenges, and one persistent challenge is the inconsistency of countries that require a phytosanitary certificate, and the inconsistency of our own government in providing such certificates. Japan and Singa-

pore for instance, do not require a phytosanitary certificate, but Taiwan does."

While a phytosanitary certificate can add costs to small exporters, Sinner says it offers an assurance of food safety.

Sinner also advocated for improvements in infrastructure and the transportation system. The demand for identity-preserved grains and "just-in-time" delivery specifications has created issues in Rural America. Oftentimes, the availability of containers is the problem. Sinner said the transportation system prices containers for delivery in-and-out of large metro areas, limiting availability for rural transportation hubs.

"This approach ignores the importance and necessity of timely food shipments and also undermines the economic fabric of Rural America. This is a very real concern that if the world demands more grains and soybeans from the U.S., small exporters may not be in a position to meet demand at competitive prices, unless container equipment is available and



BOB SINNER,

competitive pricing solutions are implemented."

The government's Food Safety Modernization Act is also creating anxiety for the food-grade soybean business. Sinner warned the House Small Business Committee that burdensome regulations will impose significant costs to small exporters.

"While there is some justification for some of the safety requirements outlined in the bill, we need to recognize that we also have the safest food system in the world," said Sinner, "Small exporters face enormous competition and a web of regulatory constraints abroad."

Sinner's testimony also touted the recent U.S.-Korean Free Trade Agreement. This trade deal creates opportunity for food-grade soybeans, but Sinner remains cautious about the implementation of those rules.

SB&B Foods supplies specific varieties of non-biotech, organic Identity Preserved (IP) soybeans to food companies around the world, employing approximately 30 people, and totaling between \$20-25 million in sales for the past three years. SB&B Foods' largest markets are Japan, Taiwan and Thailand.



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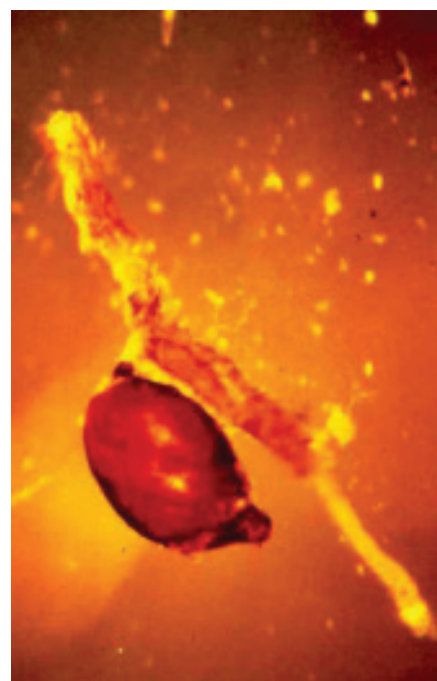
Sugar Beet Cyst Nematode: Implications for Soybean

By Berlin Nelson Jr., Professor, Dept. Plant Pathology, NDSU

In 2011 plant pathologists from NDSU with help from nematologists from Ohio State University confirmed the presence of the sugar beet cyst nematode (SBCN), *Heterodera schachtii*, in sugar beet fields in the Yellowstone Valley of western North Dakota. This find was not surprising as the nematode was known for some years in sugar beet fields across the border in Montana. This is a serious pest of sugar beet, but in addition, this nematode can reproduce on the roots of canola. There is a potential that this could also become a serious pathogen of canola in producer fields, but the research has not yet been conducted to answer that question. One concern about the movement of SBCN into canola fields is that canola is grown all across the northern part of ND from the western to the eastern border. Once the pathogen is established in canola fields in the west, it will move eastward and might someday arrive on

the eastern side of the state. Our experience with soybean cyst nematode *H. glycines* (SCN) has been that these nematodes move fairly quickly within the region. For example, in 2003 SCN was found in Richland Co., on the southern border and last year it was found in Pembina Co., on the northern border. We can't stop the movement of these cyst nematodes, although we can slow the movement by informing the agricultural community about the importance of these nematode pathogens. The dead female bodies of the nematode (the cyst) are only about 1/40 of an inch long and are filled with several hundred eggs. They can hitch a ride on just about anything that moves soil particles such as equipment or vehicles. If you are purchasing equipment from any area where sugar beets are produced out west, make sure you powerwash to remove any soil. This can avoid introducing SBCN into your fields.

