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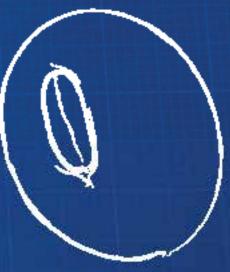
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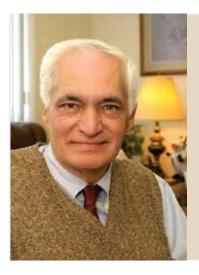
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# North Dakota Grower Part of 2012-13 Leadership At Its Best Class

The first phase of the American Soybean Association Leadership At Its Best Program, sponsored by Syngenta, was held in Greensboro, North Carolina. Soybean leaders representing 13 state affiliates participated in advanced leadership training, including Ryan Richard of Horace, North Dakota.

Richard thinks the best part of these leadership programs is getting to know people from all over the country. "I still talk to the guys I met on the Young Leader program weekly, if not more often. On this one, I met some guys from Michigan sugar. I'm a sugar producer. We hit it off right away, and it's just people you can lean on to get information from all over the country." Part II of Leadership



RYAN RICHARD, HORACE, ND, JOINED THE NDSGA BOARD AS THE 2010 YOUNG LEADER.

At Its Best will be held in Washington, D.C. in conjunction with the ASA Board meeting, March 1113, 2013. During that time, participants will discuss key policy issues affecting the soybean industry and

U.S. soybean producers with members of Congress from their state.



#### NORTH DAKOTA SOYBEAN GROWERS ASSOCIATION

As I sat down to write my message for this issue of the magazine, I found myself at a complete loss for ideas. After struggling with it for a while, I finally did the smart thing and asked my wife for help. We tossed around a few ideas until she came up with one that I really liked. She said that I should write about what I like the most about being a farmer.

It is pretty easy to come up with a list of things that we like and don't like about what we do. The hard part is coming up with what would be at the top of the list. Many of us would list the pride we feel about a job well done or how it has taught us about the value of hard work. I thought about it for quite a while before my answer came to me; my favorite part of being a farmer is being part of a team.

I had never really thought about it much before, but it takes a lot of people working together to make a farm successful. For me to get through a year, I depend on my wife, family, friends, hired help, crop consultants, elevator, custom applicators, insurance agents, equipment dealers, fuel supplier, landlords, bankers, neighbors, etc. I tried to count all of them and I finally



Jason Mewes, President North Dakota Soybean Growers Association

gave up when I hit 100. Each one of these people has a vested interest in my operation. Without the help of each and every one of them, my operation would suffer greatly. It takes each one of them doing their part each year for me to do my best.

The same concept applies to the North Dakota Soybean Growers Association. It truly takes everyone for us to be successful.

First and foremost, we need our members. This is your Association, without you, we do not exist. Second, we cannot thrive without the support we receive from the companies in the soybean industry. Their support is vital to the health and growth of our Association. Third, we depend on the contributions of our staff to help us reach our goals. We are very proud of our legislative staff in Bismarck. Our Legislative Director, Scott Rising, and our Lobbyist, Joel Gilbertson, work very hard to influence our legislators on behalf of the soybean growers in this state. We are very excited to announce that we will soon be adding our first full-time Executive Director to the staff. Our new Executive Director will be on the job and working for you by the end of February. Finally, our Association depends heavily on its Board of Directors to provide direction for the Association. As an all-volunteer board, each of the directors has sacrificed their time and energy to serve soybean growers. Every director has unique ideas and perspectives and we put them all together to forge a path ahead. I am continuously amazed at the passion that each of them has for farming and our Association.

I hope that each of you will take some time to think about your team and what it means to you. Where would you be without it? How can YOU help your team? Do you let your team know that you appreciate what they do for you?

For me, I am truly proud of my team at home and of the NDSGA. We really can do just about anything as long as we all continue to work together for a common goal. That is the best part of being a farmer!



The North Dakota Soybean Grower is published four times a year by the North Dakota Soybean Growers Association, 1555 43rd St. South, Suite 103, Fargo, ND 58103, Website: www.ndsoygrowers.com

Send editorial and advertising materials to Don Wick or Mike Hergert, Ag Information Services, Inc., 1407 24th Avenue So., Suite 235, Grand Forks, ND 58201, don@rrfn.com or mike@rrfn.com. Publication of editorial or advertising material in the North Dakota Soybean Grower magazine does not imply endorsement by the North Dakota Soybean Growers Association. Check agronomic advice with local sources and always read and follow product labels.

# Casselton Farmer Works Behind the Scenes

After a friend suggested he could help provide some vision for the North Dakota Soybean Growers Association, Casselton farmer Bob Runck decided to seek a seat on the board of directors. That was almost six years ago and Runck has made a difference.

Runck's interest has been working on North Dakota legislative issues, having served some three years as chairman of the North Dakota Soybean Growers Association's



BOB RUNCK HAS BEEN A MEMBER OF THE NDSGA BOARD FOR SIX YEARS.

legislative committee, which he still serves on. Asked about some of the biggest accomplishments the NDSGA has made in Bismarck, Runck said it's the willingness of state legislators to sit down and talk to us. "Our word is solid. We've never crossed them up; when we've said something is the way it is, it's been that way. We've never done anything that would cost us our trust with them. There's now a willingness to have a conversation, and I

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think that's a huge step in the right direction."

Runck says the NDSGA's main focus in the current legislative session is rural road infrastructure. "We're seeing what the bigger trucks and increased traffic are doing in western North Dakota, and in the ag community, you don't see single-axle trucks anymore", says Runck, "so there's going to be a continued issue with roads and bridges." Another priority this session is funding for agricultural research.

Runck, a fourth generation farmer who started farming on his own in 1979, said going through the '80s provides a real appreciation for when you see times like this. "You learn that nothing's for certain and that you need to have some type of self-control," says Runck. "Nothing is a better teacher than some tough go, where you gotta tighten it up and live without. The '80s were brutal and I never want to have to revisit them again."

While he never thought he'd see farm prices this high, Runck is concerned about high rents and other input costs. He's also concerned that over production will take things down as fast as it went up. "We're becoming a more modernized world; we're getting more competition."

Regarding marketing, what Runck has learned is he's better off making a lot of sales. Doing that may prevent you from hitting the peak of the market, but it may also stop you from hitting the rock bottom. Runck says a banker-friend gave him perhaps the best advice he ever got in the 1980s, "He said let's work on hitting singles; trying to crack it over the fence every time is going to get you in a lot of trouble."

Runck puts the market volatility in perspective, saying we're two limit-down moves from taking a lot of the profit out of your crop. According to Runck, "you can knock darn near two bucks from a bushel of beans, and darn near a buck out of corn in two days. It depends on what you're paying for rent, but if you get corn under five bucks, it gets a little uncomfortable."

In recent years, the
Federal Crop Insurance
spring price has given
farmers a pretty good
backstop, says Runck.
"But, if we have a crash
into February and you lose
your front-end protection, you've got yourself
hanging out in the wind."

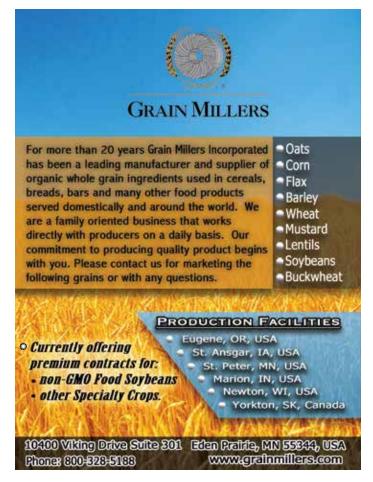
Soybeans have been part of the Runck farm business since 1973, when Bob convinced his dad to convert small grain acres to soybeans. In fact, there were times when soybeans were all that Runck raised. It was 1999 before

he abandoned small grains and got into the corn business. That's when the land costs got to a point where it made it impossible for small grains to compete with corn and soybeans. In his early years of farming, Runck thinks soybeans probably kept him in the business.

Looking back to 2012, Runck says he finished fieldwork a month ahead of schedule. Runck had his corn off and the ground worked up by the first of October. Looking ahead, he's nervous about the soil moisture situation heading into 2013, saying we'll need some timely rains.

Whether or not Runck is on the NDSGA board. what he wants to see more than anything is the development and the growth of soybeans in North Dakota. "In the future. I'd like to see us crush the beans within the state, and turn them into renewable fuels or whatever avenue we think the oil would need to go." Currently, Runck says it's hard for us to do that because we're the closest area to the west coast, so a lot of our beans have gone that way just because of the basis levels and so forth. The high price of soybean oil has discouraged investment in a crushing venture."

