Kansas farmers compete on soybean yields, values

As farmers begin fall harvest, they should think about the annual Kansas Soybean Yield and Value Contests. Entries must be postmarked no later than Dec. 1.

Kansas State University (K-State) Extension personnel or a designee must witness the harvest. A designee may be anyone not involved with the farm enterprise. For example, a family member or input supplier may not serve as the witness.

Pertaining to harvest, some of the contest rules' highlights include the following.

- An entry shall consist of a contiguous field of at least 5 acres. Farm Service Agency measurements will serve to verify a field’s size if entered in its entirety. If not, the harvest witness must take measurements with a measuring wheel, GPS device or smartphone app. If using an electronic method, a color printout must accompany the entry.
- Contestants should notify their Extension county offices of when harvest is to begin as early as possible.
- The harvest witness must inspect the combine’s grain hopper and verify it is empty before harvest begins.
- Only official elevator-scale tickets shall verify the soybeans’ weight. While a minimum of 5 acres must be checked, the entire field’s weight may be taken.
- In each district, first place will win $300, second will earn $200, and third will receive $100, thanks to the Kansas Soybean Commission. The highest dryland and irrigated yields in the contest each will receive a $1,000 award. The overall winner could earn an additional $1,000 for achieving or surpassing 100 bushels per acre.

Managed by the Kansas Soybean Association (KSA), the contests are free to all Kansas farmers, but there is a limit of one entry per field. One person may enter multiple categories – conventional or no-till, dryland or irrigated.

Farmers may enter the value contest, which evaluates protein and oil contents, without entering the yield contest and vice versa.

The complete rules are available at http://KansasSoybeans.org/contests on the web, from the Kansas Soybean office (877-KS-SOYBEAN, 877-577-6923 or info@kansassoybeans.org) and in K-State Extension offices across the state.

Doug Shoup, Ph.D., K-State Southeast Area crops and soils specialist, coordinates the project as the Extension representative on the KSA Board of Directors.

“The contest is an incentive for farmers to maximize soybean yield and protein and oil contents and an opportunity to share the production practices that achieve those high levels of yield and value,” he said.

Winners will receive their plaques, certificates and monetary awards during the Kansas Soybean Expo, Jan. 10, 2018, in Topeka.

6-axle trucks now may transport 90,000 lbs. of ag products

During the 2017 legislative session, a coalition of agricultural interests, including the Kansas Soybean Association, sought an increase in the maximum gross weight that commercial trucks can transport lawfully in Kansas. Following the passage of HB 2095, motor carriers with a $200 annual permit now may transport up to 90,000 pounds on six-axle vehicle configurations on non-interstate roads.

The new law applies to motor carriers transporting “agricultural products.” As defined in the law, agricultural products include “agricultural inputs, farm supplies, biofuels, feed, raw or processed agricultural commodities, livestock, raw meat products, or farm products.” The law, which took effect July 1, specifically states the term “agricultural products” is to be interpreted liberally.

Motor carriers can apply for and purchase an Annual Overweight Agricultural Permit through the Kansas Department of Transportation (KDOT) permitting system at http://k-trips.com on the web. The login page provides access to various video tutorials that will explain the processes to create an account and order a permit. Once logged into the system, an online document will assist them further. Motor carriers also may call the KDOT Central Permitting Office (785-368-6501) for assistance.

Contact KSA if you have any questions about the new permit.
PRESIDENT'S MESSAGE by Lucas Heinen, KSA 2017 president

Celebrating our political, economic freedoms as summer ends

Our most recent Kansas Soybean Association (KSA) Board of Directors meeting came on the heels of Independence Day, so I opened it with excerpts from the Declaration of Independence.

If you haven’t read it recently, you should; it is a great reminder of what led to the birth of this great nation. After the oft-memorized opening – with its lines about “the course of human events” and “life, liberty and the pursuit of happiness” – comes the “long train of abuses and usurpations” the colonists levied against the king of Great Britain.

We recently observed another federal holiday, Labor Day. In his eighth fireside chat (Sept. 6, 1936), President Franklin Roosevelt compared Labor Day and Independence Day by discussing the relationship between economic and political freedoms.

“Labor Day belongs to all of us. [It] symbolizes the hope of all Americans,” he said. “The Fourth of July commemorates our political freedom – a freedom [that] without economic freedom is meaningless indeed. Labor Day symbolizes our determination to achieve an economic freedom for the average man, which will give his political freedom reality.”