The sugar beet cyst nematode does not reproduce on soybean or dry bean, and the soybean cyst nematode does not reproduce on sugar beet or canola, but there is strong evidence that *H. schachtii* can hybridize with the soybean cyst nematode, *H. glycines*. They are very closely related species. What is of concern is the potential mixing of genes between these two species and what effect that will have on the biology of SCN and the pathogenicity on soybean. Very little research on this subject has been conducted, thus there are many questions that need to be answered. It is important to keep in mind that there are few places in the country where SBCN and SCN are found in the same area. Thus, we have not had to deal with this particular problem of the two nematodes together in the same fields. Not too many years ago it was thought that nematodes would not be a problem in this northern crop production area. We



MATURE CYST NEMATODE FEEDING ON SUGAR BEET ROOT.

now have two cyst nematode root pathogens to deal with, and at least four major crops, soybean, dry bean, canola and sugar beet that can be affected by at least one of these nematode species. Continued research on these nematode species will be needed to manage cyst nematode problems and answer questions about the effects on susceptible crops.



Pythium Seed Decay and Damping-Off

By Kimberly Zitnick-Anderson, PhD student, and Berlin Nelson Jr., Professor, Dept. Plant Pathology, NDSU

Pythium, a genus within the Oomycetes, comprises one of the most important groups of seedling pathogens affecting soybean, causing both pre- and post-emergence damping-off. Oomycetes are fungal-like, but are a completely different group of micro-organisms compared to fungi, and are often called water molds. Numerous Pythium species are known to be pathogenic on soybean. Pre- and post-emergence damping-off affects seeds, seedlings, and to a lesser extent, adult plants. Symptoms of the disease include germination failure, seed coat deterioration (mushy and brown), total disintegration of the seed, brown lesions on the lateral roots of seedlings, collapsing of the actual seedling, and stunting of the adult plant. The disease can be devastating, especially during wet years, and is of great economic importance in the soybean industry. That is why the identification and characterization of Pythium species in this northern production area is an

important part of our research to develop adequate management tools for these diseases.

There has been little research on the species of Pythium present in the region. We do not know which species are soybean pathogens or how important they are in causing disease in the field. With

funding from the North Dakota Soybean Council, we initiated research specifically to address these issues. In 2011 we collected seedlings and soil from 88 soybean fields distributed throughout the eastern half of North Dakota. Isolations were made from roots to identify the Pythium

species present. There were over 2,000 cultures that had to be examined. We have identified 24 different species of Pythium in roots. Interestingly, we have been unable to identify 16% of the total amount of Pythium types from these fields. That may indicate they are either new species or different forms of known species. Our current emphasis now is determining which species are pathogenic on soybean. This is research that is being conducted in the greenhouse. In addition, the soil from each field sampled is being analyzed for soil properties and we will try to determine if the presence of certain species is related to certain soil properties. The soil analysis adds a unique element to the research because soil properties are often not examined when attempting to determine the activity of soil borne plant pathogens. In spring of 2012 the North Dakota Soybean Council awarded Zitnick-Anderson a scholarship to help support her PhD program of study.





Important Insect Pests to Scout for in Soybeans

By Janet J. Knodel, PhD, Extension Entomologist & Assistant Professor, Department of Entomology, NDSU

SOYBEAN APHID

(*Aphis glycines Matsumura*) was first detected in the U.S. in 2000, and has spread through soybean production areas in the north central U.S., including North Dakota, in 2001. Since its introduction, soybean aphid has become a major insect pest of soybean throughout the Midwest. Foliar insecticides are the primary management tactic for aphid control. However, multiple years of research have shown that natural enemies can often keep soybean aphids below the economic threshold in non-outbreak years.

Another non-chemical management tactic that shows promise for controlling soybean aphid is the use of genetically-based aphid resistant soybean lines.

Soybean aphid is light yellow with black cornicles (“tail-pipes”) and a pale colored cauda (tail projection). As with other aphids, soybean aphid is small, about 1/8 inch. Nymphs (or young) are smaller and without wings.

Aphids suck fluid from plants. When infestations are large, infested leaves are wilted or curled. Aphids excrete honeydew, a sweet substance that

accumulates on surfaces of lower leaves and promotes the growth of sooty mold. Soybean aphid colonizes tender leaves and branches from early vegetative through reproductive plant stages. Later, as vegetative plant growth slows, the aphids slow their reproductive rate, move down to the middle and lower part of the plant, and feed on the undersides of leaves. Toward the end of the season the colonies again begin to rapidly increase in number. These increases are followed by a migration to the overwintering host, buckthorn.

