



2019 ANNUAL REPORT OF THE NORTH CAROLINA
SOYBEAN PRODUCERS ASSOCIATION

PRESIDENT'S LETTER



The agricultural industry is cyclical. Given the many hats you wear on the farm and the wide variety of tasks to complete over the course of the year, this can be easy to forget. But, as new farmers become veterans they're quickly reminded how the rhythm of the seasons plays out from year

to year. Seasoned farmers, however, also have enough experience to recognize that not every cycle is annual. One year of poor prices, for example, is not always answered by one year of profits just as one year of good weather is not always followed by one year of bad. While the last few years have certainly represented a trough in the cycle of farm profitability, the 2019/20 crop gives us some reason for cautious optimism.

As I mark my first year as Board President, I'm optimistic of where we are headed as soybean farmers and where we are headed as an Association. After several years of weather disruptions, 2019 finally saw a return to normal

yields. And, while prices are a far cry from their peak, they appear to at least be headed in the right direction.

While weather and macroeconomic forces have always been beyond our control, as farmers, we do have a say in terms of how we respond. Individually, this has always meant working hard to produce a high quality and sought-after product in order to support our families. Collectively this has meant pooling our resources to fund the research, marketing and outreach efforts of the North Carolina Soybean Producers Association.

While weather and macroeconomic forces have always been beyond our control, as farmers, we do have a say in terms of how we respond.

Aside from cultivating a staff to help achieve these goals, one of my first priorities as Board President was to revisit our five-year strategic plan, something last done in 2012. Much has changed since then in terms of markets, available technologies, agronomic practices and in the political arena. If soybeans are going to

continue to grow in prominence in our own operations and across the broader landscape of North Carolina agriculture, we, as growers, would be remiss not to acknowledge the changes and to set metrics for success. It is my sincere hope that this plan becomes a useful, albeit temporary, guide to the next generation of leadership in the Association and in the agricultural community.

In closing, I'd like to thank outgoing board members Bert Dixon, Cody Paul, Chris Naylor, Jessica Burgess, Craig Seaman, Ben Moses and recognize Jacob Parker, in particular, for his many years of service on the board. Grower involvement like theirs is what keeps the Association thriving and what keeps us a force in local, national and international discussions on agriculture.

Here's to a favorable finish to the current marketing year and a promising start to the 2020 crop.

A handwritten signature in black ink, appearing to read "Jeff Tyson". The signature is fluid and cursive.

Jeff Tyson
NCSPA President

RESEARCH

NEW PROJECTS HELP NC FARMERS THINK ABOUT SOYBEANS DIFFERENTLY

From evaluating production practices and crop protection products to variety testing, one of the most important priorities for the NCSPA is to fund research which helps farmers increase profitability and yields in an environmentally and economically sound manner.

As the farming landscape in N.C. continues to change, one of the goals of the Association is to fund projects which help members transition soybeans from a purely rotational crop to a profit opportunity. N.C. State has been a great partner in helping carry out this research over the last 50+ years and new faculty faces in the College of Ag and Life Sciences are bringing energy and new ideas to the soybean agronomic research pipeline.



NC State Soybean Extension Team

In 2019 the board approved 23 projects, totaling \$499,380. Projects covered a gamut of topics that affect soybean production across the state including nutrient management, soil health, pest management, and variety development and testing.

A few of the new projects started in the last few years that should help N.C. growers think about soybeans a little differently are highlighted below.

Maximizing Soybean Yield through Maturity Group and Planting Date

Rachel Vann

Growers frequently are asking questions about planting date, maturity group selection, and population. A soybean variety from each MG from II-VII will be planted every two-weeks from mid-March through mid-August at three different populations. The goal of this project is to generate local data that helps answer questions about maturity group by planting date interactions.

Effects of Poultry Litter Application on Soybean Yield & Quality

Stephanie Kulesza

Many high-yielding soybean producers across the state use poultry litter but there is little information available regarding the optimal rate or even if adding poultry litter will elicit a consistent yield response. The goal of this project is to determine if poultry litter increases soybean yield and to identify optimal rates.

Building a Smarter Pheromone Trap Network

Anders Huseth

Corn earworm is one of the costliest insect pests in soybeans. Traditionally pheromone traps have been used to collect information about corn earworm activity. However, there is a time lag between moth counting and online data availability for growers. The goal of this project is to develop an automated sensor to count corn earworm and in turn improve timely management of this pest.

Investigating Best Management Practices for MG III-IV Soybeans in NC

County Extension Agents

Interest in earlier varieties has been encouraged by the increased yield potential of the varieties. Growers are interested in planting earlier varieties, but question whether the standard production practices used for later maturing varieties are adequate to maximize the yield and profit potential. The goal of this project is to provide growers with best management practices for MG III and IV soybeans.