Twelve years before that, President Calvin Coolidge had emphasized Americans’ esteem for hard work and honest labor.

“I cannot think of anything that represents the American people as a whole so adequately as honest work,” he said. “We are proud of work and ashamed of idleness. With us, there is no task which is menial, no service which is degrading. All work is ennobling, and all workers are ennobled.”

A hundred years ago, society looked down upon idleness. I believe that still is mostly true. I also think we farmers are among the hardest working people out there. We often provide both the management and the labor for our own enterprises. It doesn’t get much more honest or noble than that.

While Roosevelt saw economic freedom as necessary for political freedom, things have become a bit topsy-turvy since then. Nowadays, politics often interferes with economics. Understanding all of that, our Kansas and American soybean associations take a free-market, limited-government approach to most policy issues. It’s the best way we know to enhance farmers’ profit potential and success.

We all might not agree on the best way to apply that approach to every situation. Our different perspectives, backgrounds and experiences mean different opinions, methods and solutions. Management expert Steven Covey said, “Strength lies in differences, not in similarities.”

That brings me back to the declaration. Facing financial ruin and even execution, the signers closed with this: “We mutually pledge to each other our lives, our fortunes and our sacred honor.” With similar seriousness, your KSA directors take on our role as “the voice and advocate” for soybean farmers.

We wish you all a safe, healthy, bountiful (and profitable) harvest.

Directors complete summer agenda

The following are the highlights from the Kansas Soybean Association Board of Directors meeting convened July 15 in Atchison.

- Congratulated Program Manager Jancey Hall on her acceptance into the Kansas Agriculture and Rural Leadership program.
- Met the summer interns, Jena Ernsting, Hays, and Nils Bergsten, Holton.
- Discussed candidates for the national DuPont Young Leader program, state Emerging Leaders Academy and District 6 directorship.
- Approved the IRS Form 990 for fiscal year 2016.
- Directed staff to organize a winter strategic-planning and board-training event.
- Joined the Milford Lake watershed project.

Association members can contact any director or Kenlon Johannes in the office to suggest agenda items for the next Board meeting, Nov. 17 in Topeka.

Treated-seed stewardship: Clean & remove

Remember: Completely remove all treated seed left in containers and equipment used to handle harvested grain, and dispose of it properly. Keep all treated seed from commodity-grain channels.

Corporate partners and advertisers are extremely important to the overall effort of the Kansas Soybean Association. They provide the Association with financial support and are links to the allied industries that provide soybean farmers with inputs and capital to manage our enterprises. KSA also relies on corporate partners to keep us up-to-date with the latest breakthroughs in production technologies, and we all work together to create and implement environmental and trade policies that benefit the soybean industry.

Thank you,
corporate partners
Knowing your costs, establishing a breakeven

What costs go into the typical breakeven? Most include only a few of an enterprise’s fixed costs and a few of the variable costs. A typical breakeven might account for chemicals, feed, fertilizer, fuel and rent.

Is that enough? This approach gives a broad overview of the breakeven, and it does work in some enterprises and even in some cycles. For example, if an enterprise has little debt and a good handle on variable expenses, that might suffice.

For most grain farmers, profit margin matters today. Grain prices have dropped faster than production costs have, and marketing is more complicated. Do not cut yourself short by using only four to six input costs. You need to understand your cost of production.

More farmers are using a marketer to help them get the best price for their grain. Good marketing – no matter who is doing it – begins with knowing your true cost of production.

What costs should a farmer include in a breakeven? Fixed costs are those expenses that are incurred regardless of production: principle and interest payments, rent, and real-estate taxes. Depreciation also is a cost that should be considered.

You have more control over variable costs because you can pick when and where to buy them. Examples are fertilizer, seed, chemicals, crop insurance, supplies, freight, machinery repairs, meals, utilities, accounting and marketing fees, and living costs.

At least two of the expenses – living costs and depreciation – often are left off. That is a mistake. If family living expenses are $100,000 per year and you farm 4,000 acres, you will need to earn $25 per acre just to meet your family’s needs.

Some argue that depreciation is not a true cost to their enterprises. While you are not writing a check to depreciation at the end of the year, you are when you trade in that $200,000 tractor for its depreciated value of $60,000.

Understanding your true cost structure allows for decisions that can lead to being more efficient and improves the chances for profitability.

To find a Farm Credit office near you, visit http://FarmCredit.com on the web.