Currently, the guidelines for making soybean aphid treatment decisions are:

- Begin scouting soybean fields at the V3 to V4 stage to determine if soybean aphids are present in fields. No treatment is recommended at this time and is discouraged so that insecticides do not reduce the presence of predators and parasites.
- The critical growth stages for making most soybean aphid treatment

decisions are the late vegetative to early reproductive stages (Vn to R3). Assessing aphid populations at these times is critical.

• **Economic Threshold from R1 (first flower) to R5 (beginning seed) is 250 aphids/plant AND when populations are actively increasing in 80% of the field.** At R6 (full seed), no insecticide treatment is recommended. Research trials throughout the north central states have not demonstrated a yield benefit for soybean aphid management at the R6 and later stages.

ADULT TWO-SPOTTED SPIDER MITES

(*Tetranychus urticae* Koch) are small (< 0.2 inch), greenish-white to orange-red in color, have 2 dorsal spots and 4 pairs of legs. Nymphs are smaller than adults and have 3-4 pairs of legs. Magnification is necessary to see mites. Host plants for spider mites include: soybeans, dry beans, alfalfa, corn, vegetables, ornamentals and trees. Mites overwinter as eggs on vegetation.





The life cycle of spider mites can be completed in only 5-14 days with fastest development rates occurring above 91°F. Each female lives for 30 days and she produces about 300 eggs during her lifetime. In hot, dry weather, natural fungal diseases of mites are slowed and populations can increase from a few individuals to millions within a few generations. Mites thrive on the stressed plants that are nutrient rich!

Leaf injury symptoms appear as stippling first and then progresses to yellowing, browning or bronzing as feeding injury increases, and eventually leaf drop. Feeding injury causes water loss from the plant and reduces the photosynthetic ability of the plant. In severe cases,

premature leaf senescence and pod shattering can occur and even plant death. When severe mite infestations occur during late vegetative and early reproductive growth, a 40 to 60% yield loss between treated and untreated soybean has been demonstrated in other north central states. Be sure to scout during full pod (R4) through beginning seed (R5) stages since these crop stages are the most important contributors to soybean yield. Spider mites can cause yield reduction as long as green pods are present.

When scouting for spider mites, look on the underside of leaves and lower foliage at the field edges first for tiny mites and fine spider-like webbing. A quick sampling procedure to determine whether mites are

present is to hold a piece of white paper below leaves then tap them to dislodge the mites. The mites appear as tiny dust specks; however, they will move slowly after being knocked off the leaf. Dislodged predatory mites will move faster than the two-spotted spider mite. Or, one can pull up plants and examine the underside of the leaves from the bottom of plants upwards. When spider mites need to move due to diminishing food supply, they climb to the top of plants and are dispersed by the wind through “ballooning”, so they can spread quickly within a field or to adjacent fields.

Infestations typically are first noted near field edges and fields located near alfalfa (a preferred host). Products labeled for

mite control often do not give adequate control and the population of mites may rebound quickly to pretreatment levels or higher. When rain and humidity are present, natural reductions in mite populations occur due to infection by a fungal pathogen. Conditions that are good for the development of the pathogen are temperatures cooler than 85° F, with at least 90% R.H. for 12 to 24 hours. Mites usually become a problem when hot, dry weather occurs. When a production area has low rainfall, the region can become a “hot spot” for mite injury and a source of mites migrating to neighboring areas.

THRESHOLD:

Deciding whether to treat is difficult. There is no specific threshold that has been developed for two-spotted spider mite in soybean. Sample plants at least 100 feet into the field and walk in a “U” pattern sampling two plants per location at 20 different locations. Assess mite damage using the following scale from the University of Minnesota:

0 - No spider mites or injury observed.

1 - Minor stippling on lower leaves, no pre-

Continued on next page



Rural Infrastructure: Time for a New Approach?

Submitted by the Soy Transportation Coalition

In rural America a growing tension exists between an increasingly abundant and productive agricultural sector on one hand, and a rural infrastructure that is ill-equipped to accommodate it. While yields are projected to increase substantially in the future, the funding to maintain rural roads and bridges is stagnant or on the decline.

U.S. agriculture can accurately be described as “a 21st century industry utilizing a 19th century rural infrastructure.” Modern agriculture requires a modern deliv-

ery system. Our rural infrastructure, however, was designed and constructed with assumptions that are no longer applicable.

“There is an enormous difference between farming today and how it was practiced decades ago,” explains Scott Gauslow, a farmer from Colfax, North Dakota, vice president of the North Dakota Soybean Council and board member of the Soy Transportation Coalition. “Farmers produce more, deliver it longer distances, and use heavier equipment. Agriculture has

progressed, but the rural roads and bridges that we rely on have not.”

