

# SOYBEAN SCENE

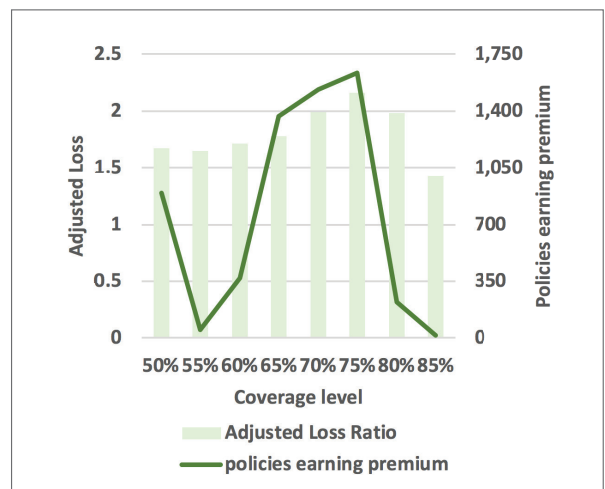
NC SOYBEAN PRODUCERS ASSOC. NEWSLETTER



## THE IMPORTANCE OF PURCHASING AND PROPERLY STRUCTURING CROP INSURANCE

In 2018, more than 85% of the acres of soybeans planted in the state were insured. While the importance of crop insurance is clearly not lost on the state’s growers, not all may be aware that the rationale for purchasing crop insurance has grown more compelling in recent years and will likely continue on this trajectory in the medium term. Key considerations for purchasing crop insurance include:

- First, the potent combination of low crop prices and stubbornly high input costs have driven many farm financial indicators to their worst levels since the 1980s. This is especially true with regards to short-term liquidity. In general, growers cannot afford to be inadequately insured and lenders will be reluctant to make loans without it.
- Second, data indicates weather patterns have become more extreme over the last few decades. In the case of N.C., this manifests itself through an increased incidence of named storms (double that of 50 years ago) and rising sea levels (1 foot higher in Wilmington today than in 1935). In short, weather is likely to impart growing risk to your farming operation in the years ahead.
- Lastly, crop insurance has become a preferred vehicle for delivering federal support to growers. In the period covered under the 2000 Farm Bill (2002-2007) 63% of USDA support was delivered through commodity programs while just 15% came in the form of crop insurance. Since the 2014 Farm Bill, meanwhile, the share of support from crop insurance has risen to 33%, on average, a figure that would have been far higher if not for the ad-hoc MFP payments.



Adjusted Loss Ratio compared with policy count by coverage level for NC soybeans (2009-2018)

### THERE ARE A WIDE ARRAY OF POLICY TYPES AND COVERAGE LEVELS WHEN IT COMES TO CROP INSURANCE

Since 2011 there have been two primary policy types for soybeans in N.C., including Yield Protection (YP) and Revenue Protection (RP), both of which are available with/without a Harvest Price Exclusion. Coverage for YP, RP and its variants, ranges from 50%-85%. There is also a catastrophic option (CAT) that acts like YP at 50% coverage but only covers 55% of the projected price. In 2014, three more policy types were introduced that insured crops against losses experienced across the farm - (WFRP) or by numerous growers across a county (SCO and ARP).

CONTINUED

**AN EXPERIENCED CROP INSURANCE AGENT CAN MAKE A DATA-DRIVEN RECOMMENDATION FOR YOUR OPERATION**

Navigating the wide array of permutations by policy type and coverage level is something made easier with the help of an experienced crop insurance agent. Ideally, these agents should also be tapping into RMA's rich datasets to make a data-driven policy recommendation that accounts for individual needs as well as historical premium, subsidy and indemnity data in the state. Collectively these three numbers can be used to calculate the *Adjusted Loss Ratio* (ALR) on crop insurance which is equal to the *Indemnity / (Total Premium – Subsidy)*. A larger ALR is indicative of a larger ROI on grower investment in crop insurance. As an example, a look at ten years of the soybean ALR suggests that on average, N.C. growers gravitate towards the 75% coverage level that offers the best ROI but shy away from 80% coverage even when it has offered better returns than the more popular 65% coverage level (See chart on page 1).

**WHAT IS NEW AND WHAT IS ON THE HORIZON FOR SOY CROP INSURANCE IN NORTH CAROLINA?**

Given the importance of crop insurance as a means of managing risk, the NCSOY actively works with RMA to ensure that any changes to crop insurance best meet the needs of the state's growers. To this end, the association coordinated with RMA to establish a policy specific to food grade soybeans - available for the first time in the 2020 crop year. While the food-grade policy closely resembles that of commodity beans, it allows for a crop to be insured at a higher price (with a contract) and provides more flexibility on replant rules. Looking ahead, the association will be working with RMA to make new FAC and NFAC provisions available in N.C. – which will allow growers to better manage the unique risks of single crop and double crop soybeans.

