

1966-2016



50TH
ANNIVERSARY

50 Years of Growing Opportunity

2015 Annual Report of the North Carolina Soybean Producers Association



Annual Report to the Membership



CELEBRATING 50 YEARS OF SERVICE , LOOKING AHEAD TO 50 MORE

The North Carolina Soybean Producers Association is celebrating 50 years of hard work and numerous accomplishments in service to North Carolina soybean farmers. That makes 50 years of promoting soy consumption in animal and human nutrition, 50 years of underpinning the soy research in N.C., 50 years of supporting innovation in areas like soy new uses, and 50 years of

speaking on behalf of farmers in Raleigh and Washington on the issues that matter.

It is hard to believe, but the modern soybean industry is only 100 years old. The first commercial soy meal processor in the U.S. was located in Elizabeth City, N.C. in 1915, and our state was the leading producer of the legume back then. 50 years later, N.C. farmers created their soybean association to undertake marketing and promotional activities for the benefit of all growers in the state's soy industry. Things have changed over the years and soy is now the biggest U.S. agricultural export and the biggest acreage crop in

North Carolina, although our state is no longer the top producer. N.C. soy growers had foresight and were among the first in the U.S. to seek statewide grower approval for a marketing and promotion assessment on their crop. The association was incorporated in 1966 and there was a referendum for the state assessment in 1969. Now we are celebrating the 50th anniversary of the association during the year 2016.

Please enjoy this report on the annual activities and successes of your soy checkoff and your association. Come out and join us during our 50th anniversary activities in 2016!

Sincerely,

Jeff Peed, President



North Carolina Soybean Producers Association's New Research Initiative



The goal of the research efforts of the North Carolina Soybean Producers Association is to meet the production needs of soybean growers in the state with the finest research. In 2015, the soybean board approved 24 research project contracts totaling \$474,961. Of these, 21 projects were at N.C. State University in the total amount of \$374,461. Three project awards totaling \$100,500 went to private contractors. To make sure that the association is on track with achieving its goal, last spring the board undertook a review of the association's capacity to fund and report on soybean research.

The farmers on the soybean board devoted a great deal of time last year to examining the strengths and weaknesses of the association's research program, and considering areas for improvement. The board decided we can do a better job of serving growers with checkoff-funded soybean research by focusing on research priorities and strengthening communication to growers. To accomplish this, the board elected to undertake a new strategic initiative that amounts to a major investment in our research program. Beginning in 2016, the soybean association will establish a new research coordinator position on our staff. The position will be filled by a trained agricultural scientist who can work with farmers to set research priorities and engage with them to share the technologies and knowledge generated by checkoff-funded research.

For the first time in its history, the association will have the capacity for in-field, on-farm research projects using our own staff and resources. For the research that the checkoff funds at N.C. State, the new position will manage the grants & contracts and will work with faculty to communicate farmer needs and solicit research proposals. He or she will further the long-standing and fruitful relationship between soy growers and N.C. State University.

This new strategic direction in research will improve our ability to communicate with growers and set priorities so that we are supporting the projects that growers value when their checkoff dollars are allocated to research. The association looks forward to welcoming this new individual to our staff in January 2016, and hopes that you will join us in launching our new research program at the Soybean Producers Forum at the Southern Farm Show on Feb. 5, 2016.

China Trade Mission

Soybean board directors Michael McPherson and Reggie Strickland and association CEO Charles Hall joined Agriculture Commissioner Steve Troxler and a group of N.C. agricultural leaders for a trade mission to China in April 2015. This was the latest of several China trade activities in recent years to boost the sale of N.C.-grown soybeans to China. It was also one of the most intense with activities in four cities over the course of one week.

The mission began with trade teams representing soybeans, pork, tobacco and forest products congregating in Beijing, China. The soy team included farmers, grain traders from M-B Grain, association representatives and N.C. Dept. of Agriculture & Consumer Services trade specialists.

