

NORTH CAROLINA SOYBEAN PRODUCERS ASSOCIATION

2023 ANNUAL REPORT



PRESIDENT'S LETTER

For 57 years, the North Carolina Soybean Producers Association has been a leader in North Carolina agriculture. When I was a young farmer, my father Earl was active in this association, and he volunteered as North Carolina's representative on the United Soybean Board (USB). I learned from him that our commodity associations depend on volunteer leaders to deliver the research, the markets, and the advocacy on which we all depend. I thank all the volunteers on the soybean board of directors, and all the farmers who volunteer for commodity associations and boards in our state.



This association is one of the most heavily audited commodity associations. The CPA conducted our annual financial audit recently and we received an "A+" grade, same as in previous years. The United Soybean Board audited our compliance with the Soybean Promotion, Research and Consumer Information Act and reported no major findings. These audit outcomes are what our board expects from our team, and we won't settle for less. This is the proof of our good stewardship of farmers' checkoff dollars.

We've done a lot of good this past year. In the Research Program, we listened to farmers' top priorities and conducted on-farm trials, contracted for research projects at NC State University and with private agronomists, and partnered with industry to test products. In the Outreach Program, we reached out to science teachers, elementary and high school students, the media, consumers, and of course farmers through dozens of events around the state, through sponsorships, and through radio and social media. I'm particularly proud of our sponsorships of Ag Day at NC State University, the Sale of Champions at the NC State Fair, our Soy Scholarship at NC State University, and Nourish the Future, a program to educate teachers about agriculture.

Our biggest customers are animals. Our Marketing Program had success in reaching animal nutritionists and feed millers with the news about N.C. soy's complete nutritional package for animals. We know that our market is in our backyard, and that the poultry and swine producers we supply are important parts of our rural communities. That's why we seek every opportunity to work together for the good of our feed & animal industry.

I'll close by saying that soybean farmers are an important part of rural communities, too. Things are not getting easier, though, they are getting harder. Case in point – we've spent the last year advocating for pesticide labeling to continue according to the current, proven process. We've advocated for our proven, tried & true agronomic practices. In 2024, there's a chance that herbicide regulations will get tougher. We're working every day so that the world understands what it takes, financially and practically, to run a farm business. We're working to keep farmers in business.

I wish you a prosperous, safe, and successful 2024!

A handwritten signature in black ink, appearing to read "Gary Hendrix".

Gary Hendrix

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Forrest Howell,
Research Committee Chair

The association's Research Coordinator Jeff Chandler implements a diverse program of research projects that are funded by the soybean checkoff and selected by the volunteer farmer-leaders on the Research Committee. The goals of the research program are (1) improve farmers' knowledge of the state-of-the-art in soybean production, and (2) increase the profitability of soybean farming. To achieve these goals, the association invests in university-led projects on state research stations, while Chandler works with local farmers to produce a number of on-farm research trials.

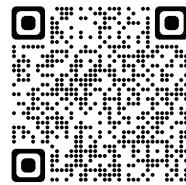
On-farm research is especially valuable because the field-scale activities conducted in partnership with farmer cooperators complement the small-plot research done on research stations by university faculty. There is a synergy that becomes apparent when the outcomes from highly intense, replicated-plot research conducted by the university find their way into practical applications on the farm. Verification may come in the form of field-scale, on-farm experiments in multiple environments across the state.

On-farm research is capable of pivoting quickly to address issues of immediate concern to farmers, or to address issues with regional significance. Short-term production challenges may also best be addressed through on-farm research. Finally, the checkoff may be able to validate university research outcomes through on-farm research trials.

On-farm research is a great way for the association's research program to explore emerging production trends and new

technology. Nematodes cause significant economic losses for some soybean producers in North Carolina. With limited options for managing nematodes in soybeans, alternatives need to be explored. In 2023, the North Carolina Soybean Producers Association collaborated with Bayer Crop Science to measure the impact of Velum® nematicide/fungicide on soybean profitability through on-farm strip trials. Velum® has been registered for use in corn and cotton for several years but recently gained a soybean registration. Because Velum® has potential for disease protection as well as nematode suppression, interest has been high in evaluating this product through North Carolina on-farm trials. Strip trials with Velum® were conducted on five farms around the state this year. Research results from these trials are pending and will be shared in 2024.