**TWO GROWERS AWARDED & SEVEN NEW DIRECTORS ELECTED DURING NC COMMODITIES CONFERENCE**



Chris Naylor receives the Meritorious Service Award from president, Jeff Tyson



Jacob Parker receives the Dr. Jim Dunphy Industry Award from president, Jeff Tyson

The N.C. Soybean Producers Association held their 53rd Annual Meeting during the NC Commodities Conference this past January. President Jeff Tyson called the meeting to order on January 9th, 2020 and began updating attendees on the activities of the association over the past year. During the meeting, seven growers from across N.C. were elected to their first term on the Board of Directors. These directors are responsible for overseeing the research, market development, communications, and the advocacy work of the association on behalf of N.C. soybean farmers.

**NEW BOARD MEMBERS:**

- JOHN AVENT, WARSAW.....Duplin
- NATHAN BENNETT, RICH SQUARE.....Edgecombe, Halifax, Nash
- COLIN BRICKHOUSE, ELIZABETH CITY.....Perquimans, Pasquotank
- ADRIAN LOCKLEAR, MAXTON.....Hoke, Scotland, Robeson
- KEITH MILLS, TRENTON.....Carteret, Craven, Jones, Onslow, Pamlico
- JARMAN SULLIVAN, FAISON.....Sampson
- GRAYSON WELLS, GOLDSBORO.....Greene, Lenoir, Wayne, Wilson

During the meeting, two NC soybean growers were awarded for their service and dedication to the association and the industry throughout their board tenure. Jacob Parker was awarded the 3rd annual Dr. Jim Dunphy Industry Award after serving on NCSOY's board for over 20 years. Starting as a state level director in 1999, his leadership skills and vision for the association led him to roles on the Executive Committee, including NCSOY president, as well as 9 years of service on the USB board. Parker was also very involved with the Research Committee over his tenure and served as chair while helping to pave the path for the association's current research program.

Chris Naylor was awarded the annual NC Soybean Producers Meritorious Award. Naylor served on NCSOY's board since 2014 and as part of the executive committee since 2017. He spent much of his time dedicated to the policy side of the association and served as chair of the Advocacy Committee. Naylor understands the importance of working with N.C.'s elected officials and he committed to making multiple Capitol Hill visits each year. The board is very appreciative of the years of hard work from these two North Carolina soybean farmers and knows they will continue to be great voices for the agricultural community in the future.

**2020 BOARD OF DIRECTORS**

- |                                |                           |                                  |                              |                            |
|--------------------------------|---------------------------|----------------------------------|------------------------------|----------------------------|
| Jeff Tyson, Nashville          | Michael McPherson, Mebane | Nathan Bennett, Rich Square      | Phil Gore, Nakina            | Keith Mills, Trenton       |
| David Heath, Dover             | Philip Sloop, Mount Ulla  | Andy Bland, Dover                | Auston Harris, Kinston       | Wade Stanaland, Bladenboro |
| Gary Hendrix, Raeford          | Greg Manning, Nashville   | Colin Brickhouse, Elizabeth City | Aaron Kirk, Hillsborough     | Jason Starnes, Salisbury   |
| John Fleming, Tarboro          | Trey Liverman, Columbia   | Ray Bullard, Stedman             | Adrian Locklear, Maxton      | Jarman Sullivan, Faison    |
| Derek Potter, Grantsboro       | Forrest Howell, Plymouth  | Sydney Dunn, Edenton             | Ben Long, Scotland Neck      | Logan Watson, Monroe       |
| Reginald Strickland, Mt. Olive | John Avent, Warsaw        | Curtis Furr, Albemarle           | Duncan Malloy, Lumber Bridge | Grayson Wells, Goldsboro   |
| Jimmy Thomas, Timberlake       | Reggie Baker, Monroe      | Reid Gelderman, Pantego          | Kevin Matthews, East Bend    | Simmy Williams, Shiloh     |



## KATHERINES CORNER: HERBICIDE TRAIT OPTIONS FOR 2020

The 2020 growing season brings a number of options when it comes to herbicide-tolerant technology. With different traits available, herbicide trait technology is a critical part of the variety selection decision. Growers must weigh many factors, namely weed management, risk tolerance and overall profitability, when deciding which herbicide trait package is the best fit for their farm or field.

