
EASTERN REGION
SOYBEAN BOARD
ANNUAL
REPORT
FISCAL YEAR 2019
OUR SOY
CHECKOFF

Here's How the Soy Checkoff Works

The national soy checkoff was created as part of the 1990 Farm Bill. The Act & Order that created the soy checkoff requires that all soybean farmers pay into the soy checkoff at the first point of purchase. These funds are then used for promotion, research and education at both the state and national level.

Led by 73 volunteer soybean farmers, the United Soybean Board (USB) invests and leverages soy checkoff dollars to MAXIMIZE PROFIT OPPORTUNITIES for all U.S. soybean farmers.

FARMERS SELL BEANS TO ELEVATORS, PROCESSORS AND GRAIN DEALERS.

½ of 1% of the total selling price

collected per the national soybean act & order

0.5%

PROMOTION

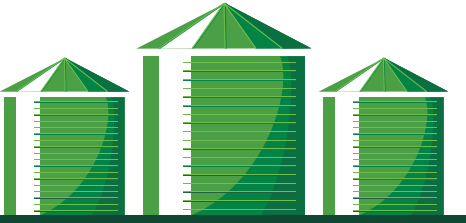
RESEARCH

EDUCATION

Half goes to the state checkoff for investment in areas that are a priority for that state.

Half goes to the national checkoff for investment* in USB's long-range strategic plan.

ROI TO THE FARMER



CHECKOFF MATH: RETURNING $5.20/$1 INVESTED

Source: Texas A&M 2014

What is the Eastern Region Soybean Board?

The Eastern Region Soybean Board (ERSB) is the 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 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 2019.

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

CONTACT US AT:

Eastern Region Soybean Board

2215 Forest Hills Drive, Suite 40
Harrisburg, PA 17112

Jennifer Reed-Harry,
Executive Director
(717) 651-5922
jrharry@pasoybean.org

www.easternregionsoy.org

West Virginia farmer appointed to ERSB

The latest farmer/leader to join the Eastern Region Soybean Board (ERSB) is Nick Kercheval, Harpers Ferry, West Virginia. Kercheval will also represent Eastern Region soybean producers as one of 73 directors on the United Soybean Board.

A 1974 graduate of Shepherd College in Business Administration and Management, Kercheval has been a cash crop farmer for 45 years and grows 750 acres of corn and soybeans. He is currently a member of the Jefferson County Farmland Protection Board and has served on the Jefferson County Farm Bureau board and the Farm Service Agency board, representing northeastern Jefferson County.

The ERSB is committed to leadership 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 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.

To be eligible to serve, nominees must grow soybeans in Florida, West Virginia or New England and participate in the checkoff.

Soy Stats
West Virginia harvested
1.4 million BUSHELS
of soybeans valued at $12 million in 2018.

ANNUAL FINANCIAL REPORT

Fiscal Year 10.1.18 to 9.30.19

CASH ASSETS:	
Operating Funds	$152,863
Emergency Preparedness Fund	$97,066
Dissolution Fund	$62,482
Less: Liabilities	–
Net Assets at 9.30.19	$312,411

REVENUE:	
Assessment Income	$52,095
Less: Assessments Paid to USB & QSSB's	$(24,775)
Other Revenue	$5,785

PROGRAM EXPENSES:	
Communications	$(13,993)
Promotion & Education	$(5,000)
Research	$(20,086)
Administration/Audits/ Compliance/Insurance/Other	$(13,458)
Increase (Decrease) in Net Assets	$(19,432)

Soy Stats

Florida harvested

500,000 BUSHELS

of soybeans valued at $4 million in 2018.

USSEC works to create preference for U.S. soybeans

The Eastern Region soy checkoff helps to support the U.S. Soybean Export Council (USSEC), an organization that is working to differentiate and create preference for U.S. soy around the world. Through a global network of international offices and strong support in the U.S., they help build a preference for U.S. soybeans and soybean products, advocate for the use of soy in feed, aquaculture and human consumption, and promote the benefits of soy use through education. As the international marketing arm of the U.S. Soy Family, they represent U.S. soybean producers, processors, commodity shippers, merchandisers, allied agribusinesses and agricultural organizations.

The international market is the largest customer for U.S. soy: an average of 60 percent of the soy produced in this country is exported. Within the next 30 years, the world must feed 9 billion people, and a growing middle class will create more demand for higher value animal protein at an affordable price. As this trend continues across the globe, U.S. soy is well poised to accommodate the demand.

