



EASTERN REGION  
SOYBEAN BOARD

# ANNUAL REPORT

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FISCAL YEAR 2017



## **Providing opportunities for soybean growers**

The Eastern Region Soybean Board (ERSB) is a farmer-controlled Qualified State Soybean Board responsible for managing the West Virginia, Florida and New England states' share of funds received from the nationwide soybean checkoff program.

The mission of the Board is to invest soybean checkoff resources to advance soybeans in the Eastern Region, enhance sustainability, and provide opportunities for Eastern Region soybean growers. This annual report outlines the projects and initiatives funded by the checkoff in the Eastern Region in Fiscal Year 2017.

The ERSB participates in a shared-executive arrangement with the Pennsylvania Soybean Board in order to maximize funds available for projects and to reduce overhead costs.



## **Checkoff works to build preference for U.S. soy**

The U.S. soybean industry is turning a corner. This year, soy acres closed in on corn acres, narrowing the gap between the two crops. The booming supply of soy was a topic of discussion at the United Soybean Board in Fiscal Year 2017 – as is the need for continued strong demand. Conversations are shifting from increasing volume to maximizing

value to set farmers up for long-term profitability.

As USDA reports a record high of 89.5 million planted acres, the farmer-leaders who administer the checkoff are investing checkoff dollars both inside the bean to improve the meal and oil, and beyond the bean to meet evolving end-user demands sustainably.

Continuous improvement in U.S. soy keeps preference strong.

Finding, launching and leveraging profit opportunities for all U.S. soybean farmers is a constantly evolving mission for United Soybean Board in order to maximize value for U.S. soy and maximize profit opportunities for U.S. soybean farmers.

In terms of soybean meal, there's a growing interest by farmers in who is purchasing and using U.S. soy and how to meet their needs for a quality product through innovative research and measurement.

For soybean oil, the Board looks to leverage rapidly expanding technologies, including high oleic, and to

also diversify the investment portfolio through industrial uses. The Board also elevated the conversation on sustainability and tools to meet the needs of the future, including plant breeding innovations. This portfolio of investments helps to maximize farmer profit opportunities long term.

U.S. soybean farmers and their checkoff are working toward the best of both worlds – quantity and quality—to get more value per acre returned to farmers.



## Volunteers sought to serve on Soybean Board

The Eastern Region Soybean Board (ERSB) is currently seeking nominations of individuals who would be willing to serve on the Board of Directors. To be eligible to join the Board, nominees must grow soybeans in Connecticut, Florida, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont or West Virginia.

The ERSB is committed to growing leadership to serve on its Board that reflects a diversity of perspectives. 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@pasoybean.org](mailto:jrharry@pasoybean.org).

### CONTACT US AT:

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**Soy Stats**  
West Virginia harvested  
**1,326,000**  
**BUSHEL**  
of soybeans, valued at  
\$12.2 million, in 2016.

**Soy Stats**  
Florida harvested  
**1,044,000**  
**BUSHEL**  
of soybeans, valued at  
\$9.1 million, in 2016.

## FISCAL YEAR 2017

### INCOME

Carryover from FY '15-16	\$	34,169
FY '16-17 Assessments	\$	\$ 112,000
<b>TOTAL INCOME</b>	<b>\$</b>	<b>146,169</b>

### EXPENSES

50% of FY '16-17 Assessments to United Soybean Board	\$	56,000
Administration, Compliance, Audits, Insurance	\$	14,200
Communications	\$	15,100
Promotion/Education	\$	10,000
Research	\$	30,000
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>125,300</b>

### CARRYOVER

Carryover available for FY '17-18	\$	20,869
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## PRODUCTION RESEARCH

# Northeast Variety Trials and Cover Crops

University of Vermont

In an effort to support and expand the local soybean market throughout the northeast and increase soil health in fields rotated with soybeans, the University of Vermont Extension Northwest Crop and Soils (NWCS) Program established a trial in 2016 to evaluate cover crop seeding methods and establishment in soybeans. 2017 marked the second year of the study, funded by a grant from the Eastern Region Soybean Board.

Experiments evaluated cover crop seeding time prior to or during soybean growth, and cover crop species. The impact of cover crops on weeds, soils, and yields was measured.