When selecting herbicide trait packages, it is more important than ever to understand which herbicides are compatible with a given platform to avoid accidental damage for both your fields – and your neighbors’. Having options is a good thing when working to combat resistant weeds, but with those options come new challenges. Below is the latest information on each trait option.

	Glyphosate	Glufosinate	Dicamba	2,4-D	HPPD
Conventional					
RR	•				
RR2	•				
Liberty Link		•			
RR2 Xtend	•		•		
Enlist E3	•	•		•	
LL GT27	•	•			•
GT27	•				•
XtendFlex	•	•	•		

### ROUNDUP READY TECHNOLOGY

**Roundup Ready:** The original glyphosate-tolerant trait has been off patent since 2015. The trait is available in varieties released from smaller seed suppliers and public breeding programs. Because the trait is off patent, seed cost is relatively low (closer to that of conventional seed) and growers can save seed.

**Roundup Ready 2:** The next iteration of glyphosate-tolerant technology. This trait remains a standalone option for growers in 2020.

### XTEND TECHNOLOGY

**RR2 Xtend:** This trait provides resistance to both glyphosate and dicamba and is one of the most popular options for US growers, accounting for 60% of the soybeans planted in the US last year. The corresponding herbicides include XtendiMax, Engenia, and FeXapan.

**XtendFlex:** This is Bayer’s next generation of Xtend beans. It provides resistance to glyphosate, dicamba, and glufosinate. Availability will likely be limited in 2020.

### LIBERTY LINK TECHNOLOGY

**LibertyLink:** The original glufosinate-tolerant trait remains a standalone option in 2020.

**LL GT27:** This trait provides resistance to glufosinate, glyphosate, and a new HPPD/Group 27 herbicide (pending EPA approval). This trait is only available in limited maturity groups ranging from Group 0 to mid-Group 4.

### ENLIST TECHNOLOGY

**Enlist E3:** This trait provides resistance to glyphosate, 2,4-D choline, and glufosinate. Availability is currently limited to Group 00 to Group 4. The corresponding herbicides include Enlist One (2,4 D choline) and Enlist Duo (glyphosate and 2,4-D choline pre-mix).

### STS-TOLERANT TECHNOLOGY

STS-tolerant soybeans provide the only trait package that is non-GM. STS-tolerant soybeans are tolerant to sulfonylurea herbicides (in the ALS-inhibitor class).

**Having options is a good thing when working to combat resistant weeds, but with those options come new challenges. Stewardship and attention to detail are key to eliminating off-target injury. We must all work together to ensure the registrations for these products remain for years to come.**

Dr. Katherine Drake Stowe, Research Coordinator

## NCSPA OUTREACH - HUMANIZING THE FARMER AND THANKING THE CONSUMER

N.C. has experienced the 4th largest population increase of all U.S. states since the 2010 census. Population growth has been uneven, however - heavily concentrated along the I-85 corridor with many counties in eastern N.C. losing population. This growth has meant that voices for N.C.'s rural interests have had to compete to be heard amongst the noise of wide-ranging stakeholders in Raleigh and recently redrawn congressional districts will further amplify the voices of the state's nonrural residents in Washington, DC.



Ben Long with wife Leah, daughter Faye and sons, Harrison and Tac

The recent nuisance lawsuits targeting the livestock sector have been held up as evidence of a growing rural/urban divide in the state. While these lawsuits and their potentially astronomical costs cannot be overlooked, the plaintiffs, their lawyers and financial backers comprise an incredibly small,

and radical, share of the population. The reality, though, is that most of the state's newcomers are more moderate in their views even if they are unaware of the realities of production agriculture. Arguably then, the bigger threat posed by the state's changing demographics is that if farmers aren't the ones telling the story of agriculture, we risk losing our state's urban constituents to disinterest, at best, or more insidious disinformation campaigns, at worst.

The good news is that agriculture has a great story to tell. Not long ago, the mantra was to ask consumers to "Thank a Farmer" for their contribution to a safe and abundant food supply. But in an era when most people take food for granted, savvy board guidance has flipped the message on its head and instead are *thanking consumers* for their purchases of the animal products that consume soybeans. This message, along with an emphasis of humanizing our growers, has been rolled out through some very capable messengers over the past several months - namely Ben Long (Scotland Neck) and family at the NC State Ag Day game and Trey Liverman (Columbia), who gave professional Wolfpack announcer Andy Sanders a run for his money, in a live interview that aired in November.

## MEET THE BOARD: FORREST HOWELL



Forrest Howell farms 8,000 acres in Beaufort County with his dad, uncles, cousins, and brothers as part of the Howell Farms family farming operation. The Howells grow corn, wheat, and soybeans. Forrest is serving in the second year of his first term and was elected to the Executive Committee in 2020.

