



Our soybean checkoff.
Effective. Efficient. Farmer-Driven.

EASTERN REGION SOYBEAN BOARD
ANNUAL REPORT
FISCAL YEAR 2015

MISSION STATEMENT

The Eastern Region Soybean Board is committed to advancing soybeans in Connecticut, Florida, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, and West Virginia, and investing soybean checkoff dollars in programs and initiatives that fund research; outreach and education; promotion and alternative uses.

EASTERN REGION SOYBEAN BOARD 2014 - 2015 DIRECTORS

William Beam*

Chairman, Elverson, PA

Michael Gerhart

Vice-Chairman, Ephrata, PA

Steve Hykes

Secretary/Treasurer, Greencastle, PA

Daryl Alger

Lebanon, PA

Andy Fabin*

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Brian Kreider

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Emily Landis

Pennsylvania Furnace, PA

Bill Bibus

Chesterfield, NJ

Del Voight

Penn State Extension

Ex-officio member

*Also serves on the United Soybean Board

The Eastern Region Soybean Board participates in a shared-executive arrangement with the Pennsylvania Soybean Board.

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VOLUNTEERS SOUGHT TO SERVE ON EASTERN REGION SOYBEAN BOARD

The Eastern Region Soybean Board (ERSB) is seeking nominations of individuals who grow soybeans in Florida, West Virginia or the New England states who would be willing to serve on the ERSB Board of Directors. The farmer/leaders who are volunteer members of the Board are responsible for the administration of the soybean checkoff program within the Eastern Region. The authority given to ERSB under the Federal Act and Order are specific to soybean education, promotion, communication and research.

The Eastern Region Soybean Board is committed to growing leadership to serve on its board that reflects a diversity of perspectives and opinions as the industry population that pays the marketing and promotion assessment is diverse. That diversity is aimed at reflecting size of operation, experience of members, methods of production and distribution, ethnicity and gender, marketing strategies, and other distinguishing factors that will bring different perspectives and ideas to the table.

Individuals who are interested in being considered to serve on the Board are asked to contact Jennifer Reed-Harry, Executive Director, at (717) 651-5922 or via email at jrharry@pennag.com.

CHECKOFF GRANTS AVAILABLE

Research into production issues and new uses, educational outreach and international access are just some of the soy checkoff's many focus areas designed to put money back into the pockets of U.S. soybean farmers.

The Eastern Region Soybean Board accepts grant proposals for projects designed to improve the efficiency, profitability, and sustainability of soybean producers in the Eastern Region.

Soybean research and promotion is essential to soybean producers. Investigators with new and challenging ideas are encouraged to submit proposals for research that may expand profit opportunities for soybean producers.

Proposals for research focusing on soybean production, utilization, education/information and marketing will be considered. Proposals for field days, grower seminars and

educational events are encouraged. All proposals must demonstrate a benefit to soybean producers.

In addition to research projects that focus on crop production issues and those that position soy in alternative-use niche markets, the all-farmer Eastern Region Soybean Board will also consider proposals that focus on issues affecting the sustainability of the number one domestic customer for soybean meal: animal agriculture.

In order to maximize funds available for projects and to reduce overhead costs, the Eastern Region Soybean Board participates in a shared-executive arrangement with the Pennsylvania Soybean Board. Grant applications can be obtained online under the "Forms" tab at pasoybean.org. When submitting the form, please indicate the application is for the Eastern Region.

FISCAL YEAR 2015 Oct 1, 2014 – Sept 30, 2015

Income

| | |
|------------------------------|-----------------|
| FY'14-FY'15 Assessments..... | \$90,308 |
| Total Income | \$90,308 |

Expenses

| | |
|--|-----------------|
| 50% of FY'14-FY'15 Assessments to United Soybean Board | \$48,252 |
| Administration, Compliance, Audits, Insurance..... | \$15,696 |
| Communications..... | \$ 9,616 |
| Promotion/Education..... | \$ 7,137 |
| Total Expenses | \$80,701 |
| Carryover available for FY'15-FY'16..... | \$ 9,607 |

With animal ag having plenty of feed choices, it is crucial that farmers choose high-quality soybean varieties in order to keep quality up and demand high.