Runck enjoys golfing and spending time at the lakes in the summertime with his wife Peggy, and daughters Abby and Erin.



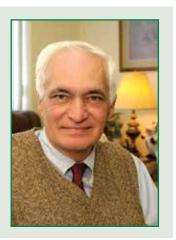
# Phenomenal Times Lie Ahead for Agriculture

CATLETT TO SHARE HIS OUTLOOK ON THE AG INDUSTRY AT THE NORTHERN SOYBEAN EXPO FEBRUARY 19

When it comes to the future of the agriculture industry, there's no question the glass is half-full for Lowell Catlett, Regent's Professor in Agricultural Economics and Agricultural Business and **Extension Economics and** the Dean of the College of Agriculture, Consumer and Environmental Sciences at New Mexico State University. In fact, Catlett is so optimistic about the strength of the agriculture industry, he is calling it the Golden Age of Ag. "The world has come to appreciate agriculture; it's more than just about producing calories, it's also about producing industrial products," Catlett explains.

The current situation includes multiple demands for a majority of agriculture products and especially, Catlett says, "one with a rich tradition like soybeans has." The agriculture industry has thrived in the last few years, but Catlett says the stars are aligned for a bright future in the industry. "We've really got a great future ahead for soybeans and much of the kind of agriculture

FUTURIST LOWELL
CATLETT WILL BE
FEATURED AT THE
NORTHERN SOYBEAN
EXPO. CATLETT IS
REGENT'S PROFESSOR
AT NEW MEXICO STATE
UNIVERSITY AND IS
KNOWN FOR HIS
UPBEAT, THOUGHTPROVOKING
PRESENTATIONS.



to the economy." If the government continues to cut its investment in research, Catlett says it will require a concerted effort to help the government understand "there's a big bang for the bucks" when it comes to investing in agriculture research; especially with a rapidly growing global population.

Although some may

we have in the United States," he explains.

One dim spot for agriculture may be the lack of funding for research. Despite the government's investment in research being cut, Catlett remains optimistic that cuts in the short-term can be absorbed. "If it becomes a long-term trend where the government is not just trying to get through one or two budget cycles, it becomes very problematic." Although some individuals do not understand the importance of research or feel it is imperative to invest in continued research, Catlett points out, "the evidence is real clear that the payoff has been phenomenal in terms of its spending



view the growing population as a burden, Catlett deems it a win-win situation. "It's good for agriculture in the long-run in that we're consuming calories and hopefully the leading edge is we're consuming the right kind of calories." With a growing middle class population Catlett says that also bodes well for every aspect of agriculture, "we know from

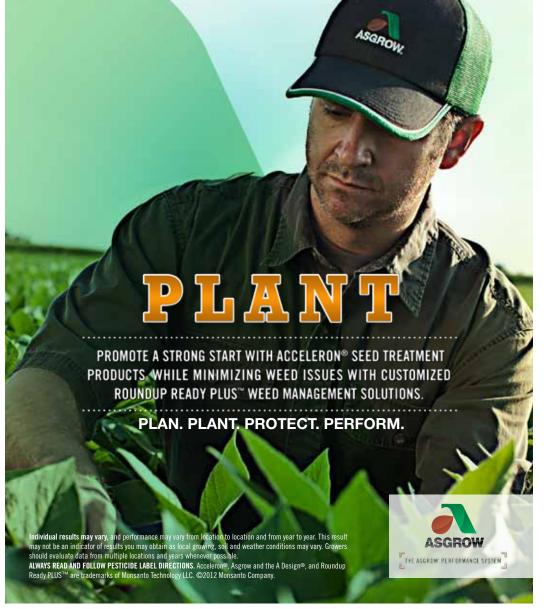
evidence that [the middle class] demands a higher proportion of meat in their diet, which bodes well for all of our food grains and soy products."

In order to provide food for a growing world, it has never been more important for young people to pursue careers in the industry. Thankfully, that's the trend Catlett is seeing, "they want to be in the industry, they're excited by the challenges, they're going to push the curve and they're [ready] to rock and roll." Catlett says it is refreshing to see the younger generation pursue careers in agriculture, "they want to be in it; those are the kind of people you want in the industry." The career opportunities in agriculture are endless, ranging from business to research and com-

munication to farming.

For individuals directly involved in production agriculture, Catlett points out there is no end in sight for farm profitability and he cites North Dakota as a prime example. "In your rich Red River Valley and other strong agricultural areas, you've seen growth that's sustained itself." Catlett notes that producers will likely see changes in land prices, fertilizer prices and other production costs, but the increase or decrease in prices aren't a major concern for the futurist. "What concerns me as an economist is what's on the horizon for demand for the products we're producing." According to Catlett, without that bright spot on the horizon, "we won't have the price maintenance that's necessary to be profitable." Agriculture's ability to adapt is one major reason for his optimism. Looking ahead, Catlett foresees a decade of phenomenal investment in capital agriculture that makes us even more efficient," which Catlett says will contribute to increased profitability.

With a glass overflowing with optimism for the future of the agriculture industry, Catlett's message for North Dakota soybean growers, "get ready; the times are even going to get better!" Catlett will be featured at the 2013 Northern Soybean Expo.



# Check Stored Grain

A winter warm spell is a good time to check stored grain.

"Search for small changes that are indicators of potential problems," advises Ken Hellevang, North Dakota State University Extension Service agricultural engineer. "The early 2012 harvest and warm fall increase the likelihood of storage problems."

The value of the grain stored in a 25,000-bushel bin is about \$175,000 at a corn market price of \$7 per bushel, \$350,000 for soybeans at \$14 per bushel and \$200,000 for wheat at \$8 per bushel.

"At those prices, monitoring and managing the stored grain to prevent problems is worth your time," Hellevang says.

Check to assure that the grain temperature is at 20 to 30 degrees in northern states and below 40 degrees in warmer regions of the country. Grain stores best when cool and dry. The allowable storage time approximately doubles for each 10 degrees that the grain is cooled. Also, insects are dormant below about 50 degrees.

Temperature cables are an excellent tool to measure the grain temperature, but they only measure the temperature of the grain next to the sensor. Grain is a

very good insulator, so warm or hot grain just a few feet from the sensor may not be detected.

Operate the aeration fan to cool the grain to the recommended temperature if needed. Aeration is not necessary if the grain is at the appropriate temperature.

Bin vents may frost or ice over if fans are operated when the outdoor air temperature is near or below freezing, which may damage the bin roof. Open or unlatch the fill or access cover during fan operation to serve as a pressure relief valve. Cover the aeration fan when it is not operating to prevent pests and moisture in the form of snow, fog and rain from entering the bin.

Hellevang recommends collecting grain samples and checking the moisture content to assure that the moisture content is at the desired level. However, most grain moisture meters are not accurate at grain temperatures below about 40 degrees, so when the grain is cold, it should be placed in a sealed container, such as a plastic bag, and warmed to room temperature before checking the moisture content.

At temperatures above 40 degrees, the meter reading must be adjusted based on the grain temperature unless the meter measures the grain temperature and automatically adjusts the reading. Check the operators manual for the meter to determine the correct procedures to obtain an accurate value.

Because insects are dormant at colder temperatures, warm the grain samples to room temperature and place the grain on a white cloth to inspect for insect infestations. Grain fumigants will not control an insect infestation adequately if some of the grain is cold. The fumigant does not volatize in cool grain adequately, and insects in cool grain near the edge of a "hot spot" may have limited metabolic activity, resulting in poor control.

Also, if the fumigant does not volatize, it remains in the grain and becomes a health hazard for people handling the grain. Cooling the grain is the best method to control insect infestations during the winter. Insects are dormant below about 50 degrees, and some insects can be killed by cooling the grain to below freezing and keeping it at that temperature for a few weeks.

Hellevang suggests recording the grain temperature and conditions observed to help spot trends in the condition of the stored grain. Insect infestations and grain spoilage generate heat, so noting temperature trends is important.



JEFF OLSON, COLFAX, RENEWED HIS NDSGA MEMBERSHIP DURING THE FALL 2012 MEMBER-SHIP DRIVE AND WON AN IPAD. THANKS TO BUTLER MACHINERY, FARGO, FOR SPONSORING THIS GIVE AWAY. MEMBERSHIP CHAIR HARVEY MORKEN (RIGHT) MADE THE PRESENTATION.



Diana Beitelspacher Chief Executive Officer North Dakota Soybean Council

#### DEAR VALUED SOYBEAN PRODUCERS:

Learning more leads to earning more. And that's why the North Dakota Soybean Council is pleased to sponsor numerous producer education opportunities throughout the year...including our annual Northern Soybean Expo, coming up on February 19 at the Fargo Holiday Inn. We are pleased to bring you high caliber, nationally and internationally renowned speakers with many different strengths but one focus – to deliver timely information of value that you can use to enhance your operation and profitability.