Also for the second consecutive year, University researchers conducted variety trials to identify varieties and maturity that lead to maximum

soybean production. More than two dozen varieties in maturity groups 000 to 2.0 were evaluated for yield and were scouted biweekly to monitor for pests.

The research grant from the Eastern Region Soybean Board also funded research into the impact of planting dates. Researchers planted two differing maturity soybeans every week from mid-May until early-July to determine optimum planting dates in the most northern parts of the eastern soybean growing region.

The University hosted a field day to give growers a first-hand look at the field trials and will be sharing the results of their research at regional winter grower events and online.

Look for the reports published online at [www.uvm.edu/extension/cropsoil](http://www.uvm.edu/extension/cropsoil).

## Post-harvest planning: cover crops

Incorporating cover crops into a farm's overall crop management strategy can provide a multitude of benefits, but it's not a "once and done" or a "plant and walk away" type of practice.

For a successful cover crop experience, some up-front planning and goal setting should be part of the overall

strategy to help ensure you meet your priority objectives. Cover crops require an investment of time and money, all of which coincides with the hectic harvest and planting season. It's important to think strategically about cover crops and how they best fit into a given farming operation to ensure that the

benefits received justify the time and investment. One thing heard repeatedly from farmers is that the successful transition to using cover crops involves a learning curve and out-of-the-box thinking.

Every farm is different. First-time cover-croppers should start small and learn first-hand what works (and perhaps more importantly what doesn't work) on his or her own farm. Priority number one should always be getting the cash crop successfully planted. Starting small will minimize planting risks and maximize successful long-term implementation.

Determine up front your key objectives for using cover crops. This helps you measure results afterwards and guides certain decisions you will need to make on the front end. Certain objectives will influence your decisions.

For example, selecting the right cover crop species (or mix of species), the right seeding rate, planting method and timing, as well as termination method and timing, all play a significant role in meeting different objectives.



## PRODUCTION RESEARCH

### Fighting soybean rust *University of Florida*

Soybean rust (*Phakopsora pachyrhizi*) continues to be a serious disease of soybeans in the U.S. and it's on the move. *Phakopsora pachyrhizi* must have live, green tissue to survive, and in frost-free areas like Florida, kudzu is the most important overwintering reservoir for the fungus. It allows for the increase of spores, which can be readily carried long distances by the wind to new, rust-free regions.

Eastern Region Soybean Board checkoff funding granted to the University of Florida is enabling researchers to monitor soybean rust on kudzu populations and soybean sentinel plots to inform a national monitoring network. To stem the spread of the disease, early detection is a must along with an aggressive fungicide control program. The sentinel plot system that has been established provides an early warning of infection to nearby states. This information helps growers time their fungicide applications.

To further the fight against soybean rust, a portion of the checkoff grant is being used

to evaluate transgenic soybean lines (developed by a University of Florida microbiologist) for resistance to the disease.

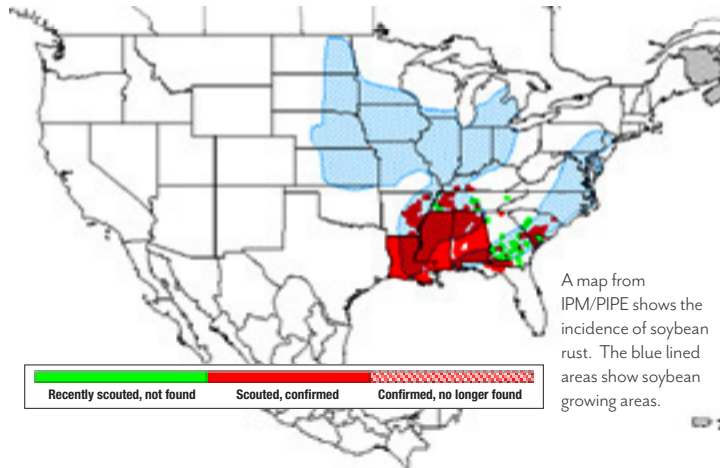
Transformed soybean lines are being tested in greenhouse experiments at the UF/IFAS Plant Diagnostic Center in Gainesville (PDC-GNV.) This center serves not only as a resource for Florida residents, it's also a national resource that has successfully trained over 700 Extension educators and consultants across the country in soybean rust identification.