If you have a nematode problem that could be investigated through on-farm research or would like to cooperate with the North Carolina Soybean Producers Association through a different research trial on your farm, please let us know!



**SCAN TO SEE ALL RESEARCH
PROJECTS FUNDED BY N.C. SOYBEAN
PRODUCERS ASSOCIATION**

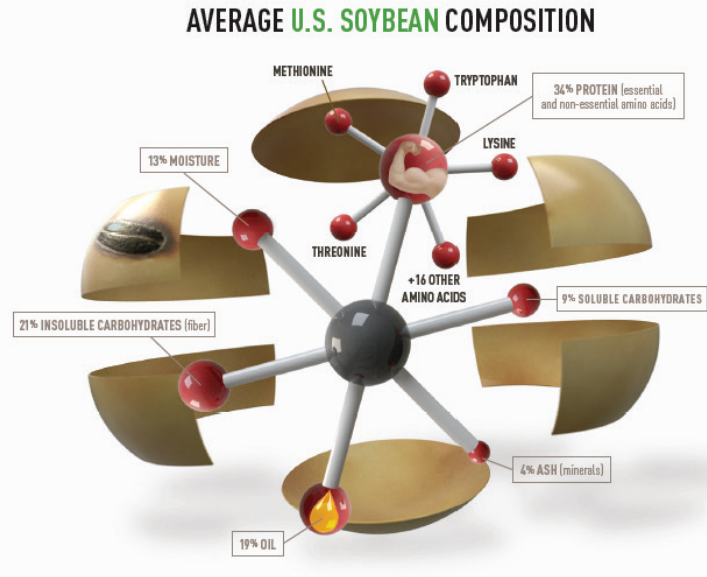




Adrian Locklear,
Market Development Committee Chair

Our farmers find their best market right in their local communities – North Carolina’s animal industry, our number one customer. Perhaps no other U.S. state has a soy industry that is the right size for its statewide animal protein industry. Fortunately, North Carolina does. Our job is to make sure our local livestock industry knows the superior nutritional benefits of soybean meal made from North Carolina soybeans.

We launched a media campaign to ensure local animal nutritionists, feed mill operators, and feed buyers know and recognize the amino acid content and energy available in soybean meal from North Carolina beans. Our state-of-the-art digital media campaign reached our target audience –feed industry professionals -- with evidence of improved animal performance when fed N.C. soybean meal. We know the meal made from our soybeans is full of nutrition because we did the analysis at N.C. State University. And we know our media campaign was two times more successful than the national average.



These successes don’t happen without strong partnerships. Our team works with marketing experts (N.C. Dept. of Agriculture, United Soybean Board, U.S. Soybean Export Council) and industry to deliver the best strategies and tactics. Our marketing outreach to the animal industry is enhanced by our sponsorships – with the N.C. State Fair and the Sale of Champions, with the Mid Atlantic youth showmanship circuit, with the Dairy Challenge (a judging competition that includes teams from Mount Olive University and N.C. State University) – and by our affiliation with the U.S. Poultry & Egg Export Council, the organization that markets U.S. poultry products overseas.

Meat & poultry consumers should recognize that their protein is ultimately our protein. The first annual Team Bean Triple Crown, our foray into the world of North Carolina barbecue competitions, is a new grand prize award for best pork + poultry, offered at select Kansas City BBQ Society sanctioned events. This new promotion combines our strong consumer outreach program with our marketing North Carolina soybean meal as the gold standard for feeding pigs and chickens. Follow us on social media to see where our BBQ promotion will be in 2024.



SCAN TO READ
ABOUT SWINE
NUTRITION



TBTC Grand Champion

TEAM BEAN TRIPLE CROWN RECAP

The North Carolina Soybean Producers Association was the proud sponsor of the First Annual Team Bean Triple Crown, a combined points prize for the pork butt and chicken categories at three Kansas City Barbecue Society competitions throughout North Carolina. Sixty-seven teams participated in one or more events, and six teams—Big Dog BBQ, Twisted Pair BBQ, Muttley Crew BBQ, Fred Vegas Smokers, Smokin Skullies, and Off The Rack BBQ—participated in all three sanctioned events. Off The Rack BBQ was awarded the Team Bean Triple Crown First Place Winner at the Eastern Carolina BBQ Throw Down in Rocky Mount, N.C., on October 14th.