The day begins at 7:30 AM with a hot breakfast buffet with our keynote speaker, Dr. Lowell Catlett from New Mexico State University presenting at 8:45 AM. If you ever wished you could predict the future, you'll get a glimpse during Dr. Catlett's address. He will provide insight on the new world of agriculture.

Noted economist Don Reynolds will address the startling realities of the 21st century and what is really going on. Known for his high energy presentations and spontaneous humor, he has been described as mesmerizing, visionary and near clairvoyant. Don was a George W. Bush appointee and served as Chairman of the Board on pension and investment committees, responsible for over 100 billion dollars in investments. Don and his research company, 21st Century Forecasting, focuses on global economic, demographic and technology trends.

Learn more about price and revenue risk management in the commodity grain markets from Dr. Matt Roberts. Dr. Roberts has published information on technical analysis and the use of derivatives for risk management in agricultural production. His extension and outreach activities focus on biofuels markets and the grain market situation and outlook. Dr. Roberts is an Associate Professor in the Department of Agricultural, Environmental and Development Economics and an Extension Grain Marketing Specialist at Ohio State University.

It is estimated that 40% of costs in production agriculture are related to labor costs. Effective management of these costs plays a vital role in your competitiveness. If one of your challenges is hiring, managing and motivating farm workers, you won't want to miss Gregory Billikopf's presentation on effective farm labor management strategies. Billikopf is a Labor Management Farm Advisor with the University of California and will address such topics as employee selection, compensation, performance appraisal, discipline and termination, supervision, interpersonal relations, and conflict resolution skills.

If you have a passion for continuous learning, appreciate the opportunity to network with fellow soybean producers and ag industry experts, and enjoy great food and fellowship, you won't want to miss this year's Expo!

I look forward to seeing you there!



### 2013 NORTHERN SOYBEAN EXPO

## "Opportunity Knocks"

February 19, 2013 • Fargo Holiday Inn

7:30 a.m. - 8:30 a.m. BUFFET BREAKFAST

8:30 a.m. - 8:45 a.m. OPENING REMARKS

Monte Peterson, Chairman, ND Soybean Council Jason Mewes, President, ND Soybean Growers Association

8:45 a.m. - 10:00 a.m.

#### "WELCOME TO THE NEW WORLD OF AGRICULTURE"

Dr. Lowell Catlett - Regent's Professor/Dean and Chief Administrative Officer at New Mexico State University's College of Agricultural, Consumer and Environmental Sciences

10:15 a.m. - 11:30 a.m.

"STARTLING REALITIES OF THE 21ST CENTURY – WHAT'S REALLY GOING ON?"

Don Reynolds - International renowned economist

12:00 p.m. – 12:45 p.m. LUNCH (Doors to lunch room will be closed until 12:00)

**Awards Presentations** 

1:00 p.m. - 2:30 p.m.

"PRICE AND REVENUE RISK MANAGEMENT IN THE COMMODITY GRAIN MARKETS"

Matt Roberts, Ph.D. Associate Professor in the Department of Agricultural, Environmental and Development Economics and an Extension Grain Marketing Specialist at Ohio State University

2:45 p.m. - 4:00 p.m.

"EFFECTIVE FARM LABOR MANAGEMENT STRATEGIES"

Gregory Billikopf, Farm Labor Management Specialist - University of California

4:00 p.m.

**CLOSING REMARKS** 

Monte Peterson, Chairman, NDSC

### 2013 NORTHERN SOYBEAN EXPO

## Meet the Speakers



**Lowell Catlett** 



**Don Reynolds** 



**Matt Roberts** 



**Gregory Billikopf** 



# New Office for North Dakota Soybean Council and North Dakota Soybean Growers Association

On Friday, January 4, 2013, the North Dakota Soybean Council (NDSC) and the North Dakota Soybean Growers Association (NDSGA) moved into a new office space. The new office is located at Capital Square Office Park at 1555 43rd Street South, Suite 103 in Fargo. Capital Square is located in the thriving West Acres Business Park of Fargo. The building

features residential architecture, high efficiency design, and a private park.

Both NDSC and NDSGA will be hosting an open house Friday, March 15, 2013 from 1PM to 4PM to showcase their new office and host a "meet and greet" of employee team members. A ribbon cutting ceremony will also be held to commemorate the occasion.



NORTH DAKOTA SOYBEAN COUNCIL TEAM, FROM LEFT TO RIGHT: KENDALL NICHOLS, DIRECTOR OF RESEARCH; SUZANNE WOLF, COMMUNICATIONS DIRECTOR; DIANA BEITELSPACHER, CHIEF EXECUTIVE OFFICER; MICHELLE SWENSON, DIRECTOR OF MARKETING AND DEVELOPMENT; MOLLY FERN, PROGRAM COORDINATOR; AND JASON MEWES, PRESIDENT OF THE NORTH DAKOTA SOYBEAN GROWERS ASSOCIATION.



# Locks and Dams: Time for a New Approach?

BY: MIKE STEENHOEK, EXECUTIVE DIRECTOR, SOY TRANSPORTATION COALITION

Our nation's inland waterway system, including our inventory of locks and dams, is not simply a contributing factor to the success of U.S. soybean farmers, it is a dominant one. Other countries can produce soybeans at a lower price. However, it has been and continues to be the ability to deliver those soybeans to our customers in a cost-effective manner that helps U.S. soybean farmers maintain a competitive advantage. For much of the key soybean growing regions of the country, barge transportation is the most economical, efficient mode for transporting soybeans to our export terminals.

Despite the widespread acknowledgement of the importance of our inland waterway system to the viability of the U.S. economy overall, including the soybean industry, the condition of our lock and dam inventory continues to degrade. Significant time, energy, and resources have been

devoted by agriculture and other stakeholders to promote increased investment in the system, yet progress remains elusive. A recent study funded by the soybean checkoff suggests that it may be time to reevaluate how our nation manages and finances our lock and dam inventory.

"The Soy Transportation Coalition and many others who are gravely concerned with the condition of our inland waterway system are concluding that there is a need for fresh thinking to be incorporated into this important issue," explains Mike Steenhoek, executive director of the Soy Transportation Coalition (STC). "Abiding by the same strategy will most assuredly yield the same results."

The study, "New Approaches for U.S. Lock and Dam Maintenance and Funding," was performed by the Texas Transportation Institute at Texas A&M University. The analysis highlights many of the inadequacies of the current efforts of managing our lock and dam system and how alternative funding and maintenance strategies have the potential to yield better results.

One of the key deliverables from the study is comparing major maritime infrastructure projects in other countries with those in the U.S. particularly in the ability to complete projects on time and within budget. The Panama Canal expansion and the construction of the Deurganck Lock at the Port of Antwrep were specifically highlighted. "It is discouraging to observe how many other countries are able to construct their major infrastructure projects much more efficiently than we can," says Steenhoek. "Many of these projects are more imposing and complex than any project we have underway or planned in our inland waterway system, yet these projects are completed within budget and on schedule. Compare this to our Olmsted Lock and Dam project that had an original cost estimate of \$775 million and has recently been updated to over \$3.1 billion with a significant time horizon remaining before it will be completed. When examining the various reasons for our repeated cost overruns and project delays, it quickly

becomes evident that a major contributing factor is the piecemeal and unpredictable manner in which we finance these projects."

Major investments of any nature - particularly infrastructure investments - require a system of funding that provides the money up front in a lump sum, or at least provides certainty that the incremental installments will be allocated. Our current system provides neither. The research cited the McAlpine Lock and Dam project on the Ohio River, near Louisville, and how it received, on average, only 61 percent of full capability funding levels. The study identifies how such an unpredictable and insufficient funding stream resulted in a 38 percent cost escalation and a project completion delay of 6 1/2 years.

The analysis further examines the feasibility of instituting a bonding style approach to lock and dam financing. If implemented, priority projects could achieve greater funding in an initial lump sum – decreasing the likelihood of the cost overruns and delays pandemic among our lock and dam system.



"Our research highlights that how you allocate money is just as important as how much money is allocated," explains Steenhoek. "A bigger check from the government is not the only solution. Better stewardship is also essential."

"The other major principle advanced in our analysis is that a predictably good inland waterway system is better than a hypothetically great one," says Steenhoek. "During this period of fiscal scarcity, we are concerned that our nation is failing not

only in providing new and expanded locks and dams, but also in maintaining and preserving our current inventory. A preferable approach may be to first demonstrate stewardship of current locks and dams by providing assurance to users that a lock and dam, in the event of a major failure, will be operational within 48 or 72 hours, for example. If we allocate our resources in a manner that provides this degree of predictability to those who utilize our inland waterway system, we believe

that will provide a superior message to the one we are currently sending."