Field experiments are also being conducted by the University's plant pathologists to investigate the

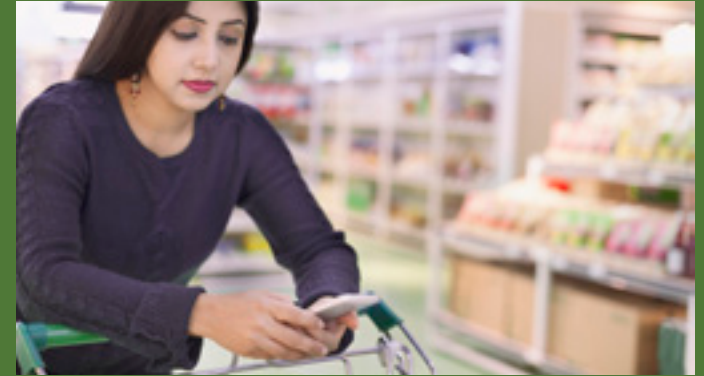
performance of determinant vs. indeterminate soybean varieties using conservation technology to maximize production potential.

Growers throughout Florida are being invited to attend field days, county meetings, in-service trainings and personal visits to learn about the research results. Additionally, Extension publications assist in making information available online.

Visit the IPM/PIPE (Integrated Pest Management Pest Information Platform for Extension and Education) soybean rust national monitoring network at [sbr.ipmpipe.org](http://sbr.ipmpipe.org).



A map from IPM/PIPE shows the incidence of soybean rust. The blue lined areas show soybean growing areas.



## EDUCATION

### Beef! It's what's for dinner.

As the biggest consumer of soybean meal, animal agriculture is important to soybean growers. The Eastern Region Soybean Board partnered with the Northeast Beef Promotion Initiative (a Beef Checkoff program) to help drive beef demand in the Northeast region by conveying a simple educational message: beef is not only a versatile protein choice, it's also easy to prepare and packed with vitamins and minerals to help families thrive.

The initiative featured Ibotta («I bought a...»), a popular free mobile coupon and cash back shopping app for smart phones. With Ibotta, shoppers have the opportunity to earn cash back on select products by performing easy tasks, purchasing the product, then providing proof of purchase. Ibotta has nearly 22 million downloads, and is one of the most frequently used shopping apps in the United States.

As a result of this promotion, more than 81,000 consumers completed the educational engagements associated with the beef offers. Nearly 30,000 beef rebates were redeemed, which can be considered the number of units of beef sold during the campaign.



## Growing high oleic soybeans can boost farm profitability

The farm economy has been in a holding pattern for years now, and managing for the future is more important than ever. On his family farm on the eastern tip of West Virginia, Marty Kable has had to make some tough decisions. This year, he, along with farmers in 12 states around the U.S., planted high oleic soybeans to increase his profit potential. In total, U.S. soybean farmers planted 650,000 acres of the premium soybeans this year.

When margins are tight, farmers start to look toward cutting costs to make ends meet, but Kable takes a different approach. “You can’t cut too many costs or you start reducing

your crop’s performance,” he says. “We’re doing everything we can, from seed selection to inputs, to produce the best yield on any given acre.”

And this year, Kable’s seed decision made a big market impact. “Counting the double-crop that will be going in behind wheat, we’ll have a total of 2,376 acres of high oleic soybeans,” Kable says. “There was a lot of interest in the ag community around me, and we tested the varieties on our land last year. We saw yield that was as good as – even better than – anything else we planted, so the results were encouraging to grow more this year.”

What’s so attractive about

high oleic soybeans? High oleic premium soybean oil is used by restaurants, food companies and in non-food applications because of its high-heat and shelf stability. End-use customers want more of the oil than processors have in stock, so processors offer a premium for high oleic soybeans to farmers who grow them. The biggest difference between growing high oleic and conventional soybeans, Kable says, is that farmers keep them separate to deliver them to the contracted processor – and that it comes with added profit.

“All our beans this year are high oleic,” Kable says, “due in part to the profit opportunity for our farm and for all soybean farmers. We like to stay up on anything new and exciting in the industry, and high oleic has real potential to add demand for U.S. soybean farmers.”

Kable serves as a farmer-leader on the Eastern Region Soybean Board, and represents the Eastern Region on the United Soybean Board.