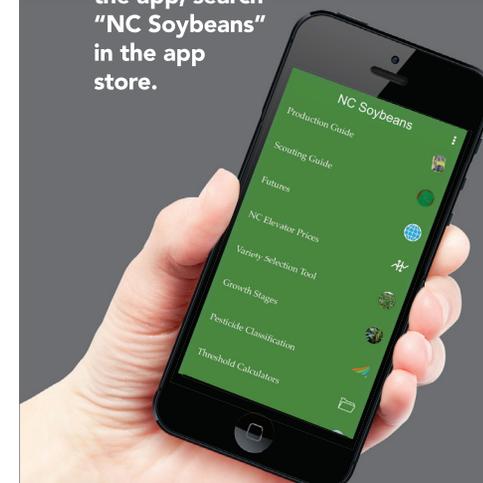
KEEPING MEMBERS INFORMED

The biggest priority for NCSPA communications is to keep in touch with its members – all the soybean producers in N.C. The Association strives to keep growers informed of the research it conducts, and make sure growers have access to the results to improve their farming operations.

Some of the best opportunities for staff and grower interaction include crop production meetings during the winter months and field days during the summer. Staff also makes sure to communicate checkoff activity to future farmers through 4-H and FFA events.

In 2019, the NCSPA launched the first NC Soybeans Mobile App to provide growers with the information they need, easily accessible from a mobile device. The app includes a mobile version of the Soybean Production Guide, Scouting Guide, local elevator prices, latest research, and more. It is a one stop shop for soybean production information, all readily searchable from your tractor.

To download the app, search "NC Soybeans" in the app store.



MARKET DEVELOPMENT

CULTIVATING MARKETS NEAR AND FAR

The name of the game in commodity markets is to provide support to prices by winding down stocks. Many governments around the world have developed a host of policy mechanisms to do just that or to limit the accumulation of stocks in the first place. In the United States, the world's largest and most competitive agricultural economy, such policies are far less common but do crop up occasionally in things like biofuels, and a few anachronistic commodity programs like that of sugar.

For US soy, which operates in a competitive and free market, farmers' ability to sell their product begins with the ability to produce a high-quality product at a competitive price. And while critical, like table stakes in poker, it represents the bare minimum to get a seat at the table. In marketing their product farmers have traditionally been price takers, subjected to what is offered to them by grain companies with information advantages or railroads with monopolistic pricing power – all while the clock ticks on the time value of money and the degradatory forces of beans in storage. Trade associations, like the NCSPA, meanwhile, give farmers a chance to level the playing field by pooling resources to develop new markets and help raise the basis for the crop.



Owen Wagner, NCSPA CEO, conferring with our most important customers

corn and the state's livestock industries. In November, board Secretary Gary Hendrix and NCSPA CEO Owen Wagner attended a USSEC organized conference in Taiwan (NC's biggest international buyer) and Japan where they met with TTET Union, tofu manufacturers and other buyers. In December, board members Philip Sloop and Forrest Howell attended a similar event in Germany helping to put N.C. on the map for buyers from the EU and Middle East. Throughout these visits, your fellow soybean farmers have been able to demonstrate that N.C. is a producer of high-quality soybeans that can be delivered at a competitive cost.

Meanwhile, back in Raleigh, NCSPA staff amplified this message by hosting trade visits from China, Thailand, Turkey and Algeria while also partnering with our #1 customer, the state's livestock industry, in promoting a policy environment in the state that is supportive to all of agriculture.

Trade associations, like the NCSPA, give farmers a chance to level the playing field by pooling resources to develop new markets and help raise the basis for the crop.

To this end, June saw board president Jeff Tyson and Vice President David Heath attending a grains summit held at NC State bringing together perspectives from soybeans, small grains,



Board member Forrest Howell provides a crop update to European buyers at a USSEC conference in Germany



Board member Gary Hendrix and Michelle Wang, NCDA, visit the crush plant of TTET Union in Taiwan, the largest export market for NC soybeans

COMMUNICATIONS & OUTREACH

CORTEVA YOUNG LEADER

Trey & Rebecca Liverman of Columbia, N.C. have been selected as North Carolina's ASA Corteva Agriscience Young Leaders for 2019-2020. This is the 37th year that the NC Soybean Producers Association has participated in the program that identifies and recognizes prospective agricultural leaders from across the country.

Trey graduated from N.C. State University with degrees in Ag Business Management and Agronomy, then returned home to work on his family farm with his father. In addition to working on the farm, he also works as a Seed Dealer for Coastal AgroBusiness. Rebecca attended Meredith College where she earned a degree in Quantitative Food Sciences before she continued her education at N.C. State where she obtained a Masters in Extension Education. Currently she serves as the Washington County Extension Director.