According to the research, the cost of one lock construction project (\$376.8 million) is approximately equal to the cost of nine major rehabilitation projects (\$40.7 million). If each of the nine new construction/ expansion projects currently underway were downgraded to a major rehabilitation, their total cost would drop to \$366.3 million compared to the listed total of \$3.2 billion - a difference of \$2.8 billion.

Steenhoek explains, "We recognize this is a departure from the longstanding promotion, among agriculture and other stakeholders, of new, expanded locks with auxiliary chambers. We share this desire, but the question we posed ourselves is, "Is continuing this strategy likely to yield results, or will it simply perpetuate the lack of progress we've witnessed for years?"

The full results of the study can be accessed at www.sovtransportation.org.

### Jared Hagert Elected to the United Soybean **Board's Executive Committee**

In December, the United Soybean Board (USB) announced its new leaders for 2013. The new Executive Committee includes Jared Hagert of Emerado, North Dakota. Jared has served on USB since 2010.

"I am looking forward to serving on USB's Executive Committee and representing the soybean farmers of the US," says Hagert. "This will be a year of transition for the organization as USB implements a structure that aims to increase collaboration by allowing the board to more accurately reflect the goals within



JARED HAGERT, EMERADO, ND

USB's strategic plan."

Hagert raises soybeans, wheat, dry beans, corn and sunflowers along with his wife, Brandi, on their family farm. Hagert is currently the treasurer of the North Dakota Soybean Council (NDSC), and has served as a Council Director since 2007. Hagert has also served on the North Dakota Soybean Growers Association as president and vice president, FFA State Officer, Emerado Farmer's Elevator Board and Grand Forks County Crop Improvement Association.

Also elected to USB's **Executive Committee were** Chairman Jim Stillman of Emmetsburg, IA; Vice Chairman Jim Call of Madison, MN; Secretary Lewis

Bainbridge of Ethan, SD; and Treasurer Bob Haselwood of Berryton, KS.

The 69 farmer-directors of USB oversee the investments of the soy checkoff to maximize profit opportunities for all U.S. soybean farmers. These volunteers invest and leverage checkoff funds to increase the value of U.S. soy meal and oil, to ensure U.S. soybean farmers and their customers have the freedom and infrastructure to operate, and to meet the needs of U.S. soy's customers.



# Herbicide Resistance Workshop

#### FEBRUARY 27TH AT CARRINGTON RESEARCH EXTENSION CENTER

Dr. Phil Stahlman is the featured speaker at a herbicide resistance workshop to be held at the Carrington Research Research Center on February 27th, beginning at 10:00 a.m. Dr. Stahlmans' presentation, titled "Weeds Revenge: Resistance to Glyphosate and Other Tricks", will address the issue of glyphosate resistant weeds in Roundup Ready crops

throughout North Dakota.

Dr. Stahlman is known nationally for his research identification and management of glyphosate resistant kochia. Stahlman will explain the management strategies that he is recommending for dealing with glyphosate resistant kochia and other glyphosate resistant weeds.

Glyphosate resistant weeds were first con-

firmed in North Dakota in 2007 in Traill County. Common Ragweed was first, followed by horseweed and waterhemp. Kochia is the latest weed to be confirmed resistant to glyphosate and is our biggest threat to soybean production in North Dakota because the control options are very limited.

The "Herbicide Resistance Workshop" is sponsored by the NDSU

Carrington Research
Extension Center and
the ND Soybean Council. The workshop is free
and a noon lunch will be
provided for all participants. No pre-registration
is required. For more
information, contact ND
Soybean Council Director of Research Ken
Nichols at 701-239-7194,
or by email at knichols@ndsoybean.org

# U.S. Ag Secretary Appoints Colfax Farmer to United Soybean Board

# MYERS TO REPRESENT ALL U.S. SOYBEAN FARMERS, HELP DIRECT PROJECTS TO INCREASE PROFITABILITY

Jay Myers, a fourthgeneration farmer from Colfax, N.D., was sworn in as a director on the United Soybean Board (USB) on Dec. 6th, during the organization's annual meeting.

Appointed by U.S. Agriculture Secretary Tom Vilsack, Myers will serve his fellow U.S. soybean farmers, investing soy checkoff funds in marketing, promotion and research projects that aim to increase their profit potential.

Myers raises corn and soybeans on his 2,100acre farm. He also runs AgroValley Solutions, which sells ag equipment and liquid fertilizer.

"I really like growing things," Myers said. "I grew up on a farm, and I always liked the way of life."

After serving on the North Dakota Soybean Growers Association for ten years, he says he is looking forward to representing his fellow farmers at the national level.

"I've been involved with a lot of research and education projects," he said. "I like to help put tangible checkoff benefits, like ways to increase yield, into farmers' hands."

USB invests in projects to increase the value of U.S. soy meal and soy oil, ensure U.S. farmers and their customers maintain the freedom and infrastructure to oper-

ate, and meet the needs of U.S. soy customers.

"We look forward to welcoming the new and returning directors to our board," said Past USB Chair Vanessa Kummer, a soybean farmer from Colfax, N.D. "We are confident they, like the others on the board, are committed to leveraging checkoff dollars for projects that maximize the profit potential of all U.S. soybean farmers."



# Northern States Join Forces to Tell the Real Story of U.S. Soybeans' Protein Quality

NORTH DAKOTA, SOUTH DAKOTA AND MINNESOTA SOYBEAN GROWERS TEAM UP TO CHALLENGE A CENTURY-OLD STANDARD AND LEVEL THE INTERNATIONAL PLAYING FIELD FOR ALL U.S. SOYBEAN GROWERS

A consortium of northern states soybean grower organizations, including the North Dakota Soybean Council, has launched an educational campaign seeking to change the way soybean buyers define protein quality, challenging the century-old methodology for measuring "crude protein" that fails to represent the true nutritional value of soybeans.

The soybean sector continues to enjoy the fastest global demand growth of any major U.S. field crop, but this steady growth conceals the fact that U.S. sovbeans are actually losing global market share.

According to the USDA **Economic Research** Service, Brazil is projected to account for most of the growth in global soybean exports over the coming decade. And while the United States will see modest growth, Brazil and Argentina will continue to strengthen their positions as the world's leading soybean and soybean meal exporters by the

2020-21 marketing year.

The problem? Quality, and specifically, protein quality. Global protein buyers demand high crude protein content, but soybeans produced in the United States—particularly those grown in the Northern states—generally score lower on crude protein (CP) compared to soybeans from the Southern hemisphere.

Soybean production in North America has been steadily moving northward to the Upper Midwest and Northwest, where fewer growing degree days and sunlight hours limit the available time period for nitrogen fixing within the soybean plant. Since nitrogen content is the basis of the traditional calculation for CP, lower nitrogen levels lead to lower CP values.

Both Diana Beitelspacher, CEO of the North Dakota Soybean Council, and Scott Gauslow, North Dakota Soybean Council vice chairman. agree in the fact that this relatively lower CP score presents a significant

hurdle for North American soybean growers. Scott says, "When buyers use the CP metric to compare the 'quality' of competing global protein sources, the true value is not shown and the soybean farmer basis is diminished."

"Northern-grown soybeans with their lower crude protein compete for market share, not only with South American soybeans that have a higher crude protein percentage, but also with a growing array of synthetic amino acid products that are used to compensate for deficiencies in animal feed rations," says Beitelspacher.

Fortunately, the real story of soybean protein quality offers great promise for U.S. soybean growers and customers alike.

#### **ESSENTIAL AMINO ACIDS DETERMINE THE** TRUE PROTEIN VALUE **OF SOYBEANS**

Nutritionists and animal feeders know that CP is not a direct measure of protein at all, but rather an estimate of

protein based on the level of nitrogen detected in a feedstuff. The method for estimating CP was first used by chemists 150 years ago and fails to account for natural variability in nitrogen levels in different kinds of protein. The calculation for CP also ignores a critical component of protein quality and value—essential amino acids (EAA).

"It's important to understand that animals do not have a dietary protein requirement," noted Peter Mishek, international trade consultant, Omaha, NE. "Rather, animals require essential amino acids to synthesize the proteins they need for body maintenance, and meat and milk production. Unless nutritionists or feed ingredient buyers know which essential amino acids are present in a feed ingredient, and at what levels, they don't know the true nutritional value of their feed ration," he said.

The challenge facing soybean growers is that

Continued on next page



CP remains the conventional description of quality on soybean contracts.