National association works to keep soyfoods in military meals

In mid-September, the American Soybean Association (ASA) learned of an undated notice from the Defense Logistics Agency (DLA) that posed a grave threat to the use of nutritious soy products in military dining installations. The notice was set to become effective Sept. 30 and would cause enormous and immediate disruption to the soyfoods market.

About a week later, DLA rescinded the notice, which would have required food manufacturers to disclose prohibited ingredients so products could be removed from meals served in dining facilities or onboard ships. Included on the list of prohibited ingredients were textured vegetable protein, isolated soybean protein, soy protein concentrate and vegetable protein product.

ASA actively worked the issue by engaging members of Congress and the Agriculture and Defense departments. In a conference call with representatives of all military branches, DLA notified ASA the notice would be rescinded. Joining ASA on that call were three groups that support and promote the soyfoods industry: the Soyfoods Association of North America, the Soy Nutrition Institute and the Soyfoods Council.

The Defense Department announced stakeholder groups would be able to provide nutritional information and feedback through a public process. ASA will continue to work with its partners and the rest of the food industry to inform the military about both the nutritional value of soy and soy’s functional importance in a wide range of food products.
ASA CEO nominated for USDA post

Following President Donald Trump's nomination of Steve Censky to be deputy secretary at the U.S. Department of Agriculture (USDA), the American Soybean Association (ASA) offered its strong support. Censky has been the CEO there since 1996.

The transition would mark a return to both Washington, D.C., and USDA for Censky. Before his service at ASA, he served at USDA in the administrations of Ronald Reagan and George H.W. Bush, including as administrator of the Foreign Agricultural Service. Censky originally came to the district as a legislative aide to then-Sen. Jim Abdnor of South Dakota.

“Steve has helped us grow our advocacy for farmers in Washington,” said Bob Henry, Robinson, an ASA director from 2006 to 2015. “We hate to lose his leadership but are glad to know it will benefit the millions of Americans who rely on USDA’s work every day.”

Censky grew up on a soybean, corn and livestock farm near Jackson, Minnesota, and holds a bachelor's degree in agriculture from South Dakota State University and a master's degree in agricultural science from the University of Melbourne, Australia.

The Senate agriculture committee, chaired by Sen. Pat Roberts, conducted a hearing on Censky’s nomination Sept. 19. As of press time, it had not been referred to the full Senate. The nominee needs a simple majority in the full Senate to be appointed.

Tax-code fix would help recover machinery investments

Current tax code sets a seven-year depreciation-cost recovery period for agricultural equipment. Sen. Pat Roberts is co-sponsoring the Agriculture Equipment and Machinery Depreciation Act (S. 1422) to help farmers purchase new equipment and replace worn-out machinery by permanently amending that to a five-year depreciation schedule in certain instances.

Changing the depreciation schedule to five years would make the tax code more consistent and support rural development by aligning the length of time that farmers can take a depreciation deduction with the average useful life of that property.

“This commonsense legislation will give farmers and ranchers the certainty they need to invest in new, more modern equipment so they can create more jobs and growth in our communities,” said Roberts, chairman of the Senate agriculture committee. “A five-year depreciation schedule allows for predictability and fairness in our overly complex tax code, giving the agriculture community the ability to produce more efficiently and at a lower cost.”

Under the tax code, taxpayers are allowed a depreciation deduction to let them recover the costs of investing in certain property, like farm machinery and farm-use motor vehicles. The recovery period for the deduction should match the useful life and financing of that property. According to survey data from the Farm Service Agency, farmers finance equipment and machinery for five years on average.

The Senate referred S. 1422 to its finance committee June 22. At press time, there had been no further action.
Teacher-turned-merchandiser represents processors for 10 years

Upon graduation from Emporia State University in 1973 with a secondary education degree in physical science and math, I taught physics at Emporia High School for three years. I then sold real estate in Emporia for the next five years.

My family has been involved with agriculture all my life, but my first actual participation was when I went to work for Bunge as a merchandiser in November 1981. During my time there, I have been a member of the Kansas Soybean Association (KSA) and Kansas Grain and Feed Association, serving on both organizations’ boards of directors.

I started on the KSA Board in 2007, replacing Rich Moneymaker as the processor representative. My original reason for joining the Board was to increase soybean origination for Bunge, but after serving only a short time, it became apparent there was a bigger picture. KSA plays an important role as an effective voice for the Kansas farmer in both Topeka and Washington, D.C.