While much attention has been devoted to our rail infrastructure, ports, and highways, our rural infrastructure has been largely ignored. Because the first delivery from the farm allows all the subsequent deliveries to occur, it is essential that proper attention be given to North Dakota’s rural infrastructure.

Gauslow states, “A high percentage of North Dakota soybeans are not retained in the state. We rely on the ability to ship our production to cus-

tomers – both domestic and international. As a result, the profitability of North Dakota agriculture is dependent upon having a well maintained transportation system – including the rural roads and bridges that allow our soybeans to be delivered in the first place.”

Throughout rural America, rural roads and bridges are falling further and further into disrepair while the funding stream available to maintain them is increasingly insufficient. This results in an ever-widening funding gap between what agriculture needs and

INSECT PESTS FROM PAGE 21

ture yellowing observed.

2 - Stippling common on lower leaves, small areas or scattered plants with yellowing

3 - Heavy stippling on lower leaves with some stippling progressing into middle canopy. Mites present in middle canopy with scattered colonies in upper canopy. Lower leaf yellowing is common. Small areas with lower

leaf loss may occur. (**Spray Threshold**)

4 - Lower leaf yellowing readily apparent. Leaf drop common. Stippling, webbing and mites common in middle canopy. Mites and minor stippling present in upper canopy. (**Economic Loss**)

5 - Lower leaf loss common, yellowing or browning moving up plant into middle canopy,

stippling and distortion of upper leaves common. Mites present in high levels in middle and lower canopy.

If spider mites are above threshold during significant pod or seed fill remaining, an organophosphate insecticide (e.g. Lorsban, Dimethoate) is recommended over a pyrethroid insecticide. Pyrethroids (e.g. Asana, Baythroid, Decis, Mustang Max, Proaxis, Warrior)

tend to flare (increase) mite populations within 7-10 days after application. Reasons for an increase in mite populations include: disruption of the natural enemies that control spider mites (predatory mites); increased movement of mites out of fields, and increased reproductive rates of female mites. Early detection facilitates timely and effective rescue treatments. Current insecticides for soybeans



what the rural infrastructure can provide.

Heretofore, the challenges facing rural infrastructure have primarily been avoided altogether or unsuccessfully addressed by users simply demanding more money and county and local governments suggesting that farmers should not utilize the heavier equipment or semi trucks essential to the profitability of 21st century agriculture. Solutions to our rural infrastructure challenges will remain elusive unless new approaches are explored and implemented.

The Soy Transportation Coalition is conducting a study that is examining the condition and shortcomings of our nation's rural infrastructure and potential proposals to

address them.

The project focuses on four questions: 1.) What

kind of rural infrastructure do we need in the future?, 2.) How costly

would that infrastructure be?, 3.) How much money will likely be available to finance this infrastructure?, and 4.) If cost prohibitive, what kind of solutions does agriculture need to explore – what kind of “outside of the box” thinking needs to occur?

“It’s important for the Soy Transportation Coalition to be engaged in this important issue,” explains Gauslow. “This is a problem that will continue to get worse unless we apply some new energy and effort to address it.”

To learn more about the Soy Transportation Coalition, including following the progress of the rural infrastructure study, visit www.soytransportation.org.



provide short-term protection, about 7 days, from mites and do not kill mite eggs. Fields will need to be monitored continually for resurging populations. The efficacy of an insecticide can be improved significantly with sufficient coverage (>18 GPA of water) and application at high pressure to penetrate foliage. Edge treatments are not effective in controlling mites since mites have already moved

throughout the field before visual symptoms are observed. Insecticides labeled for mite control have 21 (Dimethoate) to 30 day (Cobalt) harvest interval. Consequently, if infested fields still have green seeds but seeds are filling, it may be better to accept some yield loss from mites and not treat, than treat and be unable to harvest.

IPM FOR SOYBEAN APHIDS AND SPIDER

MITES: When scouting soybean fields, consider which insect pests (soybean aphid and spider mites) are present and their population levels. If the heat and drought stress continues, there is an increased risk for spider mites and reduced risk for soybean aphids (increased mortality and decrease reproductive rate due to hot temperatures >90F). If heavy rains occur, mite and aphid

populations can collapse. Mite infestations are often concentrated early in field edges, and spot treatment can be feasible and more economically. However, under dry conditions, mites usually will occur throughout the field and spot treatments are unlikely to prevent the infestation from spreading. Early detection facilitates timely and effective rescue treatments.