"Using crude protein, or more specifically, nitrogen, to estimate protein quality is problematic because nitrogen is not a direct measure of total amino acids or the balance of those amino acids. Crude protein is only an estimate of the value of seed or meal to the end user," says Seth Naeve, Extension agronomist at the University of Minnesota.

"This project, looking for the true essential amino acid levels, not only effects my farm but many others; including farmers in the south, our customers overseas, our community and our customers right here - livestock producers," Gauslow stated. "We need to know what we have as farmers, to improve and show the true quality of our products to our

customers. Crude protein is on a decline all together and we are competing with synthetics and South America for our exports. With commodity prices at an all time high, it is important to help our end users understand what they are getting for their money. If we can show the true value, it assists our customers in their profitability, which will in turn lead to a stronger basis for our operations.," he said.

The farmer-directed soybean checkoff organizations of North Dakota, South Dakota and Minnesota are working together to inform buyers that using EAA to evaluate soybean protein can provide feeders with a better picture of the soybeans' true nutritional value.

Adapting EAA as the standard for protein quality would be a win-win for soybean customers and farmers alike, according to Paul Simonsen, of Renville County, chairman of the Minnesota Soybean Research & Promotion Council's International Marketing Committee.

"Using EAA as the measure of protein quality and nutritional value can help buyers understand the true value of soybean products," says Simonsen. "And when soybean buyers have a complete and accurate picture of protein quality, farmers should reasonably expect higher returns for their soybeans in the marketplace," he says.

## RESEARCH SHOWS THE VALUE OF EAA

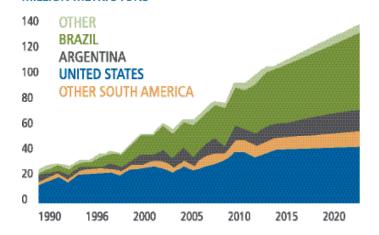
Research from several sources—including the University of Minnesota, Iowa State University, American Soybean Association, U.S. Soybean Export Council, Eastern Cereal and Oilseed Research Centre in Canada,

Australian Oilseeds Federation, and other sources, shows that EAA levels in soybean meal can vary widely in relation to percentage of crude protein, underscoring the fact that livestock producers and feed ingredient buyers should look to EAA, and not CP, as an accurate indicator of protein value.

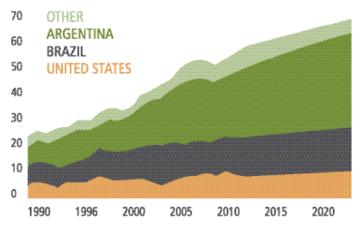
The soybean checkoff organizations in North Dakota, Minnesota and South Dakota are funding research aimed to support the use of EAA as a quality standard among soybean buyers, animal nutritionists and feed manufacturers in the United States and around the world.

Analysis conducted by the University of Minnesota shows that soybeans with lower CP values, such as those produced in the northern United States, contain higher concentrations of certain

# GLOBAL SOYBEAN EXPORTS MILLION METRIC TONS



# GLOBAL SOYBEAN MEAL EXPORTS MILLION METRIC TONS





EAAs and will therefore produce a higher quality feed ingredient.

The Minnesota research team collected soybean meal samples\* either one or two times each year between 2007 and 2010 from a total of 63 processing plants in northern and southern regions of the United States.\*

Recent analysis has shown that the protein quality of northern soybeans is better than the CP numbers would indicate due to higher concentrations of certain "limiting," or nutritionally critical, EAAs (expressed as a percent of total amino acids) in northerngrown soybeans.

A comparison between soybean meal samples collected from different geographies shows that while CP is consistently lower in northern soybean meal samples, the EAA value is consistently higher.

While the relative abundance of each of the amino acids varied from sample to sample, and average values varied across years, the analysis revealed some notable trends, specifically:

 Soybean samples with lower CP levels tend to contain protein more enriched in EAAs relative to samples with higher CP numbers.

- The EAA showing the largest and most consistent increase in relative abundance appeared to be lysine, which is one of the primary "limiting" amino acids in many animal diets. A limiting amino acid is a nutrient that, if not provided in the diet at sufficient levels, limits the productive capacity of the animal (i.e., body maintenance, milk production or muscle growth).
- The samples showing lower CP but higher **EAA** concentrations were from northerly (Upper Midwest) growing regions. In summary, analysis

has shown the protein quality and feed value of northern-grown sovbeans is better than the standard CP score would indicate, due to the higher concentrations of nutritionally critical essential amino acids.

\* Samples were subjected to standard chemical (HPLC) analysis to ascertain CP (nitrogen levels) and to quantify five essential amino acids. Crude protein was calculated in the standard  $manner (CP = percent N \times$ 6.25). Amino acid levels were determined as a percentage of CP. Northern and Southern regions were defined as either north or south of I-80 in Iowa, respectively.

# Scott Gauslow Elected to Soy Transportation Coalition as Vice Chairman

Scott Gauslow of Colfax, North Dakota, was elected Vice Chairman of the Soy **Transportation Coalition** on December 10, 2012. Gauslow grows soybeans and corn on his farm with his wife, Jessica, and their two children. He has been a board member of the Soy Transportation Coalition since the organization's inception in 2007. Gauslow currently serves as Vice Chairman of the North

Dakota Soybean Council.

"Having access to cost effective and reliable transportation is essential to the profitability of soybean farmers in this country, particularly in areas like North Dakota," says Gauslow. "A high percentage of soybeans grown in North Dakota and many other parts of the country are not consumed locally. Our customers are often located in Asia and other overseas markets, which

places significant pressure on our transportation infrastructure. I am anxious to pursue initiatives that will move the needle in a positive way to make sure what soybean farmers grow can be delivered to a growing customer base."

Patrick Knouff of Minster, Ohio, was elected Chairman, Gerry Hayden of Calhoun, Kentucky, was elected Secretary-Treasurer.

Established in 2007,

the Soy Transportation Coalition is comprised of eleven state soybean boards, the American Soybean Association, and the United Soybean Board. The goal of the organization is to position the soybean industry to benefit from a transportation system that delivers cost effective, reliable, and competitive service. To learn more about the STC, visit its Web site at www. soytransportation.org.

## RMA Sets New Crop Insurance Rates

USDA's Risk Management Agency (RMA) announced that it has concluded its review of rates for major crops, and that rates for soybean policies would be further decreased for the 2013 crop. In 2011, RMA made a first round of rate adjustments, which the agency said reduced soybean premium rates by an average of 9 percent nationwide. This announcement indicates that sovbean rates will decrease overall by another 8 percent; maps released by RMA showed average rate increases for soybeans only in North Dakota (2 percent), South Dakota (2 percent) and New York (6 percent). According to information provided by Jennifer Otteson, an agent with Cornerstone Ag Services, Inc., the premium rate adjustment decreased approximately four percent in Minnesota. This will vary by county.

RMA explained that the new system changes to a rating system based on a moving 20-year period to establish county rates, rather than the previous approach going back to 1975. They have also adjusted for program and agronomic differences in loss data before 1995, when the number of participants in the program was considerably

smaller. Additional weather data was also included.

The RMA has also announced that the "Trend-Adjusted APH" endorsement has been expanded into additional crops and locations for the 2013 crop year. It will be available in additional counties for soybeans, corn and wheat, and will also be expanded to canola, cotton, grain sorghum and rice in certain locations. This endorsement was first available in some soybean and corn counties for 2012 crops, and proved popular among farmers. Under the policy, a trend adjustment factor is estimated for each crop and county. This factor is equal to the estimated annual increase in yield, and is based on county average yields determined by the National **Agricultural Statistics** Service each year.

Otteson says Trend-Adjusted APH has been expanded into additional locations for the 2013 crop year. It will be available in the following counties in North Dakota: Barnes, Cass, Dickey, Eddy, Foster, Grand Forks, Griggs, La Moure, Nelson, Pembina, Ramsey, Ransom, Richland, Sargent, Steele, Stutsman, Towner, Traill, Walsh, and Wells.

The Trend-Adjusted



APH option (TA) adjusts eligible yields in qualifying databases to reflect long term increases in the county's historical yield. TA must be elected by the applicable Sales Closing Date (March 15 in our area) and is made on a crop/county basis.

To be eligible for the Yield Option, the policyholder's APH database must include at least one actual yield determined in one of the four most recent crop years. If the producer's APH database has fewer than four actual yields within the previous 12 years, the adjustment is prorated. With this expansion, the trendadjusted APH will be available for nearly all soybean farmers in 2013.

The projected price for revenue insurance products will be set at the average of November soybean futures traded in February. For more information, contact your crop insurance agent.



# Advocating for Agriculture

"As soybean leaders in our state, we know the issues, but we don't necessarily do a great job of getting the message out to our farmers and others," said Jason Mewes, President, North Dakota Soybean Growers Association, "ASA and the state organizations need to work harder at that."

