

2020 Soybean Success Report

A LOOK AT ACHIEVEMENTS IN 2019 AND WHAT'S AHEAD IN 2020



A Message from the President



ASA PRESIDENT

We tend to say each year, "What a year!" but for soybeans, what a year! From flooding and excessive rainfall to drought and back to excessive rainfall, 2019 was a challenge. Add to that trade disruptions with China, European Union, uncertainty with USMCA—all these factors kept markets low. The introduction of African Swine Fever into China resulted in catastrophic losses of the world's swine herd. Through these challenges, the American Soybean Association has been there for the American soybean farmer. Creating an even stronger and relevant team in Washington, D.C., was a primary goal in 2019. Now, in 2020, we are moving towards a more strategic fly-in action team model. And, we of course carry ASA's top policy priorities into the 2020 legislative session, including farm economy, trade, infrastructure, and biodiesel.

2019 was a year that the steady tap of advocacy resulted in clear benefits by year's end. USMCA leapt forward with overwhelming passage by the House in December. China Phase 1 and Japan agreements, likewise, had their roots planted in 2019 to grow in early 2020. The 2015-era WOTUS rule was repealed in Sept. 2019, clearing the way for the replacement Navigable Waters Protection Rule that protects our waterways while still offering a workable solution for farmers and does not impose undue burden on agriculture. The biodiesel tax credit was signed into law before the clock struck to end 2019, and it will bring needed relief to the biodiesel industry.

The welcome news of the passage of China Phase 1 signing, USMCA ratification, and progress on other trade agreements only highlights the need for a strong and steady voice in D.C. We continue to push for free trade agreements to maintain and expand valuable markets. The biodiesel tax credit was a win for the soy industry, but as much as this was good news, we still have small refinery waivers to address, including the disconnect with EPA on how to reallocate those lost gallons. ASA will continue to push the administration to better allocate and fulfill the intent of the RFS and advocate for increases in biodiesel gallons in 2020 and the future.

Infrastructure is a key component in every aspect of the farm economy. With aging lock and dams, roads and bridges, and river and port depth issues, we have a lot of ongoing work to do to guarantee a reliable transportation network in the future. This will be and has been a key priority for ASA, and we look to push this issue in the 2020 legislative session.

As we wrap up a very eventful 2019, we look to the future in 2020—and we have hope. Hope for better weather, prices, trade deals, infrastructure, and biofuels markets. But first, we take a well-deserved look back to celebrate the many successes of 2019—what a year it was, indeed!

Willen Jode

William Gordon



ASA Policy Accomplishments in 2019

Maintained Consistent Position on Trade ASA maintained consistent positions on the Administration's trade initiatives, supporting negotiations that would increase agricultural exports to reduce the U.S. trade deficit. ASA continued to raise concerns about the use of import tariffs, particularly against China, as a tool for obtaining trade and other concessions. ASA successfully advocated at the U.S. Department of Agriculture and the Office of Management and Budget for proportionate assistance for soybean producers under the Market Facilitation Program (MFP), including a second round of MFP payments in 2019 to offset ongoing damage from lost market share in China.



Pushed for China Trade Resolution

ASA has pushed for quick and meaningful resolution in the China negotiations and is encouraged by the Phase 1 trade agreement between the U.S. and China. This deal increases ag exports and could also reduce tension between the two countries and possibly pave the way for reopening two-way trade.



Supported USMCA Trade Agreement

ASA strongly supported the successful renegotiation of North American Free Trade Agreement (NAFTA) as the United States, Mexico, Canada Agreement (USMCA) and worked throughout 2019 to gain House Democratic support for the bill. In Dec. 2019, the House passed USMCA by a vote of 385-41. In addition to securing the Mexican market as the second largest importer of U.S. soybeans, the terms agreed to by Canada will increase U.S. poultry and dairy exports. Mexico is the #2 market for whole beans, meal and oil, and Canada is the #4 buyer of meal and #7 buyer of oil for U.S. soybean farmers, making the trade agreement essential to sustaining the growth realized in those two countries under NAFTA. Under NAFTA, U.S. soybean sales to Mexico quadrupled and to Canada doubled.