The soy team visited with the China office of the U.S. Soybean Export Council (USSEC) to get the latest market updates

for soy imports and consumption in China. Next the team moved to the coastal city of Xiamen to meet with a company that is one of the association's longstanding buyer contacts and one of China's largest commodity importers. The company invited its downstream soy processing customers to the meeting as well.

The following day, the team flew to the southern Chinese city of Guangzhou where team members conducted a seminar for local Chinese grain importers, soy processors and feed millers. The local USSEC representative assisted the team in arranging meeting locations, translators and issuing invitations.

From Guangzhou, the team flew to Shanghai where team members repeated the seminar for importers, processors and their downstream customers, and visited a



privately owned terminal and soy processor on the Yangtze River. During the Shanghai visits, Commissioner Troxler attended the ribbon cutting for N.C.'s new agricultural trade office in Shanghai. In all, the soy team visited more than a dozen customers for U.S. soybean and soy products. The merchandisers and farmers on the team brought back numerous trade contacts, and have been in contact with Chinese soybean buyers and processors throughout the year.

Soy Education and Outreach

Community outreach for the North Carolina Soybean Producers Association reached new levels in 2015, as more and more organizations took advantage of the opportunity to have the association educate their members on soybeans, soy nutrition, soy in human health and agriculture. Laura Rogers, the association’s outreach education coordinator, is on the road most days, especially during the busy spring, summer and fall event seasons, travelling across the state to exhibit at events or speak to groups. She conducted outreach events in 62 of North Carolina’s 100 counties last year, and attended events in many of those more than once.

Events reaching youth remain a big focus for Rogers. She conducted 58 educational programs in public schools; 33 programs at county extension centers, many of them at camps for children; and exhibited twice at two Triangle area children’s museums, the Museum of Life and Science in Durham and Marble’s Kids Museum in Raleigh. The NCSPA sponsors an exhibit on agriculture and farming at Marbles.

With the addition in 2015 of the permanent educational exhibits at five agritourism farms across the state, Rogers has been working with the farms to lead soybean events for visitors. This participation has ranged from exhibiting at festivals to conducting an educational

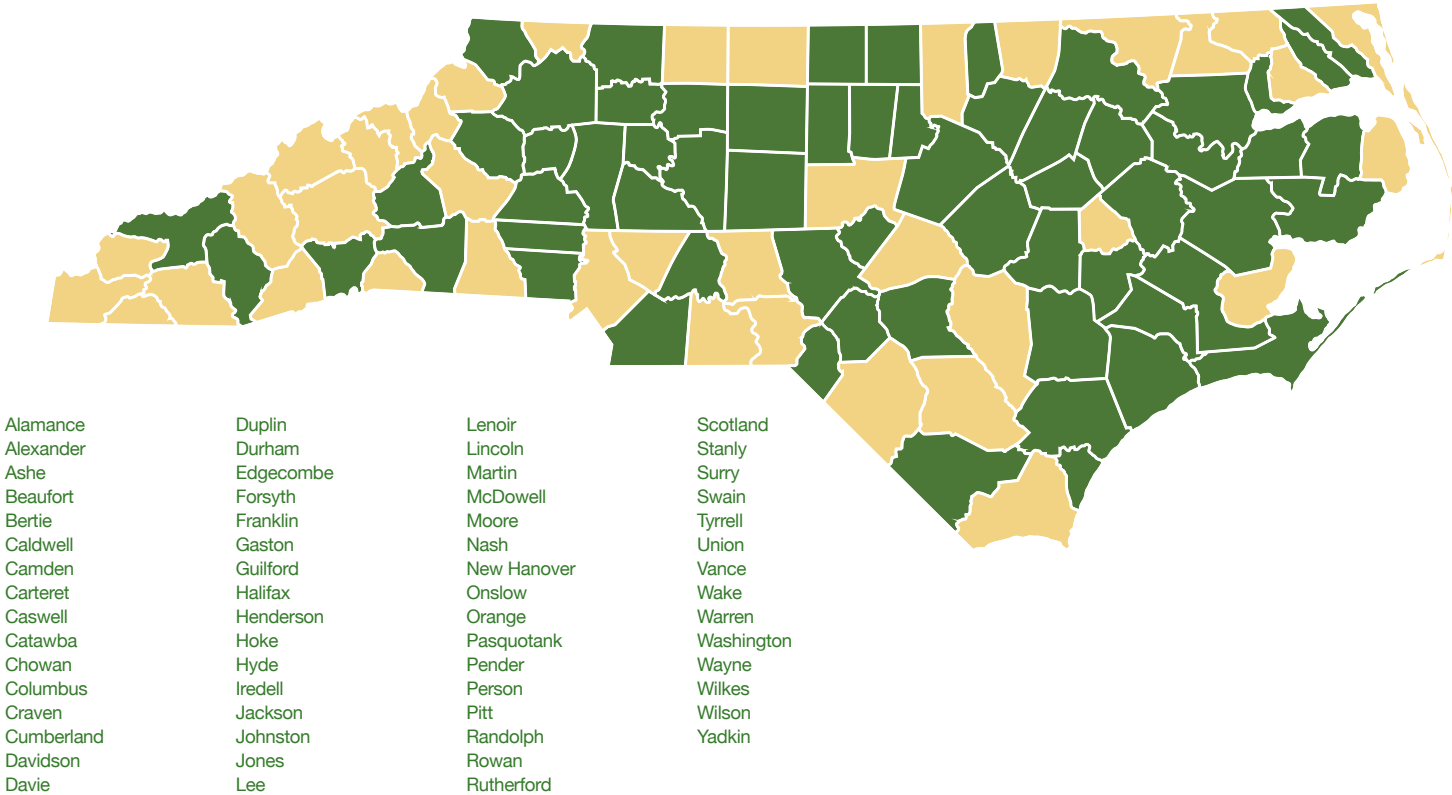
program at a children’s camp to speaking to a field trip group.