Keith Caldwell,
Advocacy Committee Chair

Growers know that pesticides are an essential tool and how much we rely on them. We have compiled years of evidence of how much consumers and the environment benefit from their use. Pesticides are necessary for vital conservation practices including cover crops and reduced tillage, which yield so many benefits to consumers and the environment. Without safe, effective pesticides regulated with the best available science, food prices for American families would rise substantially.

That's why we were disturbed to see U.S. states unjustly contradict the science behind the U.S. EPA's pesticide labels and seek new and different pesticide labels for our common, reliable products. These actions threatened to disrupt commerce and to drive a wedge between growers and their much-needed tools. We don't need a state-by-state patchwork of pesticide labels.

The N.C. Soybean Producers Association supported the Agricultural Labeling Uniformity Act in Congress to protect access to lawful, scientifically regulated pesticides. We submitted Op-Eds to N.C. newspapers and communicated with members of our Congressional delegation who understand agriculture and protect farmers. Thanks to those members who stood with us!

Pesticides weren't the only issue in 2023, but they were a big one. We worked for access to dicamba products, and we've evaluated and closely tracked EPA's Herbicide Strategy to comply with the Environmental Species Act. Expect to hear more about the EPA's Herbicide Strategy in 2024. According to our friends at American Soybean Association (ASA), soy growers and all farmers nationwide need to stay tuned to see what potential limitations to agronomic practices arise as this strategy is implemented in 2024.

Partnerships are essential if we're going to shape a favorable policy environment. Our friends at ASA, at the N.C. Department of Agriculture & Consumer Services, at the N.C. Farm Bureau, and in Congress are in this with us together. All our North Carolina agricultural family must get involved in 2024 if we are going to preserve our livelihoods, rural communities and farm businesses. None of this gets done alone!



Rep. Don Davis, N.C. 1 Congressional District, with soy growers on Capitol Hill, July 2023. Davis is a supporter of rational pesticide labels.



SCAN TO SEE
MORE OF OUR
ADVOCACY
EFFORTS

The NCSPA's Corporate Partners are another great advocate of the N.C. soybean farmer that deserve recognition. We would like to thank our 2023 Corporate Partners and all that they do to help us continue to serve the soybean industry every day!





Reggie Baker,
Outreach Committee Chair

MOST LIKELY TO HAVE A LOYAL FANBASE

First in flight and home of the Blue Ridge Mountains, North Carolina is known for many things, including Mt. Olive Pickles and Krispy Kreme Donuts, the invention of the barcode and overalls, and of course, collegiate athletics. North Carolina ranks eighth on the list of states with the most colleges and universities. Some of the most famous athletes in the world attended universities in North Carolina; Michael Jordan (UNC-Chapel Hill), Kyrie Irving (Duke University), and Philip Rivers (NC State University), to name a few. It is no surprise then that North Carolinians are nearly as loyal to their alma maters as they are to their own families. When game day rolls around, we tune in!

With such large and loyal fanbases, the N.C. Soybean Producers Association decided one of the best ways to reach North Carolinian consumers would be to connect with them through collegiate sports. In 2021, the NC Soybean Producers Association signed a 3-year marketing contract with Wolfpack Sports Properties (North Carolina State University) to accomplish just that!

The multi-faceted partnership with Wolfpack Sports includes many opportunities, most notably radio spots and advertisements on a statewide radio network of 20 affiliated stations. The association placed farmer-produced commercials and interviews on this network to highlight a myriad of educational themes related to agriculture.

Arguably the most exciting feature of the sports marketing agreement is the Ag Day Football Game. Once a year, the N.C. Soybean Producers Association and partners like Farm Bureau and BASF set up interactive booths outside of Carter-Finley Stadium to pass on outreach messages to sports fans in person. The whole stadium is taken over by agricultural branding, and Halifax soy farmer John Fleming’s farm operation is featured in a 15-second video played on the jumbo-tron at half-time. At the most recent Ag Day Game, 56,000 fans were in attendance to whom we attempted to cultivate a positive public image of farmers.