Encouraged Additional FTAs

ASA has encouraged the Administration to work on negotiating and completing additional free trade agreements (FTAs) with significant soy and livestock-importing countries. In September, the U.S. and Japan completed a limited free trade agreement that reduces tariff levels on agriculture products to the Trans-Pacific Partnership (TPP) levels. ASA had urged the Administration to engage with Japan since the U.S. pulled out of TPP. Reducing tariffs and increasing market access are key objectives for ASA, as Japan is the 5th-largest market for U.S. soybean exports, with shipments valued at \$976 million in 2017. The U.S.-Japan Agreement went into effect Jan 1, 2020. A

Advocated for Multiyear Biodiesel Tax

Credit ASA worked closely with the National Biodiesel Board (NBB) to advocate for a multiyear extension of the biodiesel tax credit before the end of 2019. In December, Congress passed a tax package that included a multiyear biodiesel tax incentive extension that can help bring a measure of certainty we have needed since it lapsed. The credit extends at \$1 per-gallon for five years covering 2018-22, retroactive to Dec. 31, 2017 through Dec. 31, 2022. The biodiesel tax incentive lapsed in December 2017, and the industry has faced nearly two years of uncertainty. The tax credit will help expand markets for soybean growers during a time of continued uncertainty; it provides policy certainty that the biodiesel industry needs to support investments and continued production growth.

Applied Pressure on Biodiesel Issues ASA continues to pressure the Administration for an increase in the annual volumes for biodiesel and advanced biofuels; implementation of a mechanism for the Environmental Protection Agency (EPA) to account for actual Renewable Fuel Standard (RFS) volumes waived through Small Refinery Exemptions (SREs); and to urge the Administration to uphold anti-dumping and countervailing duties imposed on unfairly subsidized imports of biodiesel from Argentina and Indonesia.

Advocated to Replace WOTUS Rule

ASA pushed against the 2015-era WOTUS rule and advocated for a replacement rule that would not impose an undue burden on agriculture. In September, EPA finalized a rule to repeal a 2015 rule that expanded the definition of "Waters of the United States," or WOTUS, under the Clean Water Act. The new rule aims to protect waterways while still offering a workable solution for farmers, taking into account comments submitted by ASA and other impacted stakeholders. The agencies involved also modified regulatory text that existed prior to the 2015 Rule to end a regulatory patchwork that required implementing two competing Clean Water Act (CWA) regulations, which created regulatory uncertainty across the U.S. The new rule is based on the standard set out by the late Supreme Court Justice Antonin Scalia in Rapanos v. United States that the CWA should apply only to 'navigable waters' connected by a surface flow at least part of the year, with other waters to be regulated by the states.

Supported Increased Waterways

Project Funding With ASA support, annual appropriations for the Army Corps of Engineers inland waterways infrastructure projects and programs received increased and record funding levels for the sixth consecutive year.

POLICY AND ADVOCACY



ASA Director Pam Snelson (third from left) participates in the first-ever USDA Foreign Agricultural Service (FAS) agricultural trade mission to Taiwan. FAS Administrator Ken Isley led the delegation in personalized business-to-business meetings arranged by local USDA-FAS staff and industry trade experts. The group explored how to expand the soy business to Taiwan—the U.S.'s eighth-largest agricultural export market.



lowa Sens. Chuck Grassley and Joni Ernst work with industry and farmers to advance America's premium biofuel during a spring 2019 fly-in. ASA directors serving on the Biodiesel and Infrastructure Advocacy Team participated in more than 30 meetings with targeted congressional offices to push for a multi-year extension of the biodiesel tax credit. ASA grower-leaders participating in the fly-in included Rob Shaffer, Chair (IL); Chris Hill (MN); Gerry Hayden (KY); Dean Coleman (IA); Ken Boswell (NE); Morey Hill (IA); Matt Stutzman (MI) and Brad Kremer (WI). *Photo credit: Brad Kremer*



ASA Director Matt Stutzman (MI) (far left) was among several agriculture leaders testifying at a summer 2019 field hearing hosted by the Environmental Protection Agency in Michigan, emphasizing that the agency is sending a negative signal to the biodiesel industry by proposing flat volumes and then rolling them back through retroactive small refinery exemptions.

