

ANNUAL REPORT

NORTH CAROLINA SOYBEAN PRODUCERS ASSOCIATION 2022



WE WAKE UP AND DO WHAT WE LOVE



In 1966, the North Carolina Soybean Producers Association was begun by farmers who had a vision and saw a need for strategic initiative. North Carolina was the first U.S. state to start an assessment program (a "checkoff") on soybeans. More than 20 U.S. states followed suit and today U.S. soy growers benefit from a national research and promotion program, created by Congress in 1991. For 56 years, the soybean checkoff in North

Carolina has created opportunities for current and future generations of farmers.

We like to talk about the soy checkoff as an investment in our future. Your soybean association has successfully invested for many years in soybean production research, at North Carolina State University and elsewhere, in soy marketing, in outreach and communications that lift our industry, and in educating many about state and federal issues (marketing, transportation, regulation) that impact soy growers.

This association is ever mindful of the needs of soy growers in our state. Our soybean industry is dynamic and requires quite a bit of effort to stay abreast of challenges and problems. The one thing your soybean association cannot do with soy checkoff dollars is attempt to influence policy-makers and policy decisions. Fortunately, the association has raised unrestricted funds that are eligible for influencing policy. The association has a good rapport with our legislators in Washington and in Raleigh and with the like-minded commodity associations in our North Carolina agricultural family.

Each of us involved in investing the soybean checkoff knows the challenges that farmers face. Because North Carolina farmers have entrusted their hard-earned dollars to our stewardship, all who govern this association must work towards ways to raise and market soybeans in North Carolina as profitably as possible. I can say with pride that I have served with some fine and reputable volunteer leaders while president of this soybean board of directors. And I am proud to present to you this annual report of the work of the association in year 2022.

A handwritten signature in black ink, appearing to read 'D. Heath'.

David Heath
President, N.C. Soybean Producers Association

2022 NCSPA Board of Directors

President: David Heath, Dover

Vice President: Gary Hendrix, Raeford

Secretary: Philip Sloop, Mount Ulla

Treasurer: Jeff Tyson, Nashville

United Soybean Board Director:
Derek Potter, Grantsboro

United Soybean Board Director:
Reginald Strickland, Mt. Olive

American Soybean Association Director:
Jimmy Thomas, Timberlake

NC SoyPAC Chair: Michael McPherson, Mebane

EXECUTIVE COMMITTEE:

Trey Liverman, Columbia

Forrest Howell, Plymouth

Reggie Baker, Monroe

Adrian Locklear, Maxton

BOARD OF DIRECTORS:

John Avent, Warsaw

Brandon Batten, Four Oaks

Nathan Bennet, Rich Square

Andy Bland, Dover

Colin Brickhouse, Elizabeth City

Collins Bullard, Stedman

Keith Caldwell, Maiden

Jamie Carrick, Albemarle

Andy Corriher, China Grove

Jason Farmer, Louisburg

Reid Gelderman, Pantego

Phil Gore, Nakina

Terry Hoffner, Cleveland

Aaron Kirk, Hillsborough

Ben Long, Scotland Neck

Duncan Malloy, Lumber Bridge

Keith Mills, Trenton

Thad Sharp, Sims

Collin Smithson, Shawboro

Wade Stanaland, Bladenboro

Jarman Sullivan, Faison

Beth Taylor, Whitakers

Shane Varnell, Rocky Mount

Logan Watson, Monroe

Grayson Wells, Snow Hill

IMPROVE | OVERALL YIELD AND QUALITY



Forrest Howell,
Research Committee Chair

Soybean research has always been a critical mission for North Carolina's soybean producers. With continuous investment of farmer dollars originating in the 1960s, today's 21st century program is broadly focused on the soybean plant, the soil, the nutrients and yield enhancements, pests and diseases, soy quality, and new technology for farmers.

To ensure success, the association employs a Research Coordinator who excels at managing the strategic research investments and partnerships, and at communicating the outcomes of research to farmers.

Jeff H. Chandler joined the North Carolina Soybean Producers Association in the role of Research Coordinator in October 2022. This important position manages the association's research project portfolio and serves as a liaison to N.C. State University and other research institutions. Chandler replaces Katherine Stowe, who had joined the staff in 2016 when the position was newly created, and who is now director of the U.S. Soybean Research Collaborative.

Chandler, a former research station director, is well-poised to lead the North Carolina soy checkoff's research program focusing on yield and profitability, pest management, genetic improvement, soy quality, and more.

Chandler has this to say about his vision for the Research Coordinator position:



"I AM THRILLED TO JOIN THE NCSPA AS RESEARCH COORDINATOR. MY PASSION FOR AGRICULTURE IS DRIVEN BY A DESIRE TO IMPROVE FARM PROFITABILITY AND

SUSTAINABILITY IN NORTH CAROLINA THROUGH INNOVATIVE RESEARCH AND CREATIVE PROBLEM SOLVING TO MEET PRODUCER NEEDS. I WILL ENGAGE WITH OUR BOARD, STAFF, AND SOYBEAN PRODUCERS ACROSS THE STATE TO PRIORITIZE RESEARCH NEEDS THAT MAXIMIZE SOYBEAN PROFITABILITY. I'M

EXCITED TO COLLABORATE WITH UNIVERSITY AND PRIVATE RESEARCHERS ON IMPACTFUL SOYBEAN RESEARCH FUNDED THROUGH FARMER CHECKOFF INVESTMENTS."