“It all starts with the quality of the soybean,” says Ronny Moser, Ph.D., managing director of research innovation and technical service at JBS United, a nutrition and health solutions provider to animal agriculture. “Quality is related to the nutrient composition of the soybean, and producing higher-quality soybean meal adds value both to the soybean farmer and animal ag.”

According to soy-checkoff-funded research, if farmers increase the protein content of their soybeans by 1 percentage point, the estimated processed value (EPV) generated could increase by between \$7.70 and \$12.96 per acre, depending on the state. EPV is driven by the combined value of soybean meal, oil and hulls, and in turn, reflects the price farmers could receive as a result of increasing demand by producing more of the components their customers need.

Soy’s nutritional bundle includes more than just protein

Protein is just one of the nutritional elements in soybean meal that poultry and livestock farmers look for. Amino acids, the building blocks of protein, are the key component in soybean meal’s nutritional bundle. Other key components include energy, vitamins and minerals.

“In diets for pigs and poultry, the three major components that contribute to the cost of the diet are energy, amino acids and phosphorus,” Moser says. “It’s important that soybean meal be high-quality to remain a contributor to the animal-feed market.”

U.S. soybean meal’s nutritional bundle makes it an excellent feed ingredient for poultry, swine and other livestock, says Nick Bajjalieh, Ph.D, a feed researcher involved in checkoff-funded research. In fact, he says, soybean meal has been a primary source of supplemental amino acids in animal feeds for more than 50 years.

“The U.S. has been providing high-quality soybean meal that contains the limiting amino acids needed in poultry and swine feeds,” explains Bajjalieh. “Soybean meal is used to complement the nutrient characteristics of other feed ingredients to achieve the targeted nutrient levels in the final feed produced.”

The balance of amino acids in U.S. soybean meal drives its use in feeds, but

other characteristics offer value to customers as well. In order to continue to provide customers with high-quality soybean meal that contains the important amino acids needed for poultry and swine feeds, Bajjalieh advises U.S. farmers to stay ahead of competitors by selecting high-quality soybean varieties.

Kari Vander Wal, soybean procurement manager at South Dakota Soybean Processors, agrees that it’s important for farmers to look at the quality offered by various varieties when they select their seed.

“Look at the protein and oil value of the soybean when it comes to variety selection,” she says. “These characteristics

between varieties that produce high yields and those with high protein content. Researchers at the University of Arkansas have bred a conventional soybean variety that delivers both.

University of Arkansas soybean breeder Pengyin Chen, Ph.D., says the new variety produces soybean meal with over 52 percent protein. The high protein level offers excellent feed efficiency for swine, poultry, beef and aquaculture producers. Chen has been working for about a decade to produce a high-protein variety that didn’t suffer from yield drag.

“We have been able to break the linkage to get both yield and high protein,” Chen



FARMERS GAIN VALUE FROM HIGHER-QUALITY SOYBEAN MEAL

are important to continue to meet our customers’ demands. When you select your seed varieties, look at the whole picture, and consider both your needs and your customers’ needs. You will see the value-added benefit on your operation.”

Seed selection is a farmer’s best chance to increase value

Multiple factors affect soybean quality, some of which farmers can control, such as seed selection, and others that they can’t.

“Soil type and climate may be a part of the regional differentiation we see across the U.S.,” says Seth Naeve, Ph.D., University of Minnesota associate professor and extension agronomist. “Unfortunately, those are two things farmers can do little to change.

“However, there are several things farmers can do to increase protein levels in soybeans. Choosing a high-protein variety and selecting the appropriate maturity group are important – you want to choose plants that will mature under good conditions.”

Soybean farmers don’t have to choose

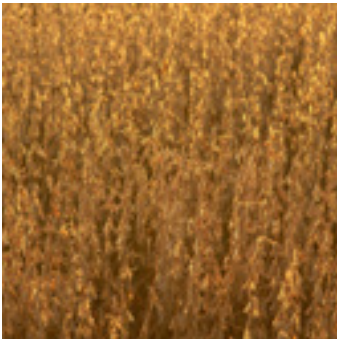
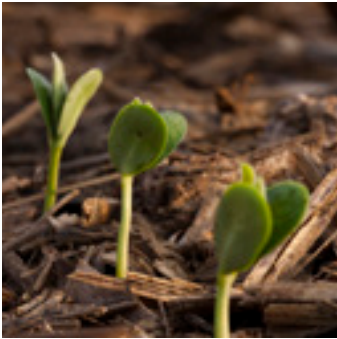
says. “Higher protein itself has not been hard to work with, but getting good protein with high yield has been a challenge.”