ASA Advocacy in Action in 2019



(From left) Willard Jack, ASA director (MS); R.D. James, assistant secretary of the Army for Civil Works; Brad Doyle, ASA director (AR); and Mike Steenhoek, executive director of the Soy Transportation Coalition, meet at the Pentagon in July 2019 to discuss infrastructure issues.



As part of a multi-country tour to promote U.S. soy, ASA President Davie Stephens met with Chinese importers in Beijing and Shanghai. Stephens and other soy leaders talked to buyers about the advantages of U.S. soy, including technology innovations, sustainability practices, and being positioned to effectively serve a global marketplace.



During the July 2019 ASA board meeting in Washington, D.C., (from left) ASA Governing Committee Members Brad Doyle (AR), Ronnie Russell (MO), Joe Steinkamp (IN), Bret Davis (OH) and Brad Kremer (WI) met with White House officials to talk biodiesel.



During a town hall, ASA Chairman John Heisdorffer (holding the microphone) speaks about the impact tariffs have had on growers across the country. The Association of Equipment Manufacturers (AEM), Tariffs Hurt the Heartland, and Kinze Manufacturing hosted the event in Williamsburg, Iowa, featuring a discussion between U.S. Sen. Joni Ernst (R-Iowa), local businesses and farmers on the impact of tariffs on the state's economy. *Photo Credit: Joseph L. Murphy/Iowa Soybean Association*



(From left) ASA CEO Ryan Findlay; ASA Governing Committee Member Joe Steinkamp (IN); ASA President Davie Stephens (KY); ASA Secretary Bret Davis (OH); ASA Governing Committee Member Kevin Scott (SD); and ASA Director Daryl Cates (IL) join several other ASA farmerleaders to participate in the U.S. Soybean Export Council's Global Trade Exchange conference in Chicago in August 2019, engaging with more than 500 international buyers interested in U.S. soybeans.

Legislative and Regulatory Priorities for 2020

The following issues will remain important to ASA in 2020, with priority placed on farm economy, trade, infrastructure, and biodiesel.

Farm Economy

Encourage efforts to increase demand for soybeans domestically and abroad. Support crop insurance as a risk management tool for farmers.

Trade and Market Access

Achieve completion of the United States-Mexico-Canada Agreement (USMCA), removal of the China 301 tariffs and progress on new (Free Trade Agreements (FTAs). Support an increase in funding for the Market Access Program (MAP) and Foreign Market Development (FMD) program.

Transportation and Infrastructure

Support investments in inland waterways infrastructure upgrades and deepening of the Mississippi River shipping channel.

Biodiesel

Push for an increase in annual Renewable Fuel Standard (RFS) volumes for biodiesel and advanced biofuels; favorable implementation of the RFS, including small refinery waivers and antidumping measures.

Biotechnology and Crop Protection

Advance biotechnology, plant breeding innovation, and crop protection priorities within Congress and regulatory agencies.

Sustainability

Raise awareness of ongoing on-farm practices that improve soil health, reduce runoff, and improve water quality.