Survival of Soybean Cyst Nematode in North Dakota

by Berlin Nelson Jr. and Tracy Christianson, Professor and Research Specialist, Dept. Plant Pathology, NDSU

Soybean cyst nematode (SCN) is becoming one of our most important soybean diseases in ND. Probably all soybean growers have heard of this nematode and the yield losses that it can cause. Fortunately, we have a number of resistant soybean cultivars so growers have an important tool to minimize damage from this root infecting pest. In addition we know that crop rotation to a non-host is another tool we can use to reduce egg populations in infested fields. One question that many growers have asked us is: "how long does SCN survive in our soils?" Unfortunately, the answer is different for each field and year because there are multiple factors that affect the survival of the eggs in the soil.

In 2003 we started monitoring the egg populations in a number of infested fields, primarily in Richland County, and then added a few fields in Cass County to the study in later years as they were discovered.



SOYBEAN CYST NEMATODE AND EGG

Eventually we were examining 16 fields a year. The one important take home message from this research is that high populations of SCN can persist for years even when rotating to non-host crops such as corn or wheat. As an example, in 2003, a naturally infested field in Richland Co., planted with a susceptible soybean, resulted in an egg population in October of around 10,400 eggs/100 cc of soil. During the next 5 years there was one year of wheat and four years of corn planted in that field.

No soybeans were grown. In the fall of 2009, the egg count was around 4,800 eggs/100 cc of soil. That egg count in the fall of 2009 was too high to grow a susceptible soybean. The soil in this field was an Arveson loam which was very favorable to SCN reproduction and survival. The grower planted a resistant soybean in 2010. In other fields we monitored during the study we found similar results where high populations persisted for 3 to 4 years during rotations to non-hosts. When egg

populations are low then the egg numbers are easier to reduce with crop rotation. One other important result of this study was how much egg numbers can increase when a susceptible soybean is grown. As an example, one field in 2007 with around 150 eggs/ 100 cc soil was planted to a susceptible soybean. In October of that year, the egg count in that field had increased to 12,000 eggs/100 cc of soil. Also, in fields where we could not detect eggs because the populations were too low, once soybeans were planted we could find the nematode once again on the roots. SCN can survive for a long time in these fields.

One of the reasons SCN survives well in our soils is the low soil temperature for 6 months out of the year. The cold soils limit the biological activity that would reduce egg populations. In addition, SCN has built-in genetic systems that favor survival and reproduction in our environment. SCN is here to stay and we



will have to manage the potential effects on soybean and dry bean, the two most susceptible crops grown in our region. If you are not sure you have SCN, take soil samples from your fields and have the soil analyzed for SCN egg counts. If you already have SCN, keep the egg populations low by rotating to non-host crops and grow resistant soybean cultivars so egg numbers do not increase. If you grow susceptible soybeans on SCN infested soil, you can expect an increase in the egg density in the soil and you might be losing yield and not even be aware of the yield loss. There often are no obvious above ground symptoms of SCN during good growing seasons. Even if there are some above ground symptoms such as yellowing of leaves or stunting of plants, you can easily mistake these symptoms for other causes. It is a good management practice to keep an eye on SCN in your soybean fields.

ND Soybean Farmers Promote the Quality of Northern Grown Soybeans Overseas

This Spring, North Dakota Soybean Council (NDSC) Chairman Monte Peterson of Valley City, ND and Vice Chairman Scott Gauslow of Colfax, ND traveled overseas with fellow soybean farmer-leaders from South Dakota and Minnesota to promote the advantages and quality of Northern grown soybeans to international end-users. Peterson traveled to the Philippines and Thailand, while Gauslow traveled to China.

"We really wanted to start a discussion with our international customers and share our findings regarding soybeans and soybean meal from different areas of the USA," said Monte Peterson. "We discussed their experiences with U.S. soybeans and welcomed their input and ideas. We want to start the process by which soybean quality is characterized, so that buyers also demand to see amino acids as an indicator of protein content and quality, not just crude protein, when they make their purchase decisions."

Soybeans grown in northern areas where colder temperatures and shorter summers limit nitrogen fixing in the soybean plant receive lower prices (wider basis and discounts) due to lower crude protein (CP) scores. The NDSC, along with University of Minnesota researchers and Minnesota and South Dakota soybean checkoff boards, have been collaborating on a research effort designed to demonstrate that northern soybean meal scoring low in CP actually has higher essential amino acids (EAA) values, which makes northern grown soybeans an exceptional feed ingredient. When soybean buyers have a more accurate measure of true protein quality, as they get with EAA, farmers should expect higher returns in the marketplace.