Forrest has been farming with his family since he was old enough to drive a tractor but officially returned home to work full time in 2016 after receiving a Bachelors in Agricultural Science and a Masters in Entomology from N.C. State. Forrest brings a new perspective to the Howell operation and has been critical in implementing technology on their farm to help with data collection and analysis.

As a young farmer, Forrest thinks about what the future of farming looks like for his generation. He understands consumers want to feel a connection with their food, and know where it came from, how it was grown, and when it was harvested. He thinks this will shape the future of agriculture production. Forrest knows his generation of farmers will have to adapt to these changing attitudes towards farming as previous generations have adapted to changes in the past. Forrest is optimistic about the future of farming in this country and confident this next generation of farmers will continue to make strides toward greater sustainability and efficiency.

Forrest has enjoyed serving on the NCSPA board because it allows him to connect with growers across the state and work together to promote N.C. soybeans and N.C. agriculture. When he's not farming, he enjoys hunting, fishing, and cheering on the Wolfpack!

# NC SOYBEANS POLICY UPDATE

The ag policy world saw a few victories this winter including the passage of USMCA by Congress, a Phase 1 Trade Deal with China and WHIP+ disaster relief. Since our last update however, it seems that the policy realm is holding their breath. A large part of this is due to the fact that we are in the midst of a major election year. Not only are we in the middle of the 2020 Presidential election, but N.C. is home to one of the most expensive senatorial races in the country. Also, redrawn congressional and state House and Senate maps will be used during the 2020 election – something sure to cause confusion for the state’s voters.

In the world of N.C. soybeans, the year started off with our 2nd annual NC SoyPAC Casino Night, that was held during the N.C. Commodities Conference. During the annual fundraiser, the NC SoyPAC generates funds to use throughout the year to support candidates who back policies that are favorable to soybean producers in the state. Casino Night was well-attended, and everyone loved the opportunity to test their skills and see if lady luck was on their side. 2020 promises to be an interesting election year, and the NC SoyPAC is well-positioned to help educate the N.C. delegation on Capitol Hill about the priorities of N.C. farmers. Thank you to all who attended and contributed to the event and for your continued support of the N.C. soybean farmer.

The association continues to stay busy representing N.C. growers in D.C. and in Raleigh, by attending legislative listening events, congressional town hall meetings, and most recently made a trip

with four board members to Washington D.C. NCSPA President Jeff Tyson, Secretary Gary Hendrix, ASA Director Jimmy Thomas and NC SoyPAC Chair Michael McPherson all made the trip to meet with our representatives. Senator Tillis, Congressman Rouzer, Congressman Hudson, and our most newly elected representatives, Congressmen Bishop & Murphy, were a few of the offices visited. While we thanked them all for their approval for USMCA, we made sure the farmer’s need for a final resolution with China was understood. Labor, research expansion and threats to N.C. farmers’ right to farm were other issues discussed during the meetings.

Earlier this month, the Executive Committee also had the opportunity to sit down with Undersecretary for Farm Production and Conservation, Bill Northey, and other Farm Service Agency (FSA) officials for a FSA Briefing. During this time, the directors expressed concerns from growers across the state on different issues such as the recent WHIP+ sign-up process and local staff shortages at FSA offices.

These visits and listening session wouldn’t be possible without the memberships through the NC Soy Alliance. Membership dues support policy and advocacy efforts in the interest of N.C. farmers and the ag community. Not a member of the NC Soy Alliance? Sign up online at [www.ncsoy.org/soy-alliance](http://www.ncsoy.org/soy-alliance) or the form below to enable N.C. soybean growers to continue to represent you.

Name		
Farm Name		
Address		
City	State	Zip Code
County	Email <i>Required</i>	
Phone	Please check the company for which you wish to receive a rebate: <input type="checkbox"/> Credenz <input type="checkbox"/> Progeny	
<input type="checkbox"/> <b>1 Year Membership - \$100</b> Please make checks payable to NC Soybean Producers Association and mail to: 211 E. Six Forks Road, Suite 102, Raleigh, NC 27609		

## 2020 CORPORATE PARTNERS

NCSPA extends a special thanks to our 2020 Corporate Partners for their continued support. These partnerships not only support the Association’s advocacy efforts, they also provide a forum wherein valuable ideas and perspectives can be shared with our growers.



## ASA CONSERVATION LEGACY AWARD

Frank Howey of Monroe, N.C. is the winner for the South Region of the ASA's 2020 Conservation Legacy Award. The national award is designed to recognize the environmental and conservation achievement that helps make soybean production more sustainable.