ASA 2020 Leadership

Governing Committee



PRESIDENT Bill Gordon



VICE PRESIDENT Kevin Scott



CHARIMAN Davie Stephens



SECRETARY Brad Doyle



TREASURER Brad Kremer

Board of Directors



Charles Atkinson Great Bend, KS



Jerry Bambauer New Bremen, OH



Ken Boswell Shickley, NE



John Comegys



Kendell Culp Rensselaer, IN



David Droste Nashville, IL



Brooks Hurst



Ron Moore



Matt Stutzman Adrian, MI

James Hereford



John Heisdorffer

Keota, IA

Matt McCrate



Ronnie Russell Richmond, MO



Alan Meadows Halls, TN



Joel Schreurs Tyler, MN



Chris Hill



Scott Metzger



Rob Shaffer El Paso, IL



Morey Hill Madrid, IA



Nick Moody Blackstone, VA





Jered Hooker



Joe Steinkamp Evansville, IN



Pam Snelson Wann, OK



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Executive Staff



AT-LARGE **Bret Davis** Delaware, OH



AT-LARGE **Josh Gackle** Kulm, ND



AT-LARGE **Daryl Cates** Columbia, IL



AT-LARGE **Stan Born** Lovington, IL



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Steph Essick Dickens, IA



Willard Jack Belzoni, MS



Scott Persall Waterford, ON Canada



Jimmy Thomas Timberlake, NC



Wayne Fredericks Osage, IA

Brian Kemp Sibley, IA

Monte Peterson

Dave Walton



Dennis Fujan Prague, NE



Ryan Kirby Belcher, LA



Bill Raben Ridgway, IL



Brandon Wipf Huron, SD



Mauricio Garcia McAllen, TX



Jim Kukowski Strathcona, MN



Caleb Ragland Magnolia, KY



Bill Wykes Yorkville, IL



George Goblish Vesta, MN



Don Lutz Scandinavia, WI



Phil Ramsey Shelbyville, IN



Casey Youngerman Lexington, TN



Gerry Hayden Calhoun, KY



Brad Macauley Geneseo, NY



Justin Rivers Chesterfield, SC

ASA Celebrates 100 Years in 2020

What began on an Indiana soybean farm 100 years ago developed into an organization that quickly grew to be the leading advocate for soybean farmers and foster the building of the U.S. sovbean industry-the American Soybean Association (ASA). Throughout 2020, ASA is celebrating its "First Soy Century" as it recognizes its 100th anniversary.

The roots of ASA were formed when brothers Taylor, Noah and Finis Fouts hosted the "First Corn Belt Soybean Field Day" at their Soyland Farms operation in Camden, Indiana on



September 3, 1920. The event drew nearly one thousand farmers and their families from six states who were interested in discovering more about this emerging new commodity called soybeans.

The National Soybean Growers' Association-later renamed the American Soybean Association-was formed that very day. Taylor Fouts was elected as the first president of the association.

VISIT ASA100YEARS.COM



From the left are Soyland Farm owners Taylor, Finis, and Noah Fouts of Camden, Indiana, as they hosted the First Corn Belt Soybean Field Day on September 3, 1920. Behind them is the line for a cafeteria-style lunch that included special

ASA 100th Anniversary Events

8 JUL 2020

ASA Policy Event in Washington D.C.

With a special focus on ASA's major policy accomplishments over its 100-year history, this event will be held at the National Museum of American History in Washington, D.C.

4 AUG 2020

ASA Birthplace Celebration and Marker Dedication

A celebration of ASA's history at the site of its 1920 birth on the Fouts Soyland Farm in Camden, Indiana. This half day event includes dedication of an Indiana State Historical Marker on the Fouts farm.

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Symposium: The Next Soy Century

Along with celebrating ASA's history, the focus at this event pivots to looking at the soybean industry's future. The Next Soy Century Symposium will be held at Purdue University in West Lafayette, Indiana.

