House Ag Committee

November 2, 2011

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Field Operations Director

Michigan Soybean Promotion Committee

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Soybean Producer funded program for:

- ✓Research
- ✓Market development
- ✓Education

SOYBEAN CHECKOFF

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Soybeans
IMPACT Michigan

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SUSTAINABILITY
of Soybean Production

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The **VERSATILITY** of the Processed Soybean

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BIO-BASED PRODUCTS

"Seeing is Believing"

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Soybean Checkoff Program

- ✓**Producer** approved
- ✓**Producer** funded
- ✓**Producer** governed
- ✓Goal…increase producer profit opportunities…..

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Soybean Checkoff Program

- ✓ Investment in:
  - Research
  - Education*
  - Market development
- ✓ "All benefit – all contribute" equally

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Soybean IMPACTS Michigan

- ✓ Rank 10-12 in production (of 31 states)
- ✓ Over 10,000 producers
- ✓ Produce on over 2 million acres
- ✓ Farm gate value of over $1 billion
- ✓ Total economic of over $1.5 billion
- ✓ Processing represents another $44 million

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Soybean IMPACTS Michigan

- ✓Production operating cost only: $140/acre at 2 million/acre
- ✓$280,000,000 for "direct" spending into economy.

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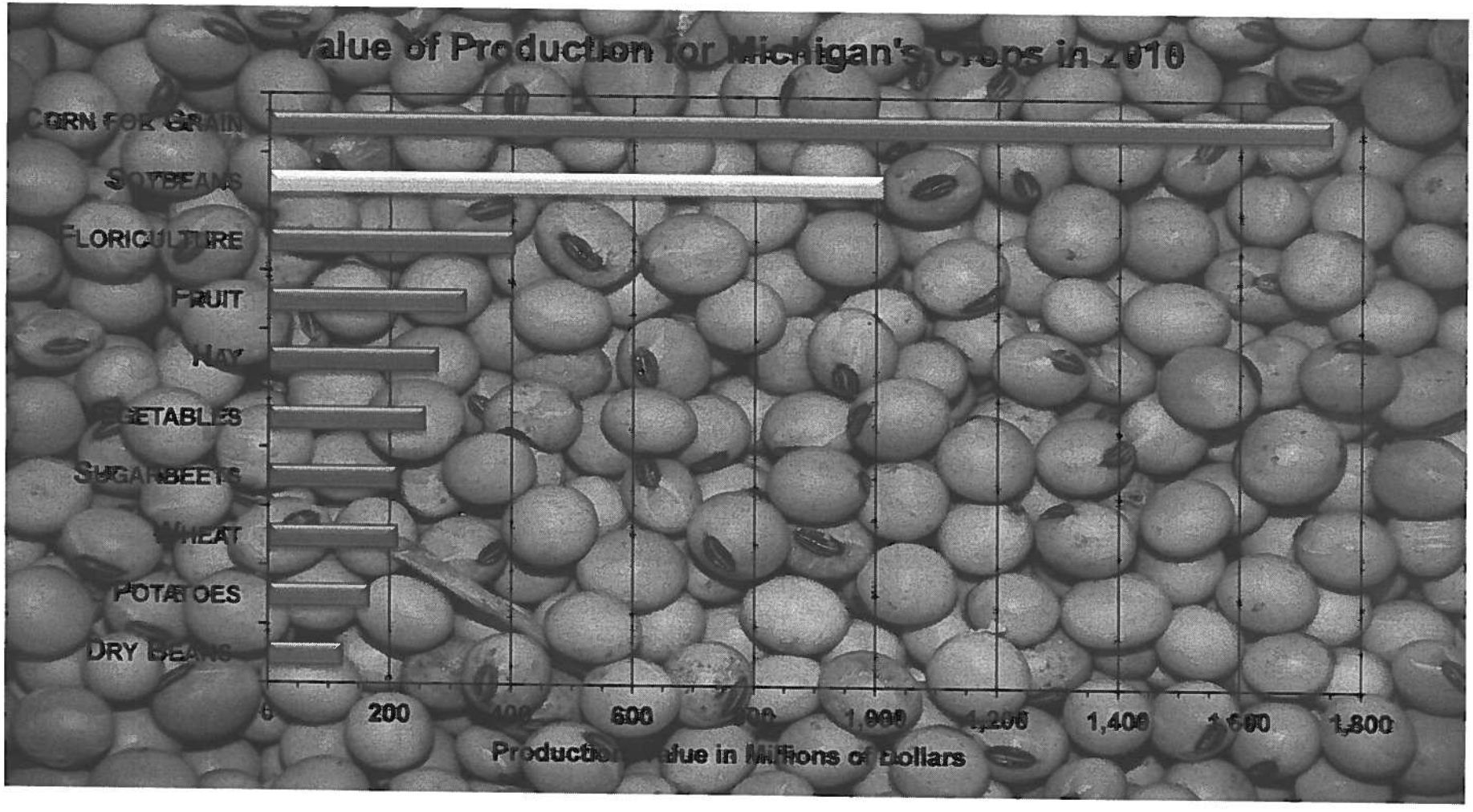
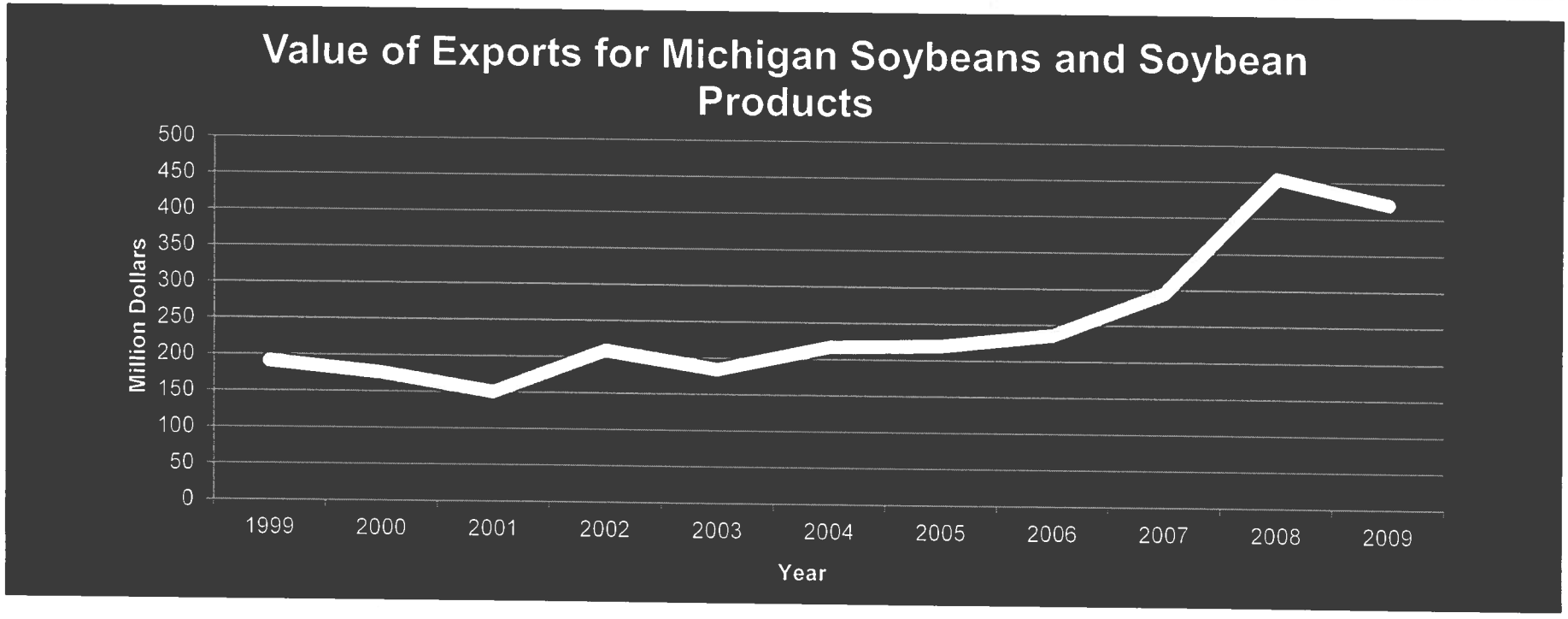
Soybean IMPACTS Michigan



Soybean IMPACTS Michigan



- ✓ $588.7 million in 2010-more than double 1999 value
- ✓ Soybean/soybean products are **one third**!

Sustainability....

"Enhance quality of life for ALL"

Modern Agricultural Technologies

- ✓ Equipment
- ✓ GPS
- ✓ Chemicals
- ✓ Agronomics
- ✓ Soybean varieties

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Sustainability....