The new variety called UA 5814HP, was developed with support from the soy checkoff. It is a maturity-group-V soybean that averaged over 58 bushels per acre in four years of testing across Arkansas. It was also tested across several other southern states, averaging 64 bushels per acre overall. The variety has been released to the public, and Chen says the University of Arkansas is in discussions on possible licensing agreements.

“This variety is widely adapted to southern states and shows very good potential,” Chen says. “I am very excited because farmers don’t have to give up yield to get high protein.” Other current varieties can produce high levels of protein without sacrificing yield. To find those varieties, ask your seed dealer or use the soy checkoff’s Soybean Quality Toolbox found under the Farmer Resources tab at unitedsoybean.org.

10 PRODUCTION PRACTICES THAT BOOST SUSTAINABILITY

U.S. soybean farmers are committed to continuous improvement – making sure the land they farm now is prosperous for years to come. Sustainability is a year-round effort; start your sustainability journey with these 10 sustainable practices.



SPRING

1. Rotate crops to increase biodiversity, control pests, prevent disease resistance, replace vital nutrients back into the soil and reduce the need for chemical fertilizers.
2. Preserve the soil's nutrients, increase organic matter and reduce runoff, soil erosion, labor, fuel use and equipment wear with reduced-tillage methods.
3. Use biodiesel, one of the leading carbon-reduction strategies available with today's vehicle technologies, in your diesel equipment.

SUMMER

4. Use irrigation-scheduling tools, such as soil-moisture sensors, to improve water-use efficiency.
5. Use chemical intervention as needed when managing pests. When chemicals are necessary to eliminate the problem, carefully determine proper timing and spray coverage to limit pest resistance, runoff and residues.

FALL

6. Frequently test soils, maintain nutrient-management plans, know recommended nutrient levels and apply adequate nutrients as needed.
7. Research seed selection. Seeds enhanced by biotechnology allow farmers to reduce tillage and make fewer trips through the field in a tractor.

WINTER

8. Explore new precision-farming technologies to increase sustainability, such as GPS and computer monitors to use in tractors, sprayers and combines to track yield and inputs.
9. Preserve water and improve biodiversity with environmental practices like buffer strips, filter strips, waterways, tiling and terraces.
10. Keep detailed records of all your farming practices, including planted acreage, annual yield for each field, all inputs for each field and proper calibration levels for all planting equipment.

TIGHT TIMES CALLS FOR TIGHT BUDGETS

Farmers are well aware that with the current prices on crops, they need to cut costs wherever they can. But what elements of your operation can you cut and adjust, and what parts do you absolutely need to keep?

Georgia soybean farmer Walter Godwin explains his spending decisions.

1. CUT DOWN ON LABOR COSTS

Labor costs can account for a significant portion of the budget. While it's nice to have more hands on deck, cutting back on this aspect of the business can be a real cost savings. "We used to hire labor to help clean out chicken houses and to help during harvest," says Godwin, a soy checkoff farmer-leader. "This year, we handled these tasks ourselves. It was tough, but it worked out."

2. ADJUST SOIL SAMPLING

Soil sampling and grid sampling both provide value to soybean farmers, but prioritizing what works best for your farm is a smart way to collect the most valuable data.

"We do soil sampling so we know what the soil needs," says Godwin. "Without soil sampling, it's just a ballpark guess. We can reduce costs by knowing exactly what we need to apply to grow the crop next year."

Although Godwin sees value in soil sampling, grid sampling is not paying off for him. "We've done it in the past, and it cost us more to do the grid sampling than the cost savings in fertilizer reduction, so I'm not seeing a benefit on my farm."

3. FERTILITY: A MUST HAVE

The one item Godwin refuses to skimp on is fertility. "One thing I cannot cut back on is fertility," says Godwin. "You've got to have fertility out there to grow next year's crop."