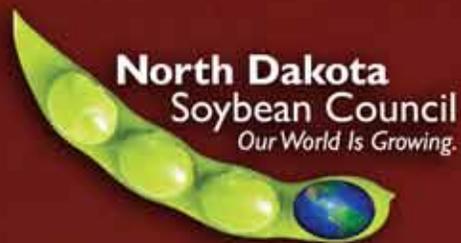




# Opportunity Knocks



**2012  
ANNUAL REPORT**

# North Dakota Soybean Council Leadership Report



Dear Valued Soybean Producer:

Opportunity knocked for the North Dakota Soybean Council in 2012 as we worked to strengthen our industry and build a solid foundation for the future.

Just as you take pride in growing soybeans, we are proud of our success in growing new markets for them. Thanks to your check-off dollars, we made considerable progress in increasing demand internationally for soybeans. Farmer-leaders representing the Council visited with top importers, wholesalers and distributors for food and feed companies in the Philippines, Indonesia, Nicaragua, Guatemala, Thailand, China, Turkey and Moldova to help connect trade industry leaders with soybean farmers, to develop

relationships and to build trust. We also entertained several trade teams from southeast Asia and the Philippines to give these international buyers an opportunity to see first-hand what they are purchasing and how it is grown. By building demand internationally, your soybean checkoff helps ensure a strong and profitable future for you. To ensure we continue to build on our marketing efforts, we hired Michelle Swenson – Director of Marketing and Development to provide leadership in this area.



Opportunity knocked for many of us as we witnessed higher than expected yields and strong market prices despite an exceptionally dry growing season. Yet success in today's market takes more than just a good harvest. It takes a continued focus and investment in research to ensure we stay on top of changing production management practices and continued development of new and improved soybean traits. This past year, thanks to your checkoff dollars, we invested more than \$1 million in research programs to find solutions to some of your greatest production challenges, such as Iron Deficiency Chlorosis, root diseases, soybean cyst nematode management, sclerotinia stem rot and soybean aphids – just to name a few. And – we hired a new Research Director – Ken Nichols – to oversee and expand our research program into the future.

When you learn more, you tend to earn more. And that's why we continued to invest your checkoff dollars in timely and valuable education programs designed to keep you at the forefront of your industry. Our line-up of internationally renowned speakers at our 2012 Expo program, combined with Council sponsored "Best of the Best in Soybean Research", "Getting it Right in Soybean Production", plot tours and other conferences are designed to ensure that opportunity continues to knock for you.

2012 saw the retirement of Council Director Mike Beltz after three years of service and Jason Martodam after two years of service. We thank them for their dedicated service and commitment to the Council. Their expertise and leadership will be missed.

Looking ahead to 2013, our future is bright and built on a foundation of strength. Together, we will continue to seek opportunities to ensure the continued profitability of our soybean producers. There is no industry we could be more proud to be a part of and no group of people we could be more honored to serve. We wish you a successful and profitable year in 2013!

Sincerely,

A handwritten signature in black ink, appearing to read "Monte Peterson".

Monte Peterson  
Chairman of the Board

A handwritten signature in black ink, appearing to read "Diana Beitelspacher".

Diana Beitelspacher  
Chief Executive Officer

# Leadership

## North Dakota Soybean Council Board of Directors



Monte Peterson  
Chairman  
District V - Valley City, ND



Scott Gauslow  
Vice Chairman  
District I - Colfax, ND



Tyler Speich  
Secretary  
District II - Milnor, ND



Jared Hagert  
Treasurer  
District VII - Emerado, ND



Mike Satrom  
District VIII  
Galesburg, ND



Charles Linderman  
District IX  
Carrington, ND



Art Wosick  
District X  
Minto, ND



Dusty Lodoen  
District XI  
Westhope, ND



Mike Appert  
District XII  
Hazelton, ND

## ND United Soybean Board Representatives



Lucas Rode  
District III  
Adrian, ND



Harvey Pyle  
District IV  
Fargo, ND



David Gasal  
District VI  
Jamestown, ND



Vanessa Kummer  
Colfax, ND



Joel Thorsrud  
Hillsboro, ND



Jared Hagert  
Emerado, ND

## North Dakota Soybean Council Employees



Diana Beitelspacher  
Chief Executive Officer



Suzanne Wolf  
Communications Director



Molly Fern  
Program Coordinator



Kendall Nichols  
Director of Research  
Programs



Michelle Swenson  
Director of Marketing and  
Development

# Domestic Marketing

Besides investing in the development of overseas markets, the North Dakota Soybean Council (NDSC) also funds projects that expand the use of soybeans here at home. The soybean checkoff funds programs designed to develop new domestic markets for the United States and North Dakota soybeans, soybean meal and soybean oil, along with enhancing and supporting existing ones.



By ensuring continued demand for soybean meal and oil in North Dakota, the soybean checkoff is doing its part to keep North Dakota farm families and rural communities vibrant and growing.