Mewes was one of six North Dakota soybean growers represented at the American Soybean Association Soybean Leadership College in Memphis. This event is designed as an education program to develop tomorrow's leaders and enlighten current leaders. It is also a networking opportunity, bringing together soybean growers from throughout the country. The College featured presentations on public speaking, media training and board management.

Well-known agricultural advocates were on the agenda. Trent Loos ranches in central Nebraska, but spends much of his time on the road, speaking to agriculture and nonagriculture groups. Loos is

an outspoken champion for production agriculture. Fifth-generation ranchers, Troy and Stacy Hadrick, wrapped up the conference. The couple, who are from north-central South Dakota, also travel the country telling their story and teaching other producers to do the same.

"They motivated us to become better advocates, not to pass up any opportunities to share the message of American agriculture," said Mewes.

Matt and Stacy Swenson, who farm in the

Walcott/Kindred area, enjoyed the Soybean
Leadership College. "They taught us to say what we know; this is our industry and that we truly believe in it and we need to explain why we care," said Matt Swenson, "Their point was to talk with emotion."

The ASA Soybean Leadership College is an annual event. "We're very impressed with it," said Swenson, "I would strongly recommend it. It was nothing but a first class deal."

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AG ADVOCATE TRENT LOOS ENCOURAGED GROW-ERS TO SPEAK UP FOR THEIR INDUSTRY.



JASON MEWES, HARVEY MORKEN, MATT AND STACY SWENSON, AND ERIC BROTEN AWAIT A BREAKOUT SESSION AT THE SOYBEAN LEADERSHIP COLLEGE (NOT PICTURED, ED ERICKSON, MILNOR, ND).

# A Soybean Production Primer for 2013

2012 was the worst year for spider mites in North Dakota since the dry years in the late 1980s. According to North Dakota State University Extension entomologist Jan Knodel, some growers sprayed for mites three times last year. Knodel says a lot of mite eggs will overwinter on forage, and if it's dry again this year, spider mites will obviously be a problem.

Knodel told growers at a series of Getting it Right meetings recently that the best thing to do for spider mites is early scouting, looking for stippling, yellowing leaves and the tiny mites themselves. "Mites usually start in the edge of a field, and during hot, dry conditions, can move very quickly throughout the whole field. Some growers in the dry areas had to do whole field spraying to control spider mites."

Research done by Dr. Ian MacRae at the University of Minnesota Extension Service's Northwest Research and Outreach Center at Crookston found that some spider mites collected at the Southwest Research and **Outreach Center may** have developed resistance to chlorpyrifos (Lorsban and generics), an organophosphate insecticide. Knodel suspects that some of the

soybean fields in east-central North Dakota may have chlorpyrifos-resistant mites due to the lack of control last year. So, we may be dealing with some mites that are developing resistance.

"When these growers switched to bifenthrin, a pyrethroid, they did get better control of spider mites," says Knodel.

NDSU recommends high water volume to insure complete coverage-at least 10 gallons per acre by ground (18 gallons per acre preferred by ground), and five by air. Use the higher labeled rate under hot, dry conditions which increase spider mite populations fast. Avoid using other pyrethroid insecticides, other than bifenthrin, which can flare mite populations. Knodel also recommends rescouting fields after spraying to see how good the mite control is, because insecticides do not control eggs. "If a second treatment is needed," Knodel says, "you need to alternate modes of action, for example, if you used a pyrethroid (bifentrhin), switch to an organophosphate (Lorsban) for the second insecticide application and vice-versa."

Spider mites can develop resistance



NDSU EXTENSION ENTOMOLOGIST JAN KNODEL SAYS 2012 WAS THE WORST YEAR FOR SPIDER MITES SINCE THE LATE 1980'S

quickly, which has happened in Texas, where they are now resistant to every class of insecticide. According to Knodel, "we don't have the proper tools to manage spider mites in soybeans. We need miticides, such as Comite, Oberon and Zeal. We're trying to get the data to show the insecticide resistance, and then we can request a Section 18."

MacRae thinks many

of the miticides are poor rescue treatments. "If we don't develop and adopt insecticide resistance management tactics, we may be in trouble during heavy spider mite years."

Knodel has produced a new You Tube video on soybeans and scouting for spider mites. It's at http:// youtu.be/IZCH30Mq6jU

#### **SOYBEAN APHIDS**

Scouting is also important for soybean aphid

because problems cannot be predicted. "It depends on the number of aphids that have overwintered as eggs, as well as the number that come up from the south, carried by winds," says Knodel.

While soybean aphids were not a problem in 2012, if we have a warm, dry spring we're more likely to see favorable reproduction early-on in buckthorn. Knodel says that warmer temperatures in spring will favor soybean aphids' reproduction and aphids will move into soybeans earlier. If we continue in the dry cycle, spider mite may be more of a pest problem.

Knodel has completed the first year of a threeyear research project on the feasibility of using insecticide seed treatments and comparing that to the release of the soybean aphid resistant varieties, which are available for growers in the Group 1 maturity zone. Those resistant varieties yielded comparably with other soybean varieties during the dry growing season of 2012. Knodel is trying to get data on whether seed treatment, used with an aphid-resistant variety, will eliminate all insecticide spraying. She is trying to compare different pest management strategies and eliminate insecticides to encourage beneficial insects and

natural control of soybean aphids. "Although there's been some research that shows seed treatments are detrimental to beneficial predators, like ladybird beetles," says Knodel.

Knodel is also comparing different classes of insecticides and different spray times for control of soybean aphids. One thing the research is trying to determine is if seed treatments have any use in North Dakota where the aphids typically come into soybean fields later (July). In southern states where aphids emerge earlier (May-June), seed treatments have helped reduce early season aphid populations.

Knodel feels that all the spraying of pyrethroids for soybean aphids in recent years has aggravated the spider mite situation in soybeans. "Because of the recommended, and some unnecessary spraying, spider mites have gone from a secondary pest status, to a primary pest," says Knodel." And we don't have a lot of insecticides for control of spider mites."

Knodel estimates some growers in the hot spot, in east-central North Dakota, probably had a 10 to 20 bushel per acre yield loss due to spider mites.

#### **SCN**

NDSU Extension plant pathologist Sam Markell says soybean cyst nematode (SCN) was pretty significant in 2012. "Soybean cyst tends to like it drier," says Markell, "what it likes is a little bit of water, just enough to get things growing. But when you get the cyst in an environment where it can move around pretty well, and the plants are a little bit drought stressed, that's when you really

start to see those pockets show up."

Markell says we started to see some soybean plants turn yellow prematurely last year, and it seems like when we are a little bit drier, the egg bubbles can spike a little quicker. "That's one thing I'm worried about-I think if we stay dry, there's going to be a lot more people seeing cyst this year."

The diagnostic lab saw more soil samples for soybean cyst nematode following the 2012 harvest, and Agvise Laboratories also had quite a few samples. Markell expects a big increase in sampling this year, especially if we stay dry. The North Dakota Soybean Council will support field days and conduct an awareness campaign to educate farmers and crop advisors about soybean cyst nematode.

Asked if soybean cyst nematode should be a consideration when choosing which soybean varieties to plant, Markell says yes, if you know you have it. "But if you don't know, we have so many other things going on in North Dakota, such as iron chlorosis, that you need to select a variety for, I would say if you haven't soil sampled and you don't have any idea if you have cyst, then probably what you need

Continued on next page



DON'T RELY ON JUST ONE YEAR'S DATA FOR VARIETY SELECTION, SAID HANS KANDEL, NDSU EXTENSION AGRONOMIST.

to do is plant the best variety for your farm, but then be sure you soil sample this fall."

#### **CHARCOAL ROT**

Another soybean disease that surfaced in 2012 was charcoal rot. which shows up when it's dry and hot, particularly in August. The North Dakota Soybean Council supported a survey of stem diseases, with assistance from the National Agricultural Statistics Service in North Dakota. While surveying 120 fields for soybean vields, NASS enumerators collected 20 stems in each field. Markell found a lot of charcoal rot in those 2,400 stems. According to Markell, "it was widespread throughout the state and some of those stems were hit pretty hard. Charcoal rot is one of these diseases we just haven't seen much of, and if we're dry again, we're gonna see it."

The charcoal rot infection occurs early in the growing season, but you never see it until the end of the season when growers will start to see a premature dead area. Markell says the best way to figure out if you have charcoal rot is to scrape off the epidermis of the tissue and if it looks like the stem was dipped in charcoal dust or has little black lines, that's what charcoal rot looks like.

"Unfortunately, there's not a lot we can do to manage charcoal rot," says Markell, "but I think it's important that growers are aware of it, because if you have a lot of charcoal rot you don't want to go back to soybeans again the following year."