The N.C. Soybean Producers Association has persistently pursued consumers at school events and community events, and through social media, but we recognize the value of our sports partnership in its ability to reach the masses. As we near the end of our contract with Wolfpack Sports Properties in 2024, we will make a concentrated effort to pursue new arrangements that will most effectively create agricultural awareness! Until then, GO PACK!



President Hendrix represents soybean farmers on the field as the Pack takes a victory over Marshall



SCAN TO SEE MORE
PHOTOS FROM THE
2023 AG DAY GAME

**FOLLOW US ON SOCIAL MEDIA TO LEARN MORE
ABOUT NORTH CAROLINA SOYBEAN PRODUCTION**





David Heath,
Treasurer

THE STATE OF YOUR QUALIFIED STATE SOYBEAN BOARD

To meet the oversight responsibilities required by The Soybean Promotion, Research, and Consumer Information Act and Order, the United Soybean Board contracts with a third party to conduct reviews of all Qualified State Soybean Boards (QSSBs) on a periodic basis. The North Carolina Soybean Producers Association underwent such a review this year, as is common when there is significant structural change within the QSSB, such as a change in one or more chief staff members. The audit is designed to examine compliance in areas of checkoff collections and checkoff expenses, board of directors and employee policies, time accounting, contracts, sponsorships, cyber security, conflicts of interest, and other aspects of QSSB operations.

Additionally, a thorough review of the association’s financial records and practices is performed every year by a certified public accounting firm. The financial audit report is reviewed by the full Board of Directors during the regularly-scheduled November business meeting.

As part of our mission to ensure a high-performing organization, undergoing such reviews is instrumental in enhancing our operational efficiency and refining our processes. Periodic reviews strengthen not only our collaborative efforts but also provide valuable insights that play a crucial role in continuous improvement.

The North Carolina Soybean Producers Association is pleased to report that there were no significant findings identified by either of these reviews.

FISCAL YEAR 2022-23, ENDED AUGUST 31, 2023	
REVENUE	
Assessments – Net	2355404.00
Investment Income (Loss)	(5,631.00)
Other	181,790.00
TOTAL REVENUE	2,531,563.00
EXPENSES	
Research	897,055.00
Market Development	117,434.00
Producer Communications	311,200.00
Consumer Outreach	374,543.00
Membership & Organizational Policy	110,884.00
Administration	187,162.00
TOTAL EXPENSES	1,998,278.00
ASSETS	
Current Assets ¹	4,600,309.00
Property-Net ²	903,157.00
Other Investments	310,046.00
TOTAL ASSETS	5,813,512.00
LIABILITIES	
Assessments Payable	175,000.00
Other Liabilities	145,855.00
TOTAL LIABILITIES	320,855.00
NET INCREASE (DECREASE)	533,285.00
NET ASSETS-AUGUST 31, 2022	4,959,372.00
NET ASSETS-AUGUST 31, 2023	5,492,657.00

¹ Includes cash, cash equivalents, and CDs

² Property value adjusted for accumulated depreciation

2024 CORTEVA AGRISCIENCE YOUNG LEADER PROGRAM DANIEL AND MARILYN FINCHER

Leadership skills training is a function of a high-performing organization. The N.C. Soybean Producers Association is a long-time contributor to the American Soybean Association’s Corteva Young Leader Program, conducted at Corteva headquarters in Johnston, Iowa. The Young Leader program is a big step towards developing the skills to advocate for our soy industry, and to be a volunteer farmer-leader. **Congratulations to Daniel & Marilyn Fincher** (Daniel Fincher Farms, Nashville, N.C.), our Young Leader volunteers for 2024.

NORTH CAROLINA SOYBEAN
PRODUCERS ASSOCIATION
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2024 North Carolina Regional Soybean Schools

Join the North Carolina Soybean Producers Association and Cooperative Extension for a series of intensive soybean production schools around the state.

This series of events is designed to deliver research-based information on production recommendations for optimizing soybean production. Topics and speakers at each regional soybean school will be tailored to that region of the state.

Scan the QR code or use the link below to register.



<https://ncsoy.org/regional-soybean-schools/>

Choose when and where works best for you:

Thursday, January 18th	Windsor
Wednesday, January 24th	Ponzer
Tuesday, January 30th	Lumberton
Friday, February 9th	Statesville
Tuesday, February 13th	Goldsboro
Thursday, February 15th	Monroe