While outreach to children is a big part of Roger’s efforts, she also participated in 12 grain production meetings in the winter of 2015, and exhibited at the Southern Farm Show, the N.C. Commodities Conference, 11 health fairs and the Blacklands Farm Managers Tour. The association had an exhibit at the N.C. Soybean Festival in Pasquotank Co., as well as festivals in Halifax Co., Chowan Co. and Jones Co.

If you know of an opportunity in your area at which it would be beneficial to have the NCSPA involved, please contact Laura Rogers at 800-839-5775.



Counties where soy education programs were held in 2015



Communications and Promotions

The North Carolina Soybean Producers Association implements many activities each year to help achieve its mission of maximizing the profitability of N.C. soybean farmers in an economically and environmentally sound manner. Beyond doing this work which includes funding production research, seeking new markets for soybeans in the U.S. and abroad, and supporting the soybean industry's largest customer, animal agriculture, one of the most important endeavors of the association is to ensure farmers are informed of and can benefit from what is being done on their behalf. 2015 was no exception, and the association expanded its communications to growers through several new programs.

Building positive perceptions of farming and familiarity with modern farming practices among consumers continues to be a priority for the board. The primary vehicles the association uses to do so are its partnerships with N.C. State University and the University of North Carolina athletics. These partnerships provide a cost effective way to reach consumers across the state through advertising on the universities' football and basketball game broadcasts, as well as an on-air interview with a soybean farmer each year and the opportunity to interact directly with fans.

FARMER COMMUNICATIONS

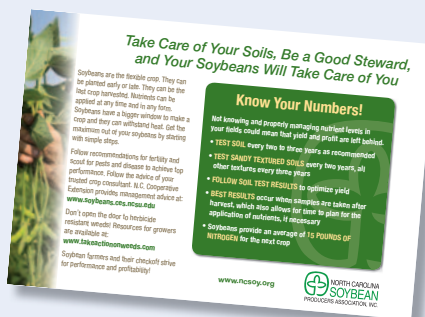
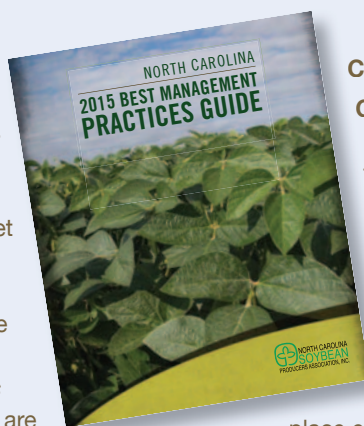
Following the launch of a new website in 2014, which included the addition of a blog communicating association news, updates on outreach programs and helpful production information, the association is now sending a bi-weekly News Roundup of top stories from the blog to its members. If you are not receiving these updates and would like to, visit ncsoy.org and look for the "Sign Up for Updates" section on the homepage.

