

Consolidated Notes from Soybeans and Other Oilseeds Sector Workshop

August 30, 2016

General conversation that occurred during the breakout session

- It's all federal regulations, not state
- Problem is regulations are behind industry—gov doesn't know what's going on. We are so far ahead of regulations and now we have to wait for seed and chemical companies to come up with new label. What's the new label? Gov regulation AND Consumer perception. How do you change consumer perception so that it can impact gov regulation? Consumer fear is based on science literacy—how do you address and change perception of consumer?
 - Industry is not leading the way to this
 - Education opportunity to consumer. Ag in the Classroom would be a great place to start.
- Identity preservation—follow the production practice. The conversations are incredibly valuable.
- More places to produce seed oil

What does growth look like to you? What should our industry goals be?

- Increased exports of high-quality oilseeds
- Higher producer incomes through increased processing capacity

Identify Kansas' advantages

- Livestock feeding — top 3 in cattle and top 10 in hogs, number one market for oilseeds
- Higher protein content for Kansas soybeans
- Strong consumer demand for canola and sunflower oil
- Great oil
- Established practices
- Corn oil
- Innovation center
- Renewable diesel

Identify barriers to growth.

- Gov regulation and federal policy
- Negative consumer perception of biotechnology, halting advancements can lead to further production issues such as chemical resistant weeds
- Getting new chemicals/weed control technology approved
- Lower relative profitability due to lack of in-state processing facilities

- Trucking regulations, would help if we had released trucking regulations
- Do you allow more weight, tear up the highways more, then spend more money repairing?

- Problem seems simple on the surface, but is more complex. Is really challenging to have more resistance and higher yield.
- Spraying soybeans for the fourth time—we're not allowed to get any new products—maybe be 2-3 years before get from EPA. Lots of hurdles. Need to increase exports. Everyone wants food; no one wants to buy it. They have reduced the ability for herbicides and insecticides to work. How do you spend that much \$ to spray your crops and still be profitable?
- Next big chemical that is effective as roundup is still 14-15 years away. Yields are going to be impacted more and more until that comes.

Identify untapped opportunities and ideas for growth.

- Maximize value of oils through renewable diesel and biofuels among other uses.
- Education on benefits of omega 3's in soy and sunflower oil
- Increase in double crop acres of all oilseeds after wheat.
- Increase winter canola acres
- Fish food
- Economic development packages suitable for oilseed processors
- Canola meal in dairy rations
- Classify cottonseed as an oilseed
- Better certification system needed so people know what product they are getting, and farmers can choose which area they want to be in
- Omega 3 oil educate people about the benefits
- Increase canola acres. There are benefits to rotating with other crops. Opportunities for weed control in canola that could benefit wheat production. A lot of value in canola being an oilseed. A lot of opportunities.
- Fish Food/Aquaculture – People have asked him how to make soybeans more attractive to fish. Says there are projects out there right now to do that and create that market.

What do we do next? What's our action plan?

- Exports are key. Need a level playing field.
- Increase processing.
- Get other countries to lower other trade tariffs.
- Adding more value to oils.
- Banking regulation issues. Educate the banking sector.
- Processing plant facilities. Who's responsible? Economic development, co-ops, etc.
- Identify cost and benefit of government regulations.
- Pass the TPP – Venue for outreach?
 - Surprised of the non-commitment in Washington (“we'll look into that”)
- Gov regulation is connected to consumer perception

- Solution is through multiple channels
- Pat Roberts putting together a bill of cost ratio of regulations
 - Being there as the discussion is happening around certain topics to help guide the discussion.

Challenge all to be leaders in your field. Be able to explain what a GMO is, etc. If you can't tell our story, someone else will.