State Soybean Associations

Alabama Soybean & Corn Association alabamasoycorn.org

Arkansas Soybean Association arkansassoybean.com

Georgia/Florida Sovbean Association No state website, visit Soygrowers.com

Illinois Soybean Association ilsoy.org

Indiana Soybean Alliance indianasoybean.com

Iowa Soybean Association iasoybeans.com

Kansas Soybean Association kansassoybeans.org

Kentucky Soybean Association kysoy.org

Louisiana Cotton and Grain Association No state website, visit

Soygrowers.com

Michigan Soybean Association misoy.org

Mid-Atlantic Soybean Association (DE, MD, NJ, PA) midatlanticsoybeans.org

Minnesota Soybean Growers Association mnsoybean.org

Mississippi Soybean Association No state website, visit

Soygrowers.com

Missouri Soybean Association mosoy.org

Nebraska Soybean Association nesoybeans.org

New York Corn & Soybean Growers Association nycornsoy.org

North Carolina Soybean **Producers Association** ncsov ora

North Dakota Soybean **Growers Association** ndsoygrowers.com

Ohio Soybean Association sovohio.org

Oklahoma Soybean Association No state website, visit Soygrowers.com

ASA AFFILIATES

South Carolina Corn & Soybean Association sccsafarms.org

South Dakota Soybean

Association sdsoybean.org

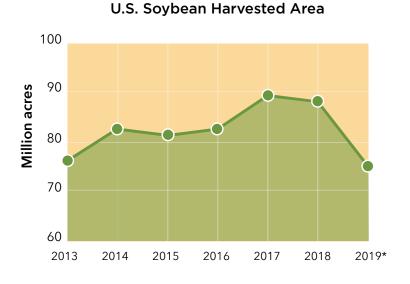
Tennessee Soybean Association tnsoybeans.org

Texas Soybean Association texassoybeans.org

Virginia Soybean Association vasoybean.com

Wisconsin Soybean Association wisoybean.org

Soy by the Numbers, 2013-2019



U.S. Soybean Production



U.S. Biodiesel Production



2019 Soybean Production*

State	Bushels
Illinois	532,440,000
lowa	501,600,000
Minnesota	297,880,000
Nebraska	283,140,000
Indiana	273,360,000
Missouri	230,460,000
Ohio	209,230,000
Kansas	186,335,000
North Dakota	174,400,000
South Dakota	146,200,000
Arkansas	127,890,000
Mississippi	81,500,000
Wisconsin	79,900,000
Kentucky	77,740,000
Michigan	70,930,000
Tennessee	64,390,000
North Carolina	53,200,000
Louisiana	41,280,000
Pennsylvania	29,890,000
Maryland	20,900,000
Virginia	19,040,000
Oklahoma	12,760,000
New York	10,800,000
Alabama	9,360,000
South Carolina	8,320,000
Delaware	7,191,000
New Jersey	3,404,000
Georgia	2,697,000
Texas	2,044,000

* Data from USDA Crop Production 2019 Summary, January 2020 Report

ASA's World Initiative for Soy in Human Health (WISHH)

WISHH, a program of the American Soybean Association, connects trade and development across global market systems, improving food security. WISHH has a proven track record of creating market potential by connecting strategic partners and local business leaders to increase demand and fuel economic growth.

Here are some of WISHH's Achievements in 2019.

WISHH in Asia—Six products containing value-added soy ingredients were under development by human food companies in developing markets in Asia.

WISHH in Africa—Five Sub-Saharan African companies purchased U.S. soy products for the first time—three in Uganda, one in Senegal and one in Ghana.

WISHH in Central America—Two Central American food companies secured large-scale government contracts to manufacture and supply U.S. soy-based products to regional programs.

AMPLIFIES Project—WISHH completed year four of the AMPLIFIES poultry project. In Ghana, feed millers have reported improved efficiencies and cost savings with improved methodologies as well as an increase in demand for poultry feed. Demand growth for soybeans outpaces local production and local egg markets have reported increased sales in targeted areas.

CAST Project—WISHH began implementation of the five-year Commercialization of Aquaculture for Sustainable Trade (CAST) project in Cambodia. CAST will accelerate production of high-demand fish species for the Cambodian market, develop a lasting aquaculture industry and promote Cambodian-raised fish. CAST strengthens local production of high-quality feed and fish and builds a profitable market system for aquaculture products. Through CAST, Cambodia's private sector and universities work closely with U.S. soybean growers and businesses as well as academic and non-governmental organizations.



Jim Hershey, who leads WISHH's CAST project, and local consultant Sambath Sak work with Cambodian fish hatchery entrepreneurs. *Photo courtesy of WISHH*.



SESACO exemplifies the enthusiasm for U.S. soy and its nutritional power for breads, beverages, school meals and more. In April 2019, SESACO introduced frozen soy dessert, a first for Uganda and quite possibly the entire East African region.