I have enjoyed my years on the Board and all the discussions about demand, markets and crop conditions. It has been an honor to serve with such a knowledgeable and energetic group of people. Kansas farmers can be proud of all those involved with the KSA Board.

Outside business, I have been married to my wife, Sharman, for 45 years. We have three children: Mark, a lieutenant colonel in the Air Force stationed in New Jersey; Morgan, a dental hygienist in Colorado; and Meghan, a pharmacist in Texas. We also have three grandchildren: Brody, 9; Breck, 7; and Emersyn, 2.

I enjoy all kinds of sports as a participant and spectator. I refereed high-school football for 40 years, retiring in 2014, and enjoyed staying involved with young people. I play golf and have enjoyed participating in tournaments with our CEO, Kenlon, and other leaders. Sharman and I enjoy all types of travel and have trips planned after my retirement at the end of the year.

Jerry Murphy
KSA photo
Checkoff provides information for congresswoman

Rep. Lynn Jenkin's agribusiness learning tour was Aug. 23, and her staff invited the Kansas Soybean Commission to be part of it. While checkoff funds cannot be used to influence government officials, legislation or rulemaking, they may be used to educate legislators (that is, provide general background information about issues affecting the industry).

While touring East Kansas Agri-Energy (EKAE) in Garnett, the group learned about renewable hydrocarbon diesel (RHD) and discussed biofuels markets and demand. EKAE has the only plant in the world that produces both ethanol and RHD, which is made from corn oil and animal fats.

At the LeRoy Co-op, the group discussed safety issues, such as chemical applications and grain bins; infrastructure; and relationships with the local economy.

At David Slead's farm near Lebo, talk turned to agricultural regulations, research and dicamba. Slead is a former Kansas Soybean Association District 3 director.

The Kansas soybean and corn checkoffs sponsored lunch.

Crop insurance is valuable risk-management tool

Sen. Pat Roberts, chairman of the Senate agriculture committee, addressed nearly 400 Kansans at the Governor's Summit on Agricultural Growth, Aug. 24 in Manhattan. In his remarks, Roberts emphasized the importance of maintaining a strong crop-insurance safety net.

"We need to ensure that producers have risk-management tools at their disposal. Crop insurance is, for many, the most valuable tool in the risk-management toolbox," he said. "During my visits, producers from across Kansas, Michigan, Montana, Alabama and nearly everywhere in between have emphasized the importance of crop insurance and other risk-management tools as they navigate through a struggling farm economy."

Roberts added the industry is facing tough and critical times going into this farm bill.

"Our farmers and ranchers grow the safest, the most reliable and the most affordable food supply in the world," he said. "It is essential that small differences do not get in the way of the larger goal – to pass a farm bill."
Calendar of events

Oct. 4  Elk County Day on the Farm, Howard
Oct. 4  Kansas State Pupil Transportation Association fall meeting, Hutchinson
Oct. 5  Bluestem Kids Ag Day, Leon
Oct. 11  Russell–Ellsworth kids’ ag day, Wilson
Oct. 12–14  3i Show, Dodge City
Oct. 17–19  #RealPigFarming tour, Indiana
Oct. 27–28  Kansas Cattlemen’s Association convention, Newton
Nov. 1–3  U.S. Meat Export Federation strategic-planning conference, Tucson, AZ
Nov. 2  Kansas Crop Insurance Workshop, Salina
Nov. 8–9  Governor’s water conference, Manhattan
Nov. 14–16  Kansas Association of Counties annual conference, Overland Park
Nov. 15–16  Kansas Agri Business Expo, Wichita
Nov. 15–17  Emerging Leaders Academy (Class 4, Phase 2), statewide tour
Nov. 17  Kansas Soybean Association Board of Directors meeting, Topeka
Nov. 27–29  National Biodiesel Board meeting, Washington, DC
Nov. 28–30  DuPont Young Leader Program Phase 1, Johnston, IA
Nov. 29–Dec. 1  Kansas Livestock Association convention, Wichita
Nov. 30–Dec. 2  Kansas Soybean Commission meeting, Topeka
Dec. 1–3  Kansas Association of School Boards convention, Wichita
Dec. 3–5  Kansas Farm Bureau annual meeting, Manhattan
Dec. 5  North Central Soybean Research Program meeting, Saint Louis, MO
Dec. 6–7  American Soybean Association Board of Directors meeting, Saint Louis, MO
Dec. 6–7  United Soybean Board meeting, Saint Louis, MO

See more at http://KansasSoybeans.org/events