The Livermans farm corn, soybeans, wheat, and milo. With just the father son team on the farm, one of the biggest challenges they face is doing more with less. Adding technology tools like precision planting and yield monitoring help them make the most of their resources and better prepare for the next season. Being located on the coast also presents its own challenges and they have been no stranger to hurricanes over the past few years. They often must work to keep the water off their crops more than they have to irrigate.



Trey & Rebecca Liverman

According to Liverman, "The best part about farming is being able to see all the work that is put in throughout the year come to fruition at harvest. Placing a little seed in the ground and nurturing it and protecting it to the best of our ability in order to feed and clothe our world is a tall task, but very satisfying knowing we are doing our part - no matter how big or small that may be."

Trey is excited about opportunities to network and share ideas with growers from all over the country. He hopes to improve his skills so he can continue to be a voice for the N.C. farmer in Raleigh, D.C., and throughout the country.

Trey and Rebecca met through 4-H and have been married for 17 years. When they're not farming or volunteering, they enjoy being on the water and cheering on the Wolfpack and Carolina Panthers.

The first segment of the Young Leader program was held in Indianapolis, Indiana from Dec. 3-6, 2019. Liverman will complete his training at Commodity Classic in San Antonio, Texas Feb. 25-29, 2020.

CONSUMER OUTREACH

Given all the challenges agriculture has faced in the last year, educating consumers continues to be a high priority for the NCSPA. To do so, staff and board members participate in many events around the state.

The NCSPA has a long history of successful partnership with NC State athletics. Radio commercials that air during football and basketball games educate fans throughout the state. The NCSPA was a sponsor of the Ag Day football game at N.C. State vs Western Carolina where Ben Long, a board member from Scotland Neck, was on the jumbotron thanking consumers for supporting farmers. During the Clemson game, Trey Liverman discussed the importance of agriculture to rural North Carolina in an on-air interview. And NCSPA staff exhibited at the NCSU vs UNC woman's basketball game.

A few new events were added in 2019 to reach even more consumers. The NCSPA and United Soybean Board co-sponsored the Soil and Water Conservation North American Envirothon. This problem-solving



Laura Rogers meets with students at the SWC Envirothon held in Raleigh.

competition brought in approximately 300 students from 30 states and three countries. And, the first annual Soybean Recipe Contest was held at the NC State Fair. This contest highlighted to fairgoers how soy is a complete protein that can be easily added to any meal.

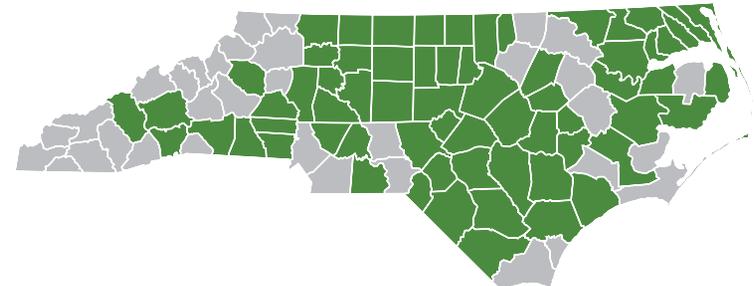
Other popular favorites included N.C. State's Farm Animal Days, the Future Me Fair at Marbles Kids Museum in Raleigh, Touch-A-Tractor event at North Hills, and the Mountain State Fair in Fletcher. Collectively, these events allow the Association to talk to thousands of people about agriculture.

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 919-839-5700.

60 COUNTIES
VISITED

THOUSANDS OF
PEOPLE REACHED

165
EVENTS



LEGISLATIVE OUTREACH

ADVOCATING FOR N.C. SOYBEAN GROWERS

2019 will be a year defined, in part, by its unsettled policy environment towards agriculture. While progress has been made on some policy loose-ends from 2019, NCSPA is making preparations to help ensure that NC farmers legislative interests continue to be advanced in 2020.

At the federal level, trade has been a focal point for many growers, congressmen and political advocates since 2018. While back and forth negotiations with China make it difficult to keep up with where we are in the process, we remain hopeful these negotiations are a step towards restoring stability to the soybean industry. Fortunately, lawmakers and The U.S. Department of Agriculture have readily acknowledged the price of this uncertainty to American farmers, re-implementing the Market Facilitation Program in 2019, with two tranches of payments released thus far. Putting a positive stamp on year's end, the US House of Representatives passed a reworked version of the US-Mexico-Canada Agreement, first introduced over a year ago, just in time for Christmas. Canada and Mexico both became reliable customers of US soy and livestock products under the NAFTA regime and the USMCA, which is expected to pass easily in the Senate in early 2020, preserves tariff free access to these important markets.

Another positive step was the \$19.1 billion Disaster Relief Package Congress passed, with \$3 billion being dedicated to crop and livestock. The NCSPA is appreciative of our elected officials who stayed the course and continued to

fight this cause, so that agriculture would find some relief from the storms.