USSEC Builds Global Preference for U.S. Soy

The U.S. Soybean Export Council (USSEC) helps build a preference for U.S. soybeans and soybean products around the world. USSEC operates a global network of offices located in key marketing areas. The export promotion work of USSEC is critical for soybean producer profitability because the equivalent of every other row of soybeans produced in the U.S. is exported as whole soybeans or processed and exported as soybean meal and soybean oil.

ASA provides the majority of funding for the implementation of an aggressive international marketing program for U.S. soybean producers that leverages soybean checkoff funds with ASA's Foreign Market Development (FMD) cooperator program and Market Access Program funding. In addition to ASA's investment of cost-share funding provided by USDA's Foreign Agricultural Service, support for USSEC comes from cooperating industries and producer checkoff dollars invested by the United Soybean Board and various state soybean councils.

ASA's success in competing for USDA funds reinforces the partnership between soybean checkoff investments and USDA's support for soybean international marketing activities. The American Soybean Association provided leadership training for 180 individuals in fiscal year 2019. ASA's six leadership training programs are structured to serve a variety of audiences from college students with a farming connection and interest in policy and advocacy, to young farmers or farming family looking to get more involved in the soybean industry, to seasoned veterans at the state level aiming to make a difference on the national level.

Here's a description of ASA's six leadership programs.

Young Leader Program

ASA's longest-running leadership program, Young Leaders, sponsored by Corteva Agriscience, was founded in 1984 and continues to set the bar for leadership training in agriculture, identifying and training new, innovative and engaged growers to serve as the voice of the American farmer. Participants commit to attend two training sessions, the second of which is held in conjunction with the annual Commodity Classic trade show and conference.

Leadership At Its Best

The Leadership At Its Best program, sponsored by Syngenta, provides participants with advanced leadership training and the necessary communication skills to make a difference in American agriculture while advancing into leadership positions on a national level. This results in the creation of a highly effective collective voice in Washington, D.C., serving the interests of soybeans and U.S. agriculture.

Agricultural Communications Team

Participants of this program, sponsored by Bayer, go through media training, walking through best practices on how to engage media or talk one on one, whether with a neighbor, a stranger on a plane, a home state representative, speaking at an industry event, or addressing a larger audience on social media.

Ag Voices of the Future

The Ag Voices of the Future program, sponsored by Valent, is designed to expose college students with a farming connection to an education on major policy issues and advocacy. It encourages them to consider careers within agriculture associations and industry, as well as government regulatory and legislative positions.

Soybean Leadership Academy

Beginning in 2020, two of the premier soybean leadership training programs—Soybean Leadership College and the Soy Leadership Forum—will merge to create the Soybean Leadership Academy, a program designed to provide leadership education to state and national soybean board and association leaders.

Conservation Champions

Conservation Champions, sponsored by Walton Family Foundation and Bayer, provides training and networking to explore ways to amplify understanding and awareness of farmers' roles in stewardship of the soil, water and air. Training includes discussing how to develop advocacy plans and speak to policymakers about the voluntary ag conservation practices adopted by growers across the country.



The Ag Voices of the Future program, sponsored by Valent U.S.A. and ASA, gives students an inside look at how ag policies are made in Washington. This year's class includes: (Front row, from left): Sarah Dintelman, Lora Wright, Maria Brockamp and Brooke Beinhart. (Back row, from left): Kolesen McCoy, Claire Eggerman, Abbie Wooten, Allie Lock, Leah Mosher and Tyler Zimpfer.



The 35th class of ASA Corteva Agriscience Young Leaders completed its training during Commodity Classic in Orlando, Fla. The Young Leaders participated in training focused on leadership development, industry issue updates and outreach. The group was also recognized at ASA's annual awards banquet. *Photo credit: Joe Murphy*



2020 (L to R) John Heisdorffer, immediate past ASA chairman, Bill Gordon, ASA president and Davie Stephens, ASA chairman

FROM SOYLAND TO CAPITOL HILL

A century of growing the U.S. soybean industry and advocating for soybean farmers



ASA100Years.com