#### **RUST**

Another topic that Markell is frequently asked about is soybean rust. "Soybean rust has not historically gone very far north. It has to overwinter in the Delta and has to blow north every season." According to Markell, soybean rust has rarely gotten above the Arkansas-Missouri state line in the last few years.

#### **VARIETY SELECTION**

According to NDSU Extension agronomist Hans Kandel, growers should not rely on just one year's data. "The more data points you have, the better," says Kandel, "because varieties respond different in dry conditions than in wet conditions."

Kandel says the most important factor to consider in selecting soybean varieties is the maturity date. Seed companies provide the maturity group, but Kandel also includes the maturity date in the variety trial booklet. Although beans may be

in the same maturity group, there can be 5 to 10 days difference in the maturity date. The first frost date in North Dakota is around September 21st to the 23rd, so Kandel recommends picking a variety that is mature by the third week of September.

"The longer soybeans stay green, the more opportunity there is to fill the pods, and the more yield you have," says Kandel, "so if you look at a variety plot booklet from a year when the frost was late and you only look at yield, you might pick a variety that matured late and increase your production risk." Kandel recommends planting different maturity groups, including some in the late maturity group if you want to risk a little bit.

#### IRON CHLOROSIS

Soybean growers who know they have a problem with iron chlorosis ought to pay attention to the iron deficiency chlorosis (IDC) score when choosing varieties to plant. Data can be found in the NDSU variety trial results at http://www.ag.ndsu.edu/ pubs/plantsci/rowcrops/ a843\_12.pdf. According to Kandel, there is a very, very strong negative correlation between iron chlorosis and yield reduction.

Soil test information

from Agvise Laboratories shows the salt concentration in the topsoil, going into 2013, is higher than the past trend. Kandel says, "if we don't get rain and it stays fairly dry, that means that all the salt will stay in the top, so we'll have a higher likelihood of iron chlorosis." The higher salts are the result of many wet years followed by drier conditions the last two years. That caused water to evaporate and concentrate the salt in the topsoil.

## OTHER CONSIDERATIONS

While most soybean varieties have some resistance to Phytophthora, there are different races of the pathogen. According to Kandel, the University of Minnesota reports at least 27 Phytophthora races. Kandel recommends rotating Phytophthora genes, if possible.

Another consideration is soybean protein and oil content. Kandel says farmers are getting paid for protein and oil, even though they may not realize it. "Crushers do know what kind of oil and protein we have, so if our levels are slightly lower, the price differentiation is hidden somewhere in the basis", according to Kandel, "we are collectively being charged."

## Wetlands Compliance -- Seeking Answers

For producers across the state, the process of wetland determinations can be both confusing and frustrating.

To help clarify the process of wetland determinations and to stress the importance of wetland compliance, North Dakota Natural **Resources Conservation** Service (NRCS) state conservationist Mary Podoll has begun holding meetings with agriculture organizations and producers across the state. The meetings are also an opportunity for Podoll

and NRCS scientists to explain the science behind wetland determinations and, "keep us accountable for the science that we are truly identifying the wetlands as part of the rules of the farm bill."

Under the direction of Chief Dave White, the NRCS has been working to become more consistent on a national level. Although Chief White retired at the end of last year, Acting Chief Jason Weller will continue to work towards White's vision of consistency.



MARY PODOLL, ND NATURAL RESOURCES CONSERVATION SERVICE (NRCS) STATE CONSER-VATIONIST.

"Our interpretation of the law and then the policy needs to be consistent, so

producers know if they have land in one county to the next or one state to the next that the rules are the same," explains Podoll.

Visiting with producers across the state, Podoll says a lot of the confusion surrounding wetland compliance stems from changes made in the 1985 farm bill. "The last 25 years there has been a requirement to address wetlands on farms, but North Dakota has really only had the last 10, 15 years that

Continued on next page



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they've had so much water to deal with and so they're having to look at changing their practices from 1985 when the farm bill changed how we looked at wetlands.".

For individuals not in compliance, the process has not been friendly. "People have been in violation and they get ugly letters," Podoll admits. To work on strengthening the relationship between producers and NRCS staff, Podoll says there will be changes to the process. "We think we can be more timely, increase our customer friendliness and find solutions before [participants] get a true violation."

During the late '80s and early '90s a lot of inventory work and determinations were done in North Dakota. Today, many producers have those maps and continue to make decisions based on them. But changes to the 1996 farm bill have caused some problems for producers who are making decisions based off of those old maps. "[Producers] made

decisions based on those old maps and there was not a mechanism for them to say 'I did this in good faith, I did this based on what the government told me was here and now you changed your mind,'" Podoll said.

To help those producers, Podoll explains that North Dakota is reviewing its processes and policies to ensure that all exemptions and wetlands labels are being applied correctly; and allowing for full flexibility of the compliance requirement. This includes allowing the producer to utilize prior years maps with wetlands identified with confidence.

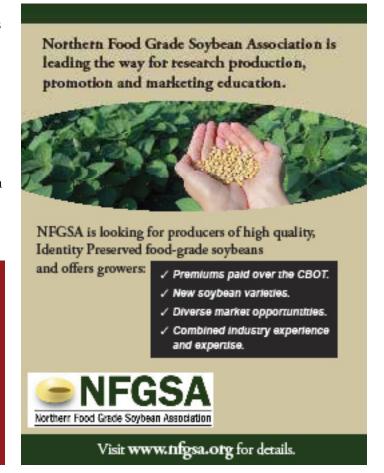
One option is the so-called Converted Wetland Technical Error (CWTE) designation. This CWTE term is still being clarified and vetted through the agency. If approved, this designation would allow producers to "do what they need to do, as if they had met the laws of 1985."

North Dakota Soybean Growers Association president Jason Mewes admits that the ability of the NRCS to use the CWTE designation is a new concept for most producers, but he thinks they will be excited to hear about this possibility. "I believe that this designation shows that the NRCS recognizes that the intention of most farmers is to act in good faith when it comes to wetland compliance."

According to Podoll, agriculture organizations have been instrumental in creating opportunities for dialogue with producers, NRCS and the Farm Service Agency (FSA), "every group has always come to the table and said [they] want opportunities to keep dialoguing; they

have been very proactive," she said.

The North Dakota Soybean Growers Association realizes the importance of a continuing dialogue between NRCS and producers. "I really sense that the NRCS has recognized that they have an image problem and that they are taking real steps to improve their relationship with farmers," Mewes said. With the NRCS being open to hearing from producers, Mewes says continued meetings are a positive sign that, "[the NRCS] is not only willing to listen to farmers, but they are willing to take action on what they hear as well."







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Amount Enclosed: \$ I	Make check payable to the North Dakota Soybea	n Growers Association
Credit Card: MasterCard	/ISA Expiration Date:/	
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	le contribution for federal tax purposes, but may be dedu	uctible as a business expense
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<ul><li>Farm Bill</li><li>Transportation Infrastructure</li></ul>	<ul><li>■ In Person</li><li>■ By Phone</li><li>■ Radio Ad</li></ul>	North Dakota Soybean Growers Assn. 1555 45th Street, S, Suite 103
Trade Agreements	Magazine Ad	Fargo, ND 58103
Conservation & Stewardship	■ Internet/Website	. d. go, co . co
Soybean Rust	Mailing	Phone: (701) 640-5215
Biotechnology	Event:	
Food Aid	Other:	
<ul><li>International Marketing</li><li>Soy and Nutrition</li></ul>		
Other:		

#### LEGISLATE, LEGISLATE, LEGISLATE!

A **Blinding Glimpse of the Obvious** has value. Let me share a couple I had the other night with you...

A little **background**; the ND Soybean Growers, Corn Growers and Grain Growers have partnered with the ND Ethanol Council to bring an ag prospective to a new radio show from Bismarck on Thursday evenings during the legislative session. One of its hosts asked **two key questions** that gave me pause.

I had answers, but in scrambling for a succinct (not my skill) radio "sound bite", I was reminded how important the questions and their answers are.

The first, "What are you doing this session for your members?" That's an easy answer WHAT we are really working toward, all of us, is a better future for rural North Dakota; safety (physical & emotional), educational opportunity, economic prosperity, etc. What we are working for is a better Tomorrow for all of North Dakota's citizens. And, we know that if North Dakota's number one Industry succeeds, all of North Dakota will as well.

The **second question** was much easier. Our host asked if we thought **agriculture's legislative influence** was declining with a reduced rural population. Great question!

**Our Answers** were unanimous; each **trumpeted** the growing success of **North Dakota Ag Groups working together** for your longer term benefit, multiplying our effectiveness.