In early Fall, a *Best Management Practices Guide* appeared in *Beyond the Bean* magazine to ensure that N.C. soybean farmers have the latest, research-based

information on recommended farm management practices so they can improve yields and increase profitability. A fact sheet was also created containing a quick reference version of the information in the *Best Management Practices Guide*. The fact sheets are available at all NCSPA events where farmers are in attendance. Other grower communications in 2015 included online advertising on agricultural websites to promote the association's ongoing herbicide resistant weed effort, Weed Free NC, and the mailing of a postcard and magnet in late spring to educate and remind growers about recommended practices for soil testing.

As always, farmers wishing to learn more about the NCSPA and its activities can also attend an annual meeting each winter. The first is the N.C. Commodities Conference in January. The 2016 meeting will be held Jan. 13-15 at the Sheraton Imperial in Durham, N.C. A 50th anniversary reception will be held on Jan. 13 and the annual awards banquet will be held on Jan. 14 with entertainment provided by the Embers. Learn more at www.nccommoditiesconference.com.

Another great place for useful information on soybean production and networking with N.C. soybean farmers is the annual Soybean Producers Forum, held each year at the Southern Farm Show. In 2016, the meeting will be held on Feb. 5 from 9:00 a.m. – 11:00 a.m. in the Martin Building at the N.C. State Fairgrounds in Raleigh. An RSVP is required at 800-839-5775. Producers can also stop by the NCSPA booth at the Southern Farm Show #4117.



CONSUMER COMMUNICATIONS

Building on the success of the agriculture-themed exhibit at Marbles Kids Museum in Raleigh that familiarizes patrons with modern agriculture practices and educates them on farming through play, the NCSPA received a grant from the United Soybean Board to

place exhibits at five agritourism farms across the state to educate visitors about animal agriculture, soybeans and farming. The exhibits have been a big hit with the farms and their visitors, and while they include a lot of interesting information, they also have a trivia game on animal housing and N.C. family farms, as well as two vignettes for photo opportunities. Be sure to visit Lazy O Farm in Johnston Co., Hill

Ridge Farms in Franklin Co., Flint Rock Farm in Moore Co., Galloway Farms in Columbus Co. or Rasied In a Barn Farm in Beaufort Co. to see one of the exhibits in action.

The NCSPA continued to promote positive messages about farmers and farming, as

well as soybeans and the association itself, to fans of N.C. State and the University of North Carolina throughout the state. The agreement with Wolfpack Sports includes involvement in Ag Day, a football game dedicated to the celebration of agriculture and farmers, which provides the opportunity to have an exhibit in the pre-game Fan Zone and engage with consumers to tell the story of agriculture, a message from an N.C. soybean farmer on

the video board during the game, participation in the halftime ceremony, inclusion in media promotions for Ag Day and more. Farmer volunteers at Ag Day enjoyed meeting the many fans who stopped

by the booth and answering their questions about food and farming.