A native of Mt. Gilead in Montgomery County, Chandler grew up on a corn, soybean, wheat, and beef cattle farm. Chandler is particularly well-suited to his new role due to his degrees in Animal Science, Poultry Science and Crop Science from N.C. State University. Chandler began his career as a county Extension agent. He went on to serve as Research Operations Manager at the Sandhills Research Station in Jackson Springs and as Director of the Mountain Horticultural Crops Research and Extension Center in Mills River.

As the 2022 experiments and trials come to fruition and research leaders gear up for the 2023 season, watch for the association's annual Research Report on the latest findings and outcomes.





Adrian Locklear,
Marketing Committee Chair

Animals are our biggest customer, and our goal is to cement in place soy's position as a preferred feed source of protein and energy. With 10 million swine and a billion chickens and turkeys, North Carolina is a vast consumer of soybean meal. Meal from U.S. soybeans is the preferred plant protein in animal diets around the world, and our association has done its part to expand awareness and preference for U.S. soy quality, the bedrock of soybean demand.

North Carolina is blessed with an ideal climate for producing world-class soybeans with the most desirable quality characteristics.

Soybean production took root and grew here because of soy's value for livestock, poultry, and dairy feed. The association has spent years promoting quality North Carolina soy to our partners in the value chain. Animal nutritionists and feed millers know the intrinsic nutritional advantages of soybeans originating right here. With our partners at the North



Carolina Department of Agriculture & Consumer Services and at the U.S. Soybean Export Council (USSEC), we promote that quality advantage to the world.

Supporting youth livestock shows and the annual Sale of Champions at the 2022 North Carolina State Fair is one way that we show appreciation to our North Carolina customers. Our partners in the animal industry provide consumers in the U.S. and around the world with a preferred source of protein, one that is nourished by soy protein in the feed ration. Maximizing the quality potential of soy for animal nutrition is a key strategy for success.

Our overseas customers think the same. In 2022, North Carolina soy was exported from ports in Virginia and both Carolinas. We've invested in the messages and marketing campaigns to promote our quality with a special focus on our customers in South Asia.

2022 was a hard year for some of our partners, with acute price hikes, logistical challenges, and global market turmoil. Our top priority is to ensure the quality, consistency, and availability of our product for our biggest customers. We've done that consistently, and in 2022 and beyond we're looking at spreading our efforts into additional markets, for example aquaculture, where we can build awareness and create preference for a product among new customers.

ENSURE | A FAVORABLE POLICY ENVIRONMENT



Trey Liverman,
Advocacy Committee Chair

Farmers of all stripes faced unprecedented challenges in 2022, and not just weather events, spiking operational costs, and significant supply chain disruptions. In North Carolina, well-funded adversaries have campaigned against growers' freedoms by filing nuisance lawsuits despite a 1979 Right to Farm law and numerous amendments over the years. Through it all, growers contended with run-of-the-mill challenges including regulatory hurdles, policy hurdles, and legal decisions by the courts. In 2022, a list of 726 pesticide products was awaiting an overdue review by the U.S. Environmental Protection Agency, and new actions were implemented to incorporate Endangered Species Act protections in the pesticide registration process.

Our association is for farmers and the right to farm. Our engagement reaches across elected officials, the policies they create, the state and federal agencies that implement policy and regulate, the judicial system that settles disputes, and the partners and collaborators in our agricultural family of associations. Just a few of the things on our radar in 2022: Waters of the U.S. and the Sackett v. EPA case and the California Prop 12 case currently before the Supreme Court, the upcoming 2023 Farm Bill draft, and on the bright

side, funding for the federal Agricultural Advanced Research and Development Authority and for the USDA Partnership for Climate Smart Commodities.

Hearing directly from farmers about what matters to them, and their families is incredibly impactful. If you are a farmer, consider ways you can share your input with our association. Participating in checkoff and non-checkoff funded programs including the N.C. Commodities Conference, and in the Extension production meetings we sponsor, are just a few ways to make your voice heard.

We could not stay engaged without our corporate partners, who we thank for their commitment of resources and their time. Special thanks to Jimmy Thomas of Person County, North Carolina's director on the board of the American Soybean Association, the national grassroots organization for soy growers, and to John Fleming of Halifax County who will join Thomas on the ASA board in December 2022, and to Michael McPherson of Orange County, chair of the association's NC SoyPAC fundraising committee.



The NCSPA's Corporate Partners are another great advocate of the N.C. soybean farmer that deserve recognition. We would like to thank our 2022 Corporate Partners and all that they do to help us continue to serve the soybean industry every day!