Working with your neighbors, together is always a right "HOW" answer.

**The ND Ag Coalition** is at the heart of our Ag collaborative efforts. It is a nonpartisan federation of more than thirty-five organizations & associations with a direct interest in the issues affecting North Dakota agriculture.

**Legislatively**, we've reviewed just over six hundred legislative proposals and are tracking over one hundred. We are working several dozen hard.

We believe we've cleared a path with the State Board of Higher Education, and legislators, moving the **State Board of Ag Research & Education budget** to the Appropriations process unencumbered.

The Governor's budget included much of the **road infrastructure** needed across our state. We seek additional bridge funding, improving safety and effective conveyance of all.

**Property Tax Relief and Reform** issues abound, and we are tracking dozens. I can assure you that what's on the table now looks like sausage in the making. We'll work to flavor it just right so when it comes out of the smoker it's great sausage.

The "Legislature Today" airs Mon-Thur, 7 to 9 PM & Sat 10-Noon on KFYR 550 AM, Bismarck; AM 1100 Fargo; and AM 1090 in northwestern North Dakota. (The ND Legislature: www.legis.nd.gov)

Plant for Bounty in All You Do ...

Scott Rising

ND Soybean Growers Association Legislative Director



WHAT CROPS ARE RAISED ON YOUR FARM? Corn and soybeans.

WHY ARE SOY-BEANS A PART OF YOUR CROP MIX?

Rotation and the revenue potential that soybeans offer.

HOW DID THE CROP

YIELD THIS YEAR?

Great. I think all soybean growers in the state of North Dakota were pleasantly surprised by the 2012 crop yield, our farm was no exception.

WHAT'S THE BEST
PART OF FARMING?
WHY DID YOU GET
INTO THIS BUSINESS?
Entrepreneurship. Having the ability to run my farm the way I want to and assume the risk for it.

WHAT IS YOUR FAVORITE THING TO DO ON THE FARM? Running grain cart.

LEAST FAVORITE? Mowing ditches and roadsides.

WHAT'S THE ONE PIECE OF TECHNOL-

OGY OR FARM EQUIP-MENT THAT YOU WOULDN'T WANT TO BE WITHOUT? My iPhone. For equipment, it's the Salford.

WHY ARE YOU A
MEMBER OF THE
NDSGA? Strength comes
in numbers. As a member,
I want my voice to be
heard. To have a say in
legislation and policy that
affects our livelihood as
farmers.

WHAT INVOLVE-MENT HAVE YOU HAD IN NDSGA OR OTHER AG GROUPS? Helped organize the REAP Tour (Rural Exchange & Awareness Program) that brought soybean growers from the southern part of the U.S. to North Dakota for the 1st time. NDSGA Legislative Committee Chair, ND Soybean Council Research Committee Member, Clifford Elevator Board Member.

HOBBIES? WHAT DO YOU DO FOR FUN?

Lake time/boating with family; golf and cards.

ANY VACATION
PLANS ON THE
SCHEDULE? Florida for a
few days after the Commodity Classic in March.

WHY DO YOU AT-TEND THE NORTHERN SOYBEAN EXPO? The speakers and trade show. Also, the opportunity to interact with other producers from around the state.



TELL US ABOUT YOUR FARM, CROPS RAISED, ETC.: My wife Penny and I live on the farm that I grew up on and we raise corn and soybeans. Our youngest daughter Hailee is at home and attends Valley City High School. Our oldest daughter Sarah is married and lives in Fargo.

WHY ARE SOY-BEANS A PART OF YOUR CROP MIX?

Soybeans have been a part of our rotation for quite a while. They became a bigger part of our crop mix after the struggle with disease in sunflower and wheat appearing a couple of decades ago. They are a miraculous crop that provides great income potential.

HOW DID THE CROP YIELD THIS YEAR? With the exception of a couple of hail storms that managed to hit us, we were pleasantly surprised with the yield on soybean even with the lack of moisture over the growing season. A built up soil moisture reserve certainly helped us out.

WHAT'S THE BEST PART OF FARMING? WHY DID YOU GET INTO THIS BUSINESS?

There's a constant change that evolves each and every year. No two years ever seem the same, so we have the ability to evaluate what worked and what didn't work and apply that to our management practices for the

next year. There's so many professions all wrapped into one. There's not too many things any better than placing a seed in the soil, nurturing it and watch it develop a marketable yield.

WHAT IS YOUR FAVORITE THING TO DO ON THE FARM?

Probably trying some different practice or technique to a portion of the crop and weighing the results at harvest. In general, harvest time is when we can measure the fruits of our labor.

Continued on next page

#### EPA ANNOUNCES "DUST RULE"

The Environmental Protection Agency (EPA) has released its National Ambient Air Quality Standards for Particle Pollution, known to farmers as the dust rule. As previously announced, EPA made no changes to the coarse particles known as PM10. This is the part of the ruling that had concerned agricultural interests, including ASA.

The Agency is retaining the existing 24-hour PM10 standards for health and environmental effects. These standards, set at a level of 150 micrograms per cubic meter of air  $(\mu g/m3)$ , have been in place since 1987.

EPA finalized an update to its national air quality standards for harmful fine particle pollution (PM2.5), including soot, setting the annual health standard at 12 µg/m3. By 2020, 99 percent of U.S. counties are projected to meet revised health standards without any additional actions, the agency said. The Clean Air Act requires EPA to review the particle pollution standards every five years. 872, which clarifies that Clean Water Act permits are not required for pesticide applications in or near water. In 2011, H.R. 872 was passed by the

House with bipartisan support and approved by the Senate Agriculture Committee by voice vote.

#### 2013 YOUNG LEADERS COMPLETE PHASE 1 OF LEADERSHIP DEVELOPMENT TRAINING

The 2013 class of ASA/DuPont Young Leaders participated in a variety of leadership development activities Nov. 27-30 at DuPont Pioneer headquarters in Johnston, Iowa.

"The ASA/DuPont Young Leader Program allowed me to unlock the secret advocate inside me, and showed me how to use my strengths to make a difference in today's agriculture," said Jay Gudajtes, a soybean farmer from Minto, N.D.

Young Leaders will meet up again for Phase 2 of their training, Feb. 26-March 2, in Kissimmee, Fla., in conjunction with the annual Commodity Classic convention and trade show.

For more information on the ASA/DuPont Young Leader Program, visit www.soygrowers.com/dyl or contact ASA Leadership & Corporate Program Manager Michelle Siegel at 314-754-1328 or msiegel@soy.org.

#### MONTE PETERSON...FROM PAGE 29

WHAT'S THE ONE PIECE OF FARM EQUIP-MENT THAT YOU WOULDN'T WANT TO BE WITHOUT? Well, that's a tough one, it seems every piece has an intricate role to play, but if I have to choose one I wouldn't want to be with out, I'd say our scale. We measure everything, from the calibration of our yield monitors to the bushels that go in a bin. WHY ARE YOU A

MEMBER OF THE NDSGA? The voice of many is always better than the voice of one

when considering the policies that affect production agriculture. Holding membership in the Growers Association assures me that I have a voice in Bismarck and Washington and is a great way of staying abreast of the political issues that have a direct effect on my farm. Why wouldn't anyone who grows soybean be a member?

WHAT INVOLVE-MENT HAVE YOU HAD IN NDSGA OR OTHER AG GROUPS? As Chairman of the North Dakota Soybean Council (NDSC),

I attend the board meetings of the NDSGA just like the President of the NDSGA attends the board meetings of the NDSC.

#### HOBBIES? WHAT DO YOU DO FOR FUN? I

like travel, fishing and hunting upland birds while following my two dogs Sugar and Sophie get after some pheasant.

ANY VACATION PLANS ON THE SCHEDULE? I'm sure my wife has something planned.

WHY DO YOU AT-TEND THE NORTHERN SOYBEAN EXPO?

Besides a fantastic lineup of speakers and a great trade show, it's an opportunity to share thoughts with my fellow producers. If you haven't had the chance to make the Expo in the past, you need to put it on your schedule, you won't be disappointed (see page 12 for details).

WHAT IS YOUR **FAVORITE PART** ABOUT THE EXPO? For me, it's the opportunity to visit with all the others in the industry.



- Total production contracts
- Industry leading premiums
- Flexible pricing options
- Wide range of maturity options available

Contact: **Matt Bohn** *Crop Production Manager*100 N 10th St

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# NORTH DAKOTA SOYBEAN GROWERS ASSOCIATION

1555 43rd St. South, Suite 103 Fargo, ND 58103



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Don't miss the trade show at the 2013 Northern Soybean Expo, February 19, 2013, Fargo Holiday Inn. To exhibit, or for more information, contact Jason Mewes (701-640-5215)