U.S. SOY ADVANTAGE

Much of the work at USSEC focuses on promoting the U.S. Soy Advantage to international customers. The foundation of the U.S. Soy Advantage is centered on quality composition and consistent supply of U.S. soy and soy products, as well as the sustainability practices of U.S. soybean farmers.

U.S. soybeans have an elite meal nutritional bundle (protein, amino acids, and energy) and superior oil functionality and performance. These attributes give U.S. soy an edge over the competition with ongoing innovation in the pipeline to ensure the U.S. remains the leader in the soy industry. And, the U.S. has an abundant supply of soy that can be reliably moved from the field to domestic end users or to the coasts for export using the best transportation infrastructure in the world.

SUSTAINABILITY

Demonstrating U.S. soybean farmers' sustainability performance is increasingly important to international customers who want to be assured that the products they are purchasing are sustainably grown. Currently, over 90 percent of U.S. soybeans are certified sustainable, according to the U.S. Soybean Sustainability Assurance Protocol (SSAP). The guidelines included in the SSAP set required steps for U.S. soybean farmers to continuously improve their sustainability performance. Through their commitment to continuous improvement, U.S. soybean farmers are taking care of the environment, being good citizens, and producing their crop as efficiently as possible to deliver the most sustainably grown soy in the world.

The SSAP is just one of the U.S. soy industry's key differentiators. Buyers of U.S. soy and soy products can be assured that the vast majority of farmers in America have followed guidelines for responsible farming. The constant willingness to incorporate new, environmentally friendly management strategies on U.S. farms means that others in the value chain can be confident in the value and sustainability of U.S. soybeans.

Growing U.S. soybean demand worldwide

Strategic plans to mitigate export losses to China

The U.S. Soybean Export Council (USSEC) recently initiated a new strategy. Dubbed "What it Takes," this plan seeks to grow U.S. soybean demand worldwide and mitigate export losses to China.

"USSEC looked at all the international markets for U.S. soy with incremental growth potential and put together projections for the exports needed to those markets to make up for volume losses to China," says Derek Haigwood, United Soybean Board director and USSEC chairman. "Our team is focused on achieving these 'What it Takes' goals, so the U.S. maintains exports of approximately 60 percent of total U.S. soy production."

Part of this new strategy includes holding more than 20 seminars across the globe. These networking and educational seminars will bring together soybean buyers, sellers and industry stakeholders and provide opportunities to hear from top-level government and industry partners within their markets.

These seminars provide current and potential customers of U.S. soy with in-depth information about the U.S. Soy Advantage, raising the awareness of the intrinsic and extrinsic values of U.S. soy, and building a preference for U.S. soy and soy products with international companies in targeted markets.

"We've had seminars in Southeast Asia, Korea and Indonesia," says Haigwood. "I was fortunate enough to represent our farmers in Vietnam and Thailand."

GROWTH MARKETS

Additional seminars will take place in countries where USSEC data shows significant growth, such as Egypt — a market where whole U.S. soybean exports have increased 566 percent over last year; Portugal, where those exports are up more than 157 percent; and Pakistan, which has seen a nearly 34 percent increase.

"The short-term goal is to offset some of China's sales losses by getting more deals done," said USSEC regional director Brent Babb. "Longer term, we want to maximize the value of U.S soy in many markets where it's becoming the standard."

These seminars weave into USSEC's new international marketing strategy to diversify demand for U.S. soy exports by growing emerging markets with outsized future potential.

"We've retooled our long-term international marketing strategy,"adds Haigwood. "We've identified key target markets and divided them into different categories: basic, expansion and mature. The revised international marketing strategy shifts more funding to invest in new markets with an increasing emphasis on growing demand."

"USSEC is leveraging relationships in many markets to sell our soy," says Haigwood. "We do this by connecting buyers and sellers around the world. Right now, we're focused on encouraging a longer-term trading program that extends beyond the typical seasonality."

PRODUCTION RESEARCH

Developing Soybean Production Practices in Northern Climates

University of Vermont

Due to extended periods of low milk prices and high input costs, farmers in the Northeast are looking for ways to increase on-farm feed production and diversify their operations to increase profitability.

"Soybeans can be grown for human consumption, animal feed and biodiesel in Vermont. However, due to the relatively short growing season, soybeans have not been a crop of major focus for yield or quality research," says Dr. Heather Darby, principal researcher in a project conducted by the University of Vermont Extension and funded by the Eastern Region Soybean checkoff.