At the state level, the 2019 NC Farm Act spent a long summer going back and forth between chambers and committees at the General Assembly. It eventually passed the N.C. Senate but was withdrawn from the N.C. House of Representatives at the last minute. Much of the year's bill was dedicated to creating a state regulated hemp program.

The 2020 election year will be big for N.C. at both the state and federal level with most of the seats up for election next fall. The N.C. Senatorial race is expected to be one of the most expensive and watched races in the country for 2020, so all eyes will be tuned in to our state.

As an association, the NC Soybean Producers made two trips to Capitol Hill in 2019 and met with all the state's congressional representatives or their staff in that time. Farmers also meet with special election candidates before the District 3 and 9 election in September. As the 2020 election cycle picks up, many growers will be visiting with candidates at the state and federal level. These meetings are used to share what is important to NC soybean farmers, encompassing everything from trade to the right to farm. This state is very fortunate to have farmers who are passionate about agriculture and continue to advocate for their peers back home, even when that means work halts for a few days. It is important to continue these efforts on the federal and state level to make sure the grower's voice is heard and agriculture is well represented.



NCSPA's advocating efforts cannot be funded through the check-off which is why your membership in the NC Soy Alliance is so important. Membership dues go towards policy and advocacy efforts in the interest of NC farmers and the agricultural community. Not a member of the NC Soy Alliance? Then sign up online at www.ncsoy.org/soy-alliance to help soybean growers in NC continue to represent you.



Another important group that helps us continue our work every day is our Corporate Partners. We would like to thank our 2019-2020 Corporate Partners and all that they do to support the N.C. soybean industry!



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 David Heath, Dover – Vice President
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 Elbert Dixon, Maury
 Sydney Dunn, Edenton
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 Reid Gelderman, Pantego
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 Auston Harris, Kinston
 Forest Howell, Plymouth
 Aaron Kirk, Hillsborough
 Trey Liverman, Columbia

Ben Long, Scotland Neck
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 Wade Stanaland, Bladenboro
 Jason Starnes, Salisbury
 Reggie Strickland, Mt. Olive
 Logan Watson, Monroe
 Simmy Williams, Shiloh

ANNUAL REPORT OF THE TREASURER

John Fleming, Treasurer

FISCAL YEAR 2018-19, ENDED AUGUST 31, 2019	AMOUNT
REVENUE	
Assessments – Net	\$1,087,436.00
Investment Income/(Loss)	\$95,224.00
Other	\$128,267.00
TOTAL REVENUE	\$1,310,927.00*
TOTAL EXPENSES	\$1,670,625.00
NET INCREASE/(DECREASE)	(\$359,698.00)
NET ASSETS – AUGUST 31, 2018	\$4,547,516.00
NET ASSETS – AUGUST 31, 2019	\$4,187,818.00
CURRENT ASSETS	
Cash on hand in banks	\$3,760,117.00
TOTAL CURRENT ASSETS	\$3,760,117.00
PROPERTIES & ACCUMULATED DEPRECIATION	
Automobile	\$55,736.00
Office Furniture and Equipment	\$48,221.00
Office Building	\$168,206.00
Total Property	\$272,163.00
Less Accumulated Depreciation	(\$173,237.00)
Total Property - Net	\$98,926.00
OTHER ASSETS - INVESTMENTS	\$419,983.00
TOTAL ASSETS	\$4,279,026.00
CURRENT LIABILITIES	
Accounts Payable	-0-
Assessments Payable	\$91,208.00
TOTAL CURRENT LIABILITIES	\$91,208.00
TOTAL NET ASSETS	\$4,187,818.00
TOTAL LIABILITIES & NET ASSETS	\$4,279,026.00

*Cash Income FY 2017-18 - \$1,815,914



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HAVE A STUDENT AT N.C. STATE WHO PLANS TO WORK IN THE SOYBEAN INDUSTRY?

The NCSPA is seeking applicants for the N.C. Soybean Research Scholarship, awarded annually to rising sophomores, juniors, and seniors at N.C. State. The one-time scholarships range from \$2,500 to \$5,000.

Applications will be accepted at
ncsu.academicworks.com/opportunities
(search soybean) through Feb. 15, 2020.

THE LATEST NCSPA NEWS AND RESOURCES ARE RIGHT IN YOUR POCKET.

Download the NC Soybean Mobile App.

Find a mobile version of the
Production Guide and
Scouting Guide, grain prices,
threshold calculators,
variety info & more.

Download in the app store by
searching "NC Soybeans".



To assist us in maintaining an accurate address file and reduce postage costs, please notify the N.C. Soybean Producers Association (919-839-5700) of any address changes or corrections. Comments and suggestions are also welcome.