Conservation Tillage (Technologies)

- ✓93% decreased soil erosion
- ✓31% decreased wind erosion
- ✓70% decreased pesticide run-off
- ✓80% reduction in phosphorus into surface waters (soybeans)
- ✓50% reduction in fuel use

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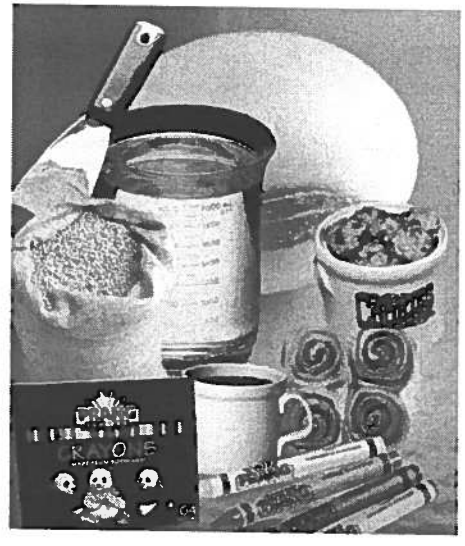
Versatility of Processed Soybean

Food, Feed (feedstock), Fiber, Fuel



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Versatility of Processed Soybean

- ✓Biodegradable
- ✓Domestically produced
- ✓Environmentally friendly
- ✓Renewable

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Bio-based Product Programs…

1. Federal Bio-based Product Procurement Program
2. Ohio Bio-based Product Purchasing Program
3. Michigan Prefered Purchasing Program for Bio-based Products?

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Bio-based Product Programs…Federal

1. Part of 2002 Farm Bill
2. Consideration for purchasing **IF** competitively priced and performance
3. Submit bio-based products by category for approval

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Bio-based Product Programs...Federal

4. Nearly 6,000 bio-based products
5. Bio product label (300 use applications in first 3 weeks)
6. "No cost" program

USDA CERTIFIED BIOBASED PRODUCT

PRODUCT 57%

FP

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Bio-based Product Examples

- Ford vehicles/Chevy Volt vehicle seats*
- Sherwin Williams/Rust Oleum Paints
- John Deere combine/tractor panels*
- Dow Automotive Auto Insulations*
- Soy biodiesel*
- Building spray foam insulation*

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Bio-based Product Examples

- Hydraulic oils*
- Penetrants (WD40 “like”)*
- Lubricants (grease/oils/bar-chain)*
- Sealers (wood/concrete)*
- Cleaners (graffiti remover, counter-top, parts)*
- Hand sanitizers*

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Bio-based Product Examples

- Cosmetics
- Asphalt conditioners*
- Paint strippers*
- Furniture foam*
- Soy ink cartridge and printing inks
- Carpet backing*
- Roof coatings
- Etc.

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Ohio Based Bio Product Purchaser Program!

- ✓ Bill signed in law on 2-27-10
- ✓ Only one dissenting vote in both chambers
- ✓ Builds on federal program

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A Michigan Bio-based Product Purchasing Program?

- ✓ USDA MOU encourages state bio-based efforts
- ✓ Spring 2011 Governors Bio-fuels Coalition signed MOU
- ✓ Was Michigan part of coalition?

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Encouraging Efforts in Michigan

1. *Pictured Rock National Lakeshore
   prestigious "Closing-the-Circle" Award
2. Fort Custer National Cemetery
   prestigious "Closing-the-Circle" Award
3. *Muskegon based NOAA-GLERL
   prestigious "Closing-the-Circle" award
4. *Porcupine Mtn. State Park national
   recognition from state efforts

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Encouraging Efforts in Michigan

5. *Hiawatha National Forest
   national recognition from state effort
6. *NMU Golf Course going GREEN
   state effort and national recognition
7. *Michigan Association of Timbermen – *state grant program*
8. *Association of County Fairs
   state grant program

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Encouraging Efforts in Michigan

9. *Munising's Shipwreck Boat Excursions – *state grant program*
10. Selected government officials attended federal bio-based procurement programs

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National Market Research Shows…

- 88% favor federal bio programs
- 88% favor increased bio budget to USDA for programs
- 89% support federal government becoming a bio-product purchaser
- 88% support increased effort for bio-product use

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National Market Research Shows…

- 89% support US Congress passing a tax credit for manufacturing of bio
- 91% support STATE and Local govt. purchase of bio-products

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National Market Research Shows…

- 75% are unfamiliar with bio-products
- 81% with modest knowledge wanted to learn more
- 63% of overall surveyed wanted to learn more

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Take Home Message…

1. Tremendous interest in bio-products
2. Need consumer education
3. Need product promotion
4. Look to government to "lead by example"

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SOYBEANS...

THE GOLDEN BEAN FOR A GREENER ENVIRONMENT

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Thank You