The purpose of the research trials is to develop soybean production practices that maximize yield and enhance environmental stewardship in the far northern portion of the country. The research aimed to evaluate soybean yield and quality under conventional and organic growing conditions, when planting dates are varied, and under various tillage regimes following fall-planted cover crops.

"As more producers in the region look for additional crops to diversify their operations with, we hope to provide this type of additional management information in order to increase the number of soybean producers in the region," says Darby.

"Understanding how crops are impacted by varying planting dates can help producers make important management decisions," she adds. "With the growing concern of agriculturally related water quality implications in Vermont waterways, farmers are now required in some instances to cover crop their annually cropped fields. However, with this increase in cover cropping there is a need to investigate potential impacts on following cash crops and best practices for establishing cover crops into and following soybeans.

"Similarly, with the concerted effort to reduce nutrient loading in waterways due to soil erosion, farmers are becoming more interested in adopting reduced and no-till practices," she continues. "Understanding how to best combine these two practices into soybean cropping systems specifically for the Northeast is critical to the success of soybean crops in Vermont."

This year, several soybean trials were conducted at Borderview Research Farm in Alburgh, Vermont. These trials included a conventional variety trial, a planting date trial, and a cover crop trial in which soybeans follow fall-planted cover crops under varying tillage regimes.

OBJECTIVE 1: Identify soybean varieties that produce maximum yields in the far north. The variety trial included 25 varieties from four different seed companies spanning maturity groups 0.90 to 2.4. The trial was planted into a Benson rocky silt loam at a rate of 185,000 seeds/acre and treated with soybean inoculant and 5 gal./acre 9-18-9 liquid starter fertilizer.

Throughout the season, the trial was inspected for insect and disease issues. However due to extremely hot and dry conditions, very little disease and insect pressure was seen until late August. Tissue samples were collected from potentially diseased plants and taken to the UVM Plant Diagnostic Clinic for identification.

Two diseases were found in the trial: soybean downy mildew and soybean bacterial blight. To capture varietal differences in infection, the trial was scouted on August 23, 2019. Each plot was rated on a 0-5 scale where 0 indicated no visible infection and each subsequent rating corresponded to increments of 20% of leaf surface infection. During this scouting, leaf damage caused by Japanese beetles was also noted using the same scale. The trial is also being evaluated for populations, yield and quality upon harvest.

OBJECTIVE 2: Determine the impact of planting date on soybean yield and quality. Optimal planting dates have yet to be determined for the far north region. The planting date trial included two varieties, one early and one mid-group 1 maturity, planted approximately weekly from May 17 through June 13, 2019. Plots were planted at a rate of 185,000 seeds/acre into a Benson rocky silt loam. Seeds were treated with soybean inoculant and planted with 5 gal./acre 9-18-9 liquid starter fertilizer.

One of the goals of this planting date study is to determine how late soybeans can be planted in Vermont while still reaching maturity and producing adequate yields. In addition, the research aims to determine how soybeans respond to shifting planting dates in terms of other characteristics such as pest and disease pressure. (In a planting date study in sunflowers instituted by University of Vermont Extension, they found that shifting planting dates can be a tool for farmers to avoid certain insect or bird pest pressures.)

In 2019, there was very little insect or disease pressure on the soybeans. Soybeans were also scouted for downy mildew presence as in the other variety trials. Researchers also measured populations, yield and quality at harvest.

OBJECTIVE 3: Develop cover cropping strategies for soybean production systems that maximize yield, protect soil health, and minimize pest and disease pressure.

In the fall of 2018, 10 cover crop treatments were planted at Borderview Research Farm on August 24, September 7 and September 19. Four of the treatments included an overwintering species (red clover, winter rye or hairy vetch) and were intended to provide both fall and spring living soil coverage. The other treatments included species that regularly winterkill in the region and were intended to provide living fall coverage and winterkilled spring coverage. A control treatment in which no cover crop was planted was also planted.

Cover crop residue was incorporated into the soil in the first planting date with disc harrows and the soil finished for planting with a spike-tooth harrow and a field finisher. In the second planting date, cover crops were terminated using an application of Roundup® herbicide at a rate of 1 qt./acre. In the third planting date, cover crops were terminated with a post-planting application of Roundup®.