Amino acids are the building block organic compounds in proteins. EAA are those that cannot be synthesized by the animal and must be provided in the diet. Animals require EAA in their diet to produce proteins needed for health maintenance and growth (meat and milk production). When adding protein to animal feeds, livestock and poultry producers are really trying to supply EAA.

What does this mean for northern soybean farmers? Using essential amino acids as the measure of protein quality and feed value will show the true worth of their product and command higher returns for their soybeans as a result. That means greater opportunity for everyone in the value chain.



MONTE
PETERSON



SCOTT
GAUSLOW



Food Grade Soybean Industry

In early 2006, a number of the region's food grade soybean processing companies joined forces to create an organization to address the common challenges in the food grade soybean industry. The Northern Food Grade Soybean Association (NFGSA) was formed to address those issues.

Some of the food grade soybean industry challenges that NFGSA has

addressed include international transportation issues, genetic review and development of new varieties to meet the needs of both the producer and the customer. NFGSA has also been instrumental in the development of a provision for additional coverage in the Federal Crop Insurance for food grade soybean production.

Although food grade

soybean production is a relatively small percentage of the total US soybean production, it is an integral part of the US export business and a unique value-added opportunity for producers. As one looks closer at this industry, the northern soybean producing region plays a very important role in supplying food grade soybeans to most of Asia. The

region's primary markets are Japan, Korea, Thailand, Malaysia, Taiwan, Vietnam and Indonesia.

The Red River Valley supplies over 60% of Japan's natto industry and nearly 20% of Korea's sprout industry.

Buyers from all of Asia recognize the importance of this region's supply and specific varieties that meet their particular manufacturing needs. This region





Funded by the **North Dakota** soybean checkoff.

is also recognized for the quality of soybeans produced and the ability to store and maintain a quality product that is superior to most other regions of the US.

The region's involvement in the food grade soybean industry is significant, with over 250,000 acres yielding nearly 10 million bushels of production. Over 90% of that is exported, adding 25 – 30 million dollars of value to the producers of food grade soybeans.

Be sure to look for future articles from NFGSA discussing the opportunities and challenges of the food grade soybean industry, and highlighting the importance of the non-GMO food grade soybean industry to this region.



NFGSA --- Leading the Way for Research, Production, Promotion & Marketing Education

U.S. NORTHERN REGION SOYBEANS are already recognized as the world's finest quality food-grade soybeans. The Northern Food Grade Soybean Association (NFGSA) unites this specialized industry to maintain and enhance product quality.

LEADING BREEDING TECHNOLOGY helps NFGSA companies respond to changing, more detailed customer requirements. Aggressive breeding programs are continually improving yield and disease resistance as well as soybean size, shape, taste, nutritional content and other characteristics.

SUPERIOR GROWING AND STORAGE CONDITIONS promote optimum growth through fertile soils, abundant rainfall, warm days and cool nights. The U.S. northern tier growing area also faces little pressure from soybean disease and insects.

ADVANCED FARMING TECHNIQUES prevent damage. Food grade soybeans require great care in harvesting, and northern region growers use the most technologically advanced harvesting equipment, guided by training in harvest methods designed to protect food grade soybeans. Our growers are hand picked for their reliability, attention to detail and experience.

STATE-OF-THE-ART PROCESSING FACILITIES designed to gently handle food grade soybeans. Multiple processing passes ensure the highest quality and uniformity available in the food grade soybean industry.

PROCESS VERIFIED PRODUCTS for traceability. NFGSA members recognize the importance of food safety and purity for manufacturers—and consumers. Stringent Identity Preserved (IP) programs allow traceability from seed selection through delivery.

INFORMATION
BROUGHT TO YOU BY:



North Dakota Soybean Council
1411 32nd Street South, Suite 3
Fargo, ND 58103
(888) 469-6409 • (701) 239-7194
www.ndsoybean.org

STATE LEGISLATIVE SESSION

Important public policy work was accomplished in the last Legislative Session and the Special Session that followed. Your North Dakota Soybean Council was reorganized and expanded to provide increased opportunities for growers, like you, to participate in research, marketing, and transportation activities vital to the soybean industry.