Marty Kable, Charles Town, West Virginia







## Soybean oil keeps cities warm

Homes, offices and municipalities in the Northeast and Mid-Atlantic rely on heating oil to stay warm during the winter. Many areas use Bioheat, a blend of biodiesel and ultra low sulfur heating oil, and that means more demand for soybean farmers. Bioheat replaces petroleum-based heating oil with biodiesel, which is often soy-based, delivering a quality product that is nontoxic and reduces greenhouse gas emissions.

The U.S. has been using biodiesel in trucks and tractors for more than 20 years. Bioheat represents an exciting growth market and an opportunity to have an economic impact; the checkoff

is working to make that market an even bigger reality.

Used in 23 states, residential heating oil represents at least a 4 billion gallon market annually. Many municipalities have adopted policies to impact the use of Bioheat in their districts. New York City, for example, required Bioheat be used at a two percent level, with an increase to five percent in October, 2017. With New York City using 40 million gallons of pure biodiesel annually and growing, soybean farmers have an opportunity to increase demand for soybean oil and, in return, increase their profitability.

Aside from the sustainable

benefits of Bioheat, it also is what the industry calls a drop-in solution. Bioheat can be used in existing infrastructure, so building owners don't have to invest in costly upgrades to use the fuel.

New York City has become one of the most important biodiesel markets in the country. This happened because of the soybean checkoff. Other cities in the Northeast also use a lot of heating oil, so the potential to convert to a biodiesel blend holds significant benefits for building owners and residents. Bioheat provides a solution for them while ultimately looking at what can provide more value for U.S. soybean farmers.

## Your checkoff at work

Checkoff helps bring innovative soy-based tire to market

This year, as Goodyear introduces its Assurance WeatherReady tires for passenger vehicles, soybean farmers may want to pay attention to their newest customer. That's because this all-season, innovative line of tires was made possible in part by the soy checkoff. The tires feature a soy-based rubber compound, bringing forward yet another market opportunity for soybean oil and, in return, a profit opportunity for soybean farmers.

Goodyear's interest in soybean oil included a look at sustainability, a priority for many corporations throughout the United States; however, what they found was a competitive advantage – rubber compounds made with soybean oil remained soft at lower temperatures, leading to enhanced traction in dry, wet and winter conditions. Thus the name, WeatherReady.

"As we develop great products that anticipate and respond to the needs of consumers, soybean oil was one of the technologies enabling us to meet a challenging performance goal," said Eric Mizner, Goodyear's director of global material science.

A product advantage is something that is news to soybean farmers' ears, as this market is just beginning. Businesses looking to use soy, even if for sustainable purposes, want to see not only a price-competitive product, but one that functions

the same or better than their original product. That's why the checkoff works with companies such as Goodyear to test soybean oil and confirm its characteristics, so we can increase demand for our product and ultimately increase our profit opportunities.



# Looking beyond yield



Farmers often look to yield first. But the future of profitability lies in meeting end-user composition needs. To this end, the checkoff is constantly working to increase U.S. soy's opportunities with end users. Through research, innovation and measurement, we're improving U.S. soybeans to meet end users' needs – from animal ag to the food industry to industrial uses.

U.S. soybean farmers aren't in the soybean business – or even the farming business. They're in the animal feed business and the commercial baking business and the consumer goods business. So it's important to think beyond your field and consider your end-users' needs.

End users don't need soybeans. They need the protein and oil that come from soybeans.

U.S. growers are faced with a number of competitors, domestically and abroad, that can supply these products. South America has grown substantially as a global supplier of soybeans. With our exceptional composition, sustainability and available supply, U.S. soy is already a leader in global markets. But how can we get end users to see that value? How do we give them one more reason to choose U.S. soy?

The checkoff is leading efforts with the rest of the soy value chain to explore options to better meet customer demands for higher quality meal and oil. This could include implementing tools to better measure the oil and meal quantity and quality, and compensating farmers based on the value they deliver.

Realizing any potential changes to the way soybeans are grown and marketed may seem like a long race, but the U.S. soybean industry, with support and leadership from the soy checkoff, will no doubt lead the way to the finish line.

With technology that measures the composition of soybeans constantly improving, the potential for soybeans – or more correctly, soybean meal and oil – is endless. The checkoff is helping farmers measure the makeup of their beans to show end users how it meets their needs.