N.C. Animal Agriculture Coalition Update

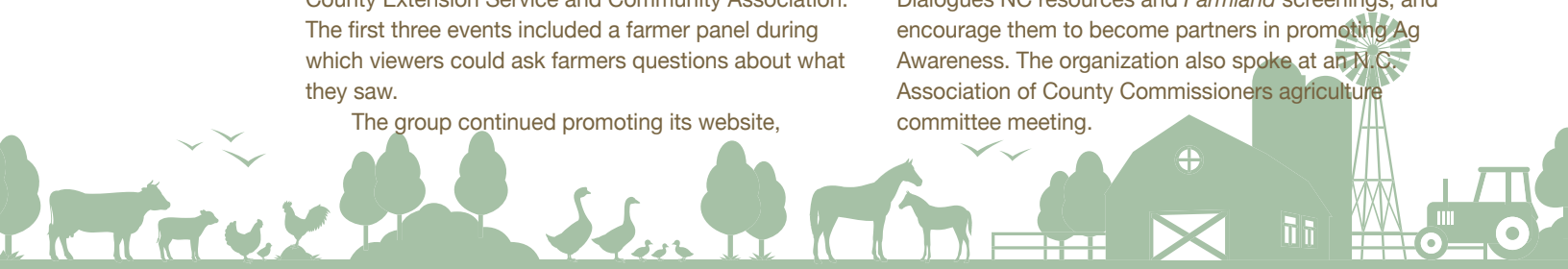
Animal agriculture is the largest customer for soy by far, and with such a large animal agriculture industry in our state, the North Carolina Soybean Producers Association does everything it can to support it. In 2010, the association became a founding partner of the N.C. Animal Agriculture Coalition, and continues to play a leading role.

Last year, the U.S. Farmers & Ranchers Alliance funded the agricultural documentary film *Farmland*, and the NCAAC hosted several major screenings of the film in N.C. In 2015, the movie was screened at the N.C. Museum of History, at Elon University, at the Brunswick County Extension office, at the Cabarrus County Extension office volunteer appreciation event and to the County Extension Service and Community Association. The first three events included a farmer panel during which viewers could ask farmers questions about what they saw.

The group continued promoting its website,

FeedtheDialogueNC.com, and added content to the Food for Thought section which includes agricultural topics about which consumers may have questions. The organization also creates video segments called Food Voices to introduce farmers, veterinarians, scientists and physicians to the community, and gives them a forum for their voices to be heard.

Ensuring those in agriculture and those responsible for making decisions about agriculture in the community are prepared with the information they need to be able to answer questions and understand the issues was a focus of the NCAAC in 2015. The coalition held two training sessions for county extension agents to train them in issues response, make them aware of Feed the Dialogues NC resources and *Farmland* screenings, and encourage them to become partners in promoting Ag Awareness. The organization also spoke at an N.C. Association of County Commissioners agriculture committee meeting.



Brett Medlin, North Carolina ASA/DuPont Young Leader for 2015-2016



North Carolina's DuPont Young Leader Award recipient for 2015-2016 is Brett Medlin of Indian Trail, N.C. This is the 33rd year the North Carolina Soybean Producers Association has participated in the program. The Young Leader program identifies and recognizes prospective agricultural leaders and is sponsored by the American Soybean Association and DuPont.

Medlin graduated from Appalachian State University with a degree in finance and banking, as well as risk management and insurance. He received his Masters in Business Administration degree from East Carolina University. Medlin represented the NCSPA on Agriculture Commissioner Troxler's trade mission to China in early 2015. He is an active member of Shiloh Advent Christians Church and volunteers with many organizations in the community. One of his family traditions is to help prepare for and cook at a barbecue fundraiser benefitting their local elementary school. The event is one of the largest and most successful charity barbecues in N.C.

Medlin farms with his father, mother and brother where they have 3,000 acres of soybeans, corn and wheat. They double crop their wheat with soybeans, effectively increasing the acres they farm to 4,000. Each family member specializes in a different aspect of farming, from logistics to agronomics to finance. Medlin manages the farm's commodity marketing and farm financials. He works carefully to sustain healthy growth even with lower commodity prices. He has invested in capital assets in recent years to improve efficiency, and manages input costs strictly to do so.

Medlin would like for their farm to continue to improve its sustainability. While his family works hard to implement practices that are environmentally friendly, he wants to implement the most cutting edge improvements so they can continue to increase sustainability. He is also exploring ways to export crops directly to foreign merchandisers to improve profitability. His experience on the association's trade mission to China increased his awareness of the opportunities to enhance margins through global trade, and he is working through the logistical challenges of figuring out how to get grain from his farm to China.