Soybeans were planted into the previously existing cover crop treatments into the three planting dates on May 23 at a rate of 185,000 seeds/acre, treated with soybean inoculant, and planted with 5 gal./acre 9-18-9 liquid starter fertilizer. To understand the nutrient release rates of the different cover crop treatments and how this is impacted by termination method, soil nitrate content was assessed in each plot approximately weekly for two samplings following planting, and then approximately biweekly for two samplings after that.

Look for the full report available on the Eastern Regional Soybean Board website at easternregionsoy.com after April 15, 2020.

Take Action against weeds, insects and diseases

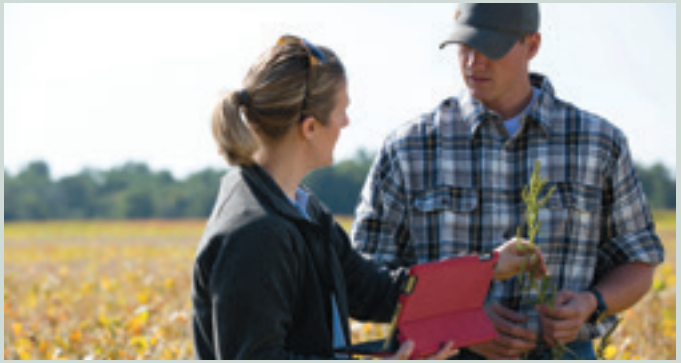
As a farmer, you face an uphill battle against pesticide-resistant weeds, insects and diseases. If you haven't looked into Take Action, it might be a great time to give the program, supported by the United Soybean Board and a host of partners, a close look.

Take Action is the checkoff-funded program that encourages farmers to adopt weed-management practices to lessen the impacts of herbicide-resistant weeds. It's also a resource to help Take Action against pests and disease.

NEW TAKE ACTION APP

The Take Action materials provide helpful information always at your disposal. Materials such as the Herbicide Classification Chart, Fungicide Classification Chart, and several fact sheets, are available by going to iwilltakeaction.com.

Use the Take Action Herbicide and Weed Lookup Tool to help you diversify your herbicide site of action (SOA) to prevent herbicide-resistant weeds from spreading. With this app, you can now identify and use the herbicide SOAs to give your crops the upper hand against weeds. The app, available in the Apple App store and Google Play store, is brought to you by the soy checkoff.

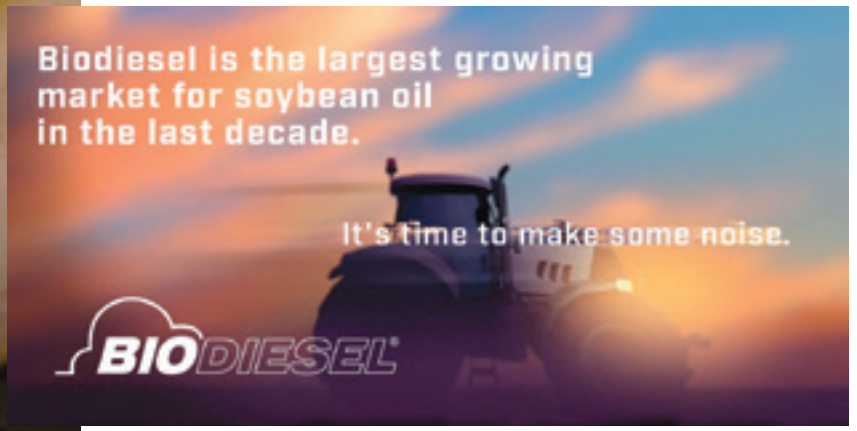


Biodiesel drives demand for soybean oil

The use of biodiesel, a U.S. soy innovation, is on the rise. Over the last decade, biodiesel demand for soybean oil increased by 300 percent. And over the next decade, customers will use billions of gallons more than in the past 10 years.

U.S. soybean farmers helped establish the biodiesel industry and have benefited from its growth. Through the checkoff, research and promotion efforts are funded to ensure biodiesel remains one of the most used renewable fuels on the market. The Eastern Region Soybean Board supports the biodiesel industry through membership in the National Biodiesel Board, the national trade association representing biodiesel.

Increased demand for biodiesel boosts demand for soybean oil, the feedstock used in more than half the biodiesel produced in the U.S. And because soybeans can be crushed for both oil and meal, biodiesel production also supports animal agriculture. Increased demand for soybean oil to make biodiesel increases the supply of soybean meal that can be used to make animal feed. That increased supply leads to lower feed prices paid by poultry and livestock farmers.



One bushel of soybeans produces 1.5 gallons of biodiesel and 48 pounds of protein-rich meal.