Farming in an area where dry weather is most often a limiting factor, Howey grows both corn and soybeans in 15-inch rows and counts on a quick canopy to both preserve spring moisture and control weeds. A seventh-generation farmer, he and his wife, Allison, have created a diverse enterprise that includes corn, wheat, soybeans, timber and beef cattle. Howey has been no-till farming since 1984.

Their farm is only an hour outside of Charlotte and in one of the fastest growing areas of the country - which means they are surrounded by housing developments. Howey gives wildlife some habitat and cover by leaving strips of land to let trees grow. In addition, each year the Howeys plant about 150,000 trees on land not suitable for growing other crops. "We strive to be good stewards of the land for not only our own two young aspiring farmers — Trey, 17, and Ellie, 10 — but for generations to come," Frank Howey says.

The Conservation Legacy Award program recognizes growers from four regions with Howey receiving the award for the South Region at this year's Commodity Classic in San Antonio, Texas.

**Congratulations to Frank Howey and his family again for this great accomplishment!**



Farmer Frank Howey



Kevin Matthews receives the 2020 Overall State Soybean Yield Award and State Soybean Yield Record Award from president, Jeff Tyson

## NCSPA YIELD CONTEST

The NCSPA announced the 2019 Yield Contest Winners at the NC Commodities Conference on Jan 9, 2020. This was the first year with a new category structure, most notably both an irrigated and non-irrigated division.

First place in the irrigated division and the Overall State Winner for the 3rd year in a row was Matthews Family Farms of Davie County, N.C. with 108.9 bu/ac. This set a new state soybean yield record. Matthews along with his county agent, Marsha McGraw received a trip to Commodity Classic.

First place in the dryland division was James Allen of Washington County (99.1 bu/ac). Allen received a \$500 cash award. Second place in the irrigated division was Wilton Shooter and Sons of Robeson County (89.7 bu/ac). Second place in the dryland division was 3B Farms of Washington County (93.1 bu/ac). Both second place winners received a \$200 cash award.

Regional awards were given to the producer with the highest yield in each of the five areas, regardless of irrigation practices. State winners are ineligible for regional awards so in regions where state winning entries were produced, second place entries were awarded the prize. The regional winners are listed below.

- Tidewater Region: Boerema Farms, Hyde County (92.2 bu/ac)
- Northern Coastal Plain Region: Boykin Farms, Johnston County (82.3 bu/ac)
- Southern Coastal Plain Region: Locklear Brothers Farm, Robeson County (87.6 bu/ac)
- Northern Piedmont Region: Will Cox, Randolph County (87.5 bu/ac)
- Southern Piedmont Region: Jason Smith, Rowan County (76.9 bu/ac)

**CONGRATULATIONS TO ALL THE YIELD CONTEST WINNERS!**




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# KEEPING THE FUTURE OF SOYBEANS BRIGHT

*From researching new uses for soybeans to identifying new markets for U.S. soy, the soy checkoff is working behind the scenes to create new opportunities and increase profits for soybean farmers. We're looking inside the bean, beyond the bushel and around the world to keep preference for U.S. soy strong. And it's helping make a valuable impact for soybean farmers like you.*

*See more ways the soy checkoff is maximizing profit opportunities for soybean farmers at [unitedsoybean.org](http://unitedsoybean.org)*

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## UPCOMING EVENTS

- April 17<sup>th</sup> - Rowan County Ag Expo, Spencer
- April 18<sup>th</sup> - Alamance County Ag Day, Graham
- April 22<sup>nd</sup>-24<sup>th</sup> - Farm Animal Ag Days, NCSU Beef Education Unit
- June 16<sup>th</sup>-17<sup>th</sup> - N.C. FFA Convention, Downtown Raleigh
- June 30<sup>th</sup> - NCSPA "Touch A Tractor", North Hills Raleigh
- July 30<sup>th</sup> - NE Ag Expo, Chowan County
- August 5<sup>th</sup> - Blacklands Farm Managers Tour, Beaufort County



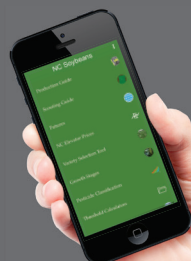
Board members Collin Brickhouse and Simmy Williams present awards to elementary students at the Soybean Festival in Elizabeth City, N.C.

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Congratulations to  
Reggie Strickland of  
Mt. Olive, N.C. on being  
nominated to the United  
Soybean Board by Secretary of  
Agriculture Sonny Perdue.

To see the full story and more  
about Reggie, visit our website  
[ncsoy.org/article/strickland-  
appointed-to-united-  
soybean-board](https://ncsoy.org/article/strickland-appointed-to-united-soybean-board)