We were catalysts to significant increases in infrastructure funding during the regular and special sessions. We need to thank many for these outcomes. First are the folks in the Transportation Coalition (ND Corn Growers, Association of Counties & Townships, and others) that funded the Upper Great Plains Transportation Institute study that tallied the actual conditions and regeneration costs of our rural infrastructure. Second is Sen. Wanzek, District 29, for carrying an additional rural infrastructure funding proposal that prevailed on the Senate floor. Lastly, we would thank Governor Dalrymple for his strong support for needed infrastructure funding during the Special Session. Much has been accomplished in this arena, and we eagerly anticipate working closely with our friends to move these important issues down the road.

What is on the horizon?

Our long-term goal of soybean processing within North Dakota is a multifaceted endeavor. It involves growth of our livestock industry in North Dakota, finding a “right end-product mix” that is profitable for processors, matching world-wide customer demands; no small challenge.

The next Legislative Session starts in January. Much of the focus of the 2013 Session will be determined by the outcome of the Measure 2 initiative on June 12th, Primary Election Day. If Measure 2 prevails, its impact will be the major focus of the next Session. We will do our best to ensure that the impact on agriculture will be workable and proportionate. If not, we will work hard to ensure that the Legislative leaders understand that additional property tax relief and reform is critical in this time of plenty. We’re excited to work with our Ag Coalition partners for funding Agricultural Research and Extension priorities as laid-out by the SBARE.

Scott Rising

ND Soybean Growers Association Legislative Director

AN INTERESTING SESSION ON THE HORIZON

For the premiere issue of this new magazine, let me provide some background. In a nutshell, I’m a preacher’s kid from various spots around North Dakota. Bismarck has been home to me and my law practice for 35 years. I’ve been lobbying and working on government relations off and on for those 35 years as well. I am with the Bismarck office of the Vogel Law Firm and have enjoyed working on issues important to soybean growers and others in the ag community for a number of years.

For the upcoming 2013 legislative session, we will feature many new faces. This is the result of several retirements and in part to some redistricting. We have 47 members of our North Dakota Senate. Twenty-three are up for election this year. Redistricting has placed incumbent Republicans Sen. Joe Miller and Sen. Curt Olafson in the same district. Sen. Ryan Taylor and Sen. David O’Connell, both Democrats, were also placed in the same district in redistricting. However, Sen. Taylor is running for Governor so will not be on the legislative ballot. Sen. Randy Christmann is running for the Public Service Commission. If he wins, he will not be in the Legislature. Add to that four others who have announced their retirement or, in the case of Sen. Tom Fischer, who unfortunately recently passed away.

We can add to that list a rather large number of Senators who are “rookies” in the sense that they were just elected to the Senate in 2011 and have only been there for one session. If my math is correct, you add all of this up and the result is that 17 of the 47 members of the Senate will either be new or still in their first term. To magnify that further, recognize that both the Senate Majority Leader and the Senate Minority Leader from the 2011 session will not be back.

It will be an interesting session, that is for sure.

Joel Gilbertson

ND Soybean Growers Association Lobbyist

HOME TOWN/FAMILY: Colfax, ND. Married to Erica, one son, Carter.

TELL US ABOUT YOUR FARM? I farm with my dad and my brother. We farm about 3,000 acres and run 100 head of Red Angus-Simmental beef cattle. We have four crops; corn, soybeans, sugarbeets and wheat. My wife works for the North Dakota Wheat Commission.

WHY ARE SOYBEANS PART OF YOUR CROP MIX? The main reason we have soybeans on our farm is for their

rotation benefits.

WHAT'S THE BEST PART OF FARMING?

Why did you get into this business? I started when I was young. I knew it was something I wanted to continue doing after college. The opportunity came to come home and I took it. I'm glad I did.

WHAT IS YOUR FAVORITE THING TO DO ON THE FARM?

Being in the field is the best—planting, combining and keeping busy. Harvest is fun, especially when you have a good crop. It's always nice to be

out in the field and see results.

YOU'RE A BOARD MEMBER. WHY ARE YOU SUCH AN ACTIVE MEMBER OF THE ND SOYBEAN GROWERS ASSOCIATION (NDSGA)? I had an opportunity to jump on board with them. I've been out of

college eight years or so and had some leadership skills from that. I have knowledge about the soybean industry and thought I could take those skills and help the soybean growers grow and remain successful in the future.

THIS INVOLVEMENT IN AGRICULTURE GROUPS, LIKE NDSGA, IS IMPORTANT, RIGHT? There are always opportunities in different organizations. There is so much that must be done for agriculture. There are less people in agriculture and the more we can do to pro-



CRAIG OLSON

mote agriculture, the better it is for all of us long-term.