Medlin participated in the first segment of the Young Leader program at Pioneer Headquarters in Johnston, Iowa, from Dec. 1-4, 2015, and will complete his training at the Commodity Classic in New Orleans, La., from Mar. 1-4, 2016.

Board of Directors – 2015

Jeff Peed, Aurora – President
 John Fleming, Scotland Neck - Vice President
 Jeff Tyson, Nashville - Secretary
 Bernard Lennon, Evergreen - Treasurer
 Jacob Parker, Columbia - USB Director
 Morris Shambley, Mebane - USB Director
 Wyatt Whitford, Ernul - ASA Director
 Justin Allen, Pantego
 Kenneth Bartlett, LaGrange
 Jerry Batten, Whiteville
 Mart Benson, Pantego
 Terry Blalock, Norwood
 Jessica Burgess, Eure
 Isaac Boerema, Pantego
 Ryan Cahoon, Fairfield
 Elbert Dixon, Maury
 Sydney Edwards Dunn, Edenton
 David Heath, Dover
 Gary Hendrix, Raeford
 Lance Herndon, Parkton
 Bob Hyman, Oak City
 Bryant Jennings, Camden
 Wesley Johnson, Dobson
 Ryan Kennedy, Hope Mills
 Greg Manning, Nashville
 Michael McPherson, Mebane
 Ben Moses, Conway
 Christopher Naylor, Clinton
 Cody Paul, Bayboro
 Jay Revelle, Murfreesboro
 Craig Seaman, Manson
 Christopher Seymour, Kinston
 Ward Shaw, Chadbourne
 Philip Sloop, Mount Ulla
 Jason Starnes, Salisbury
 Reginald Strickland, Mt. Olive
 Logan Watson, Monroe

Annual Report of the Treasurer

Bernard Lennon, Treasurer

FISCAL YEAR 2014-15, ENDED AUGUST 31, 2015	AMOUNT
REVENUE	
Assessments – Net	2,029,765
Investment Income/(Loss)	15,537
Other	165,360
TOTAL REVENUE	2,210,662*
TOTAL EXPENSES	1,243,369
NET INCREASE/(DECREASE)	967,293
NET ASSETS – AUGUST 31, 2014	4,073,435
NET ASSETS – AUGUST 31, 2015	5,040,728
CURRENT ASSETS	
Cash on hand in banks	4,862,166
TOTAL CURRENT ASSETS	4,862,166
PROPERTIES AND ACCUMULATED DEPRECIATION	
Automobile	59,268
Office Furniture and Equipment	48,000
Office Building	168,206
Total Property	275,474
Less Accumulated Depreciation	-122,728
Total Property - Net	152,746
OTHER ASSETS (INVESTMENTS)	359,549
TOTAL ASSETS	5,374,461
CURRENT LIABILITIES	
Accounts Payable	209,308
Assessments Payable	124,425
TOTAL CURRENT LIABILITIES	333,733
TOTAL NET ASSETS	5,040,728
TOTAL LIABILITIES & NET ASSETS	5,374,461

*Cash Income FY 2013-14 - \$1,867,027



211 SIX FORKS ROAD, SUITE 102
RALEIGH, NORTH CAROLINA 27609

Non-Profit
Organization
U. S. POSTAGE
PAID
Raleigh, NC
Permit No. 2106

ADDRESS SERVICE REQUESTED



To assist us in maintaining an accurate address file and reduce postage costs, please notify the N.C. Soybean Producers Association (1-800-839-5775) of any address changes or corrections. Comments and suggestions are also welcome.



NO ESCAPES.
Eliminate.
Resistant.
Weeds.



WeedFreeNC
PULL TOGETHER

Resistant weeds are a major problem for North Carolina farmers, crowding out productive crops and spreading like wildfire. This isn't just a nuisance; this is our livelihood at stake. It's up to all of us to put in the extra effort to eliminate escapes, with one goal in mind: Zero tolerance for resistant weeds.

For more information on Weed Free NC, visit www.weedfreenc.com.