In FY 2012, some of the domestic marketing projects NDSC funded included: soy biodiesel, development of new uses from soy, promotion of soyfoods and the support of the livestock industry.

# Transportation

For the soybean industry, over half of what American farmers produce is destined to the international marketplace. To maintain the industries' competitive position in the global market, the North Dakota Soybean Council (NDSC) understands the need to invest in our nation's aging and increasingly inefficient transportation infrastructure. Since North Dakota soybeans

and soy products are transported to market and processing facilities by rail and motor carrier, transportation continues to be a priority for NDSC.

Since 2007, NDSC has been a funding member of the Soy Transportation Coalition (STC). STC's goal is to position soybean industry stakeholders to benefit from a transportation system that delivers cost effective, reliable, and competitive service.

NDSC is also a member of the North Dakota Ag Rail Business Council (NDARB). The mission of NDARB is to enlist a diverse group of North Dakota ag industry stakeholders to provide a forum for communication and understanding of customer, producer and Burlington Northern Santa Fe (BNSF) Railway interests.



# Consumer Information

With more Americans growing up in urban and suburban areas, miles from farm life, there is an increasing disconnect between consumers and the people who grow their food. Consumers aren't getting the real story about American agriculture and all that goes into growing and raising their food. CommonGround is an effort to tell the truth about modern agriculture – that thanks to modern American farmers, U.S. families enjoy the safest, healthiest and most affordable food choices in the world. CommonGround is a group of volunteer farm women dedicated to starting a conversation between women who grow food, and the women who buy it. It's a conversation based on personal experiences as women farmers, but also on science and research. CommonGround's goal is to help consumers understand that their food is not grown by a factory. It's grown by people.

CommonGround is a partnership between the United Soybean Board (USB) and the National Corn Growers Association (NCGA), and in FY 2012, the North Dakota Soybean Council (NDSC) joined the CommonGround partnership for North Dakota. With the help of the national programs, qualified state soybean boards like NDSC, have the opportunity to organize their own CommonGround program in their states.

Soybean farmer Karolyn Zurn volunteered in 2011 to assist NDSC by organizing and executing a CommonGround program for North Dakota as a volunteer project coordinator. In FY2012, Karolyn, with the help of fellow farm women volunteers, implemented several CommonGround projects in North Dakota, including exhibiting opportunities, a day-long training session for new volunteers, and cultivating media relations in the Fargo area.



To learn more about CommonGround North Dakota, check out these social media sites.

[www.commongroundnorthdakota.wordpress.com](http://www.commongroundnorthdakota.wordpress.com)

[www.facebook.com/CommonGroundNorthDakota](http://www.facebook.com/CommonGroundNorthDakota)

[www.twitter.com/CommonGroundND](http://www.twitter.com/CommonGroundND)



*Conversations About Farming and Food*

The North Dakota Soybean Council also works to maintain a presence at numerous agricultural trade shows, health and nutrition fairs, various family and children events, and energy conferences in an effort to build greater awareness of the benefits of soybeans, soyfoods and its end uses among consumer audiences.

# International Marketing

With the fact that almost every other row of U.S. soybeans is used overseas, the North Dakota Soybean Council (NDSC) understands that international marketing adds value to every soybean farmer's bottom line. NDSC has been making strides in the area of International Marketing in 2012. The Council funded a project in FY 2012 focusing on educating international customers on the importance of essential amino acids in soybeans, and how essential amino acids are a key factor in determining soy quality. Educating our customers should result in increased market share and profits for upper Midwest soybean producers. Efforts by NDSC show that measuring essential amino acid content gives a truer picture of the protein value in soybeans from North Dakota. Amino acids are the building blocks of proteins. Because of the critical role they play, measuring the presence of amino acids gives a clearer picture of the feed value than simply measuring crude protein. Studies have shown that the essential amino acids in soybean meal from the northern United States are better than has been previously shown. Marketing soybean protein based on its amino acid profile benefits soybean farmers, particularly those in North Dakota.



Throughout the year, NDSC hosts various international trade teams in North Dakota interested in soybeans grown in the state with farm tours, North Dakota elevators and evening meals. NDSC helps educate foreign buyers about ways to profitably access soy products and facilitates face to face meetings between producers and foreign trade teams.

In an effort to learn more about international market demands for soybeans overseas, NDSC sponsored several farmer-leaders to travel abroad to promote the advantages and quality of northern grown soybeans to international importers, wholesalers and distributors in FY 2012.

NDSC continues to annually fund projects with the U.S. Soybean Export Council (USSEC), the World Initiative for Soy in Human Health (WISHH), Midwest Shippers Association, AGP Port of Grays Harbor, and the Northern Crops Institute (NCI).