CULTIVATE | A POSITIVE PUBLIC IMAGE



Reggie Baker,
Outreach Committee Chair

In the words of Outreach Director Faith Case, the soybean association aims to cultivate relationships with consumers of all ages to inform them about who and where their food comes from. This means being a voice in the community that stands by soybean farmers and engages people who want to know more about farming and food production. Case's activities take her into school classrooms, to community events, and onto local news programs, whenever there is an opportunity to share information about soy.

At the 2022 North Carolina State Fair, the soy checkoff teamed up with pork, beef, dairy and the North Carolina Farm Bureau to provide fairgoers a special exhibit area where they could go to the "Moovies" and watch entertaining N.C. farm videos while the kids played on a bed of soy-based turfgrass. The audience left with pockets stuffed full of informational handouts and activities for the kids. The association concluded the 2022 fair with the "Sale of Champions" auction, where the proceeds from auctioning the champion animals support an educational scholarship program for junior livestock handlers.

Sticking with the theme of collaboration, the soy association teamed up with the Pork Council and the Cattlemen's Association to bring back the popular Touch a Tractor event in 2022. We were able to cultivate an urban audience at North Hills in Raleigh and seed some positive agricultural experiences for kids and parents. The entire association staff turned out to bring games, activities, giveaways, and good conversation. Association president David Heath brought the tractor provided for the day by Quality Equipment and had a fun morning showing kids the machinery and answering their questions.



Follow us on social media to see where we go next!



PERFORM | LIKE A HIGH-PERFORMING ORGANIZATION



Jeff Tyson,
Treasurer

Construction on the association's Haworth Drive office property in Raleigh wrapped up in October 2022 and the fully staffed office is officially open for business! The construction project and subsequent move support the "High Performing Organization" pillar of the association's five-year strategic plan in several ways. The centrally located office allows for enhanced collaboration and communication with our stakeholders and partners. A spacious, well-appointed conference area alleviates the need to procure off-site space for individual committee meetings while improving the ability to attend/host virtual meetings. Deployment of our Voice Over Internet (VOIP) communication platform allows for seamless contact with staff whether we are working on-site or remotely. Improved on-site storage allows for increased utilization and tracking of supplies and decreases waste and inadvertent stockpiles. We are confident that the new space and the changes implemented in workflow and organization will continue to improve and enhance the association's organizational performance for the foreseeable future.

The association passed the FY 2022 audit with flying colors. The association's annual financial audit, conducted by Scott Grady CPA, validated the soundness of the association's financial practices and procedures. Achieving a clean audit is one of the key performance indicators. The FY 2022 audit marks the first audit of new, streamlined accounting and management practices that the association recently adopted. The positive outcomes from the audit demonstrate the continuous improvement and sound management that exemplify this association.

FISCAL YEAR 2021-22, ENDED AUGUST 31, 2022

REVENUE	
Assessments – Net	2,135,888.00
Investment Income (Loss)	(73,778.00)
Other	419,138.00
TOTAL REVENUE	2,481,248.00
EXPENSES	
Research	560,765.00
Market Development	113,643.00
Producer Communications	193,685.00
Consumer Outreach	301,795.00
Membership & Organizational Policy	94,455.00
Administration	172,101.00
TOTAL EXPENSES	1,436,444.00
ASSETS	
Current Assets ¹	4,014,316.00
Property-Net ²	948,706.00
Other Investments	343,197.00
TOTAL ASSETS	5,306,219.00
LIABILITIES	
Assessments Payable	179,840.00
Other Liabilities	167,007.00
TOTAL LIABILITIES	346,847.00
NET INCREASE (DECREASE)	1,044,804.00
NET ASSETS-AUGUST 31, 2021	3,914,568.00
NET ASSETS-AUGUST 31, 2022	4,959,372.00

¹ Includes cash, cash equivalents, and CDs

² Property value adjusted for accumulated depreciation



NORTH CAROLINA SOYBEAN
PRODUCERS ASSOCIATION
3600 HAWORTH DRIVE | SUITE 2
RALEIGH, NC 27609

ADDRESS SERVICE REQUESTED

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



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.



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

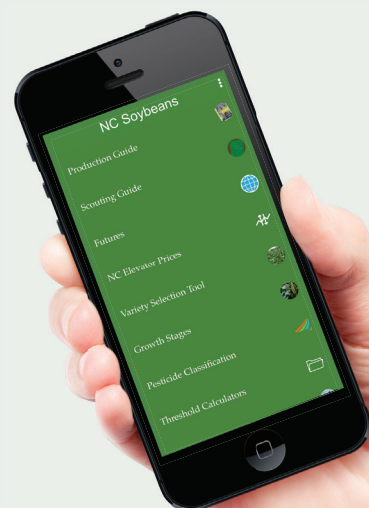
The NCSPA is seeking applicants for the NC Soybean Research Scholarship, awarded annually to rising sophomores, juniors, and seniors at NC State. The one-time scholarships range from \$2,500 to \$5,000.

Applications will be accepted at
ncsu.academicworks.com/opportunities
(search soybean) through Feb. 15, 2023.

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, spray conditions, diagnostic key, and more!



Download in your app store by
searching "NC Soybeans"