HOBBIES? WHAT DO YOU DO FOR FUN? I play a little softball. We go to the family's lake cabin the summertime. Relax and spending time with family is something I like to do. Otherwise, I go to the Western Minnesota Steam Threshers Reunion; I have interest in past agricultural equipment.

YOU MENTIONED THE CABIN. ANY OTHER SUMMER GET-AWAY OR VACATION PLANS ON THE SCHEDULE? I do try to go fishing every year.

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JARED HAGERT

HOME TOWN:

Emerado, ND

TELL US ABOUT

YOUR FARM. Our farm is a wheat, corn, soybean, dry edible bean farm and we try to maintain an even rotation between those four crops. Most of our wheat and soybeans are raised for seed purposes. We've been running a certified seed conditioning plant for a number of years and wholesale and retail seed out of our operation, too.

WHY ARE SOYBEANS PART OF YOUR CROP MIX? There are a number of reasons why I like to have soybeans as part of my crop mix. One, they are a great rotational crop with wheat and corn. The opportunity to use technology with biotech being a benefit. They are price competitive. There are also new uses for soy all over the place. We don't think of biodiesel as a new use, but using it as bioheat to heat homes in the northeast part of the United States. It goes all the way down to soy foam in mattresses or soy foam in vehicles, like the Ford

Mustang. There are great marketing opportunities throughout the world with soy.

WHAT'S THE BEST PART OF FARMING?

Why did you get into this business? I'm a fourth generation farmer. I guess you could say it is in my blood. I used to tease my grandfather that I wasn't going to farm and he'd say, no, you're going to farm and I guess he won that discussion. This is what I've known throughout my life. I haven't strayed too far from the farm, other than spending time down at NDSU and getting a degree. That's helped our horizons a little bit on how we operate.

WHAT IS YOUR FAVORITE THING TO DO ON THE FARM?

I enjoy partaking in the whole process of raising a crop, from planting, to your spraying to harvesting and we take it one step further, with seed conditioning. It's the whole life-cycle of the various crops and that's probably my favorite thing about the farm. There is always something you're working toward. There's always a new goal. Things are always changing and it keeps you on your toes.

WHAT'S THE ONE PIECE OF FARM EQUIPMENT THAT YOU WOULDN'T WANT TO BE WITHOUT? GPS

technology—I would not want to be without that. From gaining efficiency and being more effective in all of our operations, it allows me to keep more accurate records on what was applied or when it was applied. It is just amazing what the technology enables you to do. It's like reading a book. You get past a page or two and pretty soon, you're pretty deep in the book. It's a discovery thing. The more you use it, the more you find uses for it.

WHY ARE YOU A MEMBER OF THE NDSGA? I am a member of the North Dakota Soybean Growers Association because I believe we need a strong, grassroots, soybean farmer-led policy organization. I think it is important that we have the North Dakota Soybean Growers Association and American Soybean Association as grassroots, policy membership organizations. They represent us in Bismarck and Washington, DC to look after our best interests. The North Dakota Soybean Council and United Soybean Board (USB) are soybean checkoff organizations, created by law and there is no opportunity to lobby with those funds. Both USB and the North Dakota Soybean Council have roles to educate, promote, market and develop new uses of

soybeans and their by-products.

WHAT INVOLVEMENT HAVE YOU HAD IN NDSGA OR OTHER AG GROUPS? With the North Dakota Soybean Growers Association, I served one term as a board member. One of those years I was vice president and two of them, I was president. Currently, I represent North Dakota soybean farmers on the North Dakota Soybean Council. I currently serve as treasurer on that board. I also represent us nationally on the United Soybean Board.

HOBBIES? WHAT DO YOU DO FOR FUN? I like to fish. My wife loves to fish. We've got a camper at Devils Lake and a boat and a slip. If I have to be spraying or something, my wife says you'll know where I'll be at, come join me later. We love to be out on the lake, catching those great North Dakota walleyes and that great North Dakota sunshine.

ANY SUMMER GET-AWAY OR VACATION PLANS ON THE SCHEDULE? I have a cousin getting married in the lakes area of Minnesota this summer and we're going to go do that. We are also going to get away with a couple friends and go to Denver in July for a concert and try to relax a little bit.

TARGET 6,000 NORTH DAKOTA SOYBEAN GROWERS

North Dakota Soybean Grower is the official publication of the North Dakota Soybean Growers Association. This magazine has a circulation of over 6,000 growers in North Dakota. To target your message to the decision-makers in North Dakota's soybean industry, the best choice is North Dakota Soybean Grower.

The editorial team delivers cutting-edge information for today's soybean grower, focusing on production, policy and people.

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