## VISION:

“ North Dakota soybeans are the most sought after agricultural commodity in the global market. ”

## MISSION:

“ Effectively invest and leverage North Dakota soybean checkoff resources to maximize the benefits of ND soy. ”

## CORE VALUES:

**Commitment:** We work to achieve maximum value for each producer's checkoff dollars.

**Relationships:** We base our relationships on integrity, openness, trust and respect.

**Teamwork:** We work as a team to create value for our growers, researchers and the communities we serve.

**Innovation:** We continually evaluate and refine our programs/processes in anticipation of grower needs.

**Knowledge:** We invest in the training and development of our employees, directors and growers.

# Producer Education / Communications

In 2012, the North Dakota Soybean Growers Association launched a new magazine targeted to soybean farmers of North Dakota - "The North Dakota Soybean Grower". The publication focuses on membership updates and legislative news, and also delivers news and information related to soybean research, marketing (both international and domestic), education, transportation and the soybean industry. The publication also provides farmers with updates on how their checkoff investment is delivering value. The North Dakota Soybean Growers Association creates this quarterly magazine and the North Dakota Soybean Council (NDSC) provides approximately ten pages of informational content. "The North Dakota Soybean Grower" magazine is an effective way to carry the message of North Dakota Soybean Growers Association and NDSC and maintain a tangible connection with soybean producers across the state.



Ensuring that North Dakota producers receive the most current education on key topics impacting their operations is a top priority for NDSC. Therefore, NDSC continues to annually sponsor "Northern Soybean Expo", "Best of the Best in Soybean Research" and the "Getting It Right in Soybean Production" meetings.

NDSC's communication program keeps farmers and the agricultural industry informed and up-to-date on the changing soybean industry through a variety of effective communication tools including the annual report, research update, radio messages, timely brochures and periodicals, podcasts, print ads, presentations, and exhibits at various meetings and trade shows.

## STRATEGIC OBJECTIVES:

**SOYBEAN QUALITY:** Increase the value of North Dakota soybeans through continued research in the area of essential amino acids; identification and communication of marketing opportunities; and education to international customers that higher essential amino acid values is a key advantage.

*Measurement:* Changes in volume and value of North Dakota soybeans.

**INFRASTRUCTURE:** Maintain and enhance the efficiency and reliability of North Dakota's transportation infrastructure.

*Measurement:* Change in volume of North Dakota soybeans that flow to destination markets.

**AGRONOMY:** Address North Dakota soybean producers' greatest production challenges through a continued investment in research programs.

*Measurement:* Agronomic opportunities and challenges are identified, addressed and communicated to North Dakota soybean producers and other key constituents.

**BRANDING:** Continue to enhance the image of the soybean industry and the Council through ongoing communications and education.

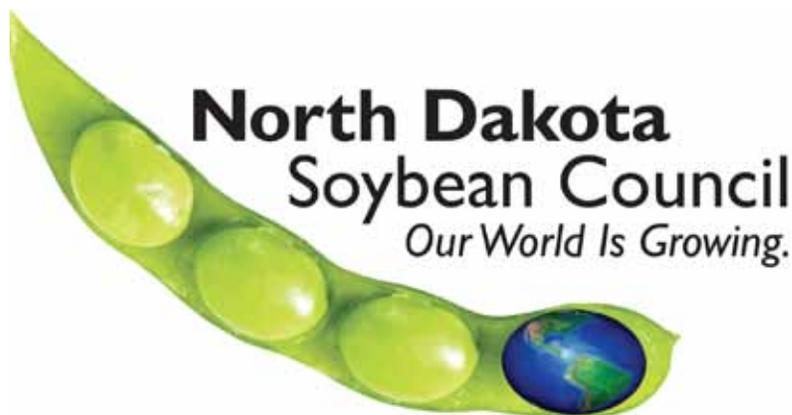
*Measurement:* The Council is top of mind with soybean producers and key constituents as a valued and respected source for information and education. There is increased awareness of how checkoff dollars are invested for the benefit of soybean producers.

# North Dakota Soybean Council County Representatives

Monte Peterson.....Barnes  
 Dusty Lodoen.....Bottineau  
 Harvey Pyle.....Cass  
 Ken Borho.....Cavalier  
 Tony Gebhardt.....Dickey  
 Mike Appert.....Emmons  
 Charles Linderman.....Foster  
 Jared Hager.....Grand Forks  
 Kenny Meier.....Kidder  
 Lucas Rode.....LaMoure  
 Derek Hust.....Logan  
 Wayne Kemmet.....McIntosh  
 Rob Watson.....Pembina  
 Ryan Lyons.....Ransom  
 Scott Gauslow.....Richland  
 Jason Martodam.....Rolette  
 Tyler Speich.....Sargent  
 Mike Satrom.....Steele  
 David Gasal.....Stutsman  
 Mike Beltz.....Traill  
 Art Wosick.....Walsh  
 Loren Patrie.....Wells

## Financial Report

Revenue	7,647,262.60
Project Expenditures	
International Marketing	353,983.77
Consumer Information	127,455.31
Domestic Marketing	228,221.88
Producer Communications	512,350.04
Research	1,114,237.00
Total	2,336,248.00
Administration & Compliance	283,856.06
Total Project Expense	2,620,104.06
Total Reimbursements to USB & Other States	
	3,926,591.87
Total Overall Expense	6,546,695.93



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