

Talking Points

Supporting Our Number One Customer

- Domestic poultry and livestock producers represent our top customers. Ninety-four percent of the meal used in the United States goes to livestock and poultry feeds.
- While a majority of us view domestic animal agriculture as important to our bottom-line profitability, a lot of soybean farmers don't realize that 94 percent of our soybean meal goes to feeds. That's why the checkoff works to inform farmers of the need to protect domestic livestock and poultry operations.
- Poultry and livestock producers face a number of pressures, including diseases, competition from other countries and activist groups opposed to animal agriculture.
- U.S. livestock and poultry producers treat animals humanely, practice environmental stewardship and provide a valuable protein source to the world – just like U.S. soybean producers.
- Our checkoff works to help improve the competitiveness of domestic poultry and livestock producers and the family farm.
- Through our checkoff, we are working to inform soybean farmers and rural neighbors about the importance of animal agriculture.
- Success for domestic animal agriculture means success for soybean farmers.

Avian Influenza

- The United States currently has no cases of the highly pathogenic avian influenza. In fact, only three cases of that virus have ever been found in this country, the most recent being in 2004. U.S. poultry is safe.
- It is important to work with government organizations to ensure that the common bird flu does not cause an overreaction, while diligently working to prevent or contain the highly pathogenic virus.
- If avian influenza drives down worldwide consumption of poultry, it could adversely affect the demand for U.S. soy.
- Globally, avian influenza is a concern. However, with no current cases of it in the United States, it could be an opportunity for U.S. poultry exports to increase. If those exports lead to production expansion, U.S. poultry will be consuming more U.S. soybean meal.

DDGS, Competing Grains

- With the increase in ethanol production, there will be more Distillers' Dried Grains with Solubles (DDGS) to compete with soybean meal.
- In addition, due to greater demand for soybean oil driven partly by biodiesel, there will be more soybeans crushed into meal in the future. This will create increased competition to become the protein source of choice in animal feeds.
- The fact that there will be more feed choices like DDGS in the future is all the more reason to promote a healthy business climate for livestock producers. If we allow them to not only survive but thrive and expand, they can consume the extra feedstuffs that may be coming in the future.

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BUILDING OUR BETTER TOMORROW



Aquaculture

- Soy-based fish feed has tremendous growth potential for U.S. soybean meal, particularly in Asia.
- Projecting that China's ocean-based aquaculture would grow dramatically, the soybean checkoff's market development efforts expanded to include China's coastal offshore marine cage sector.
- Offshore cages have the greatest development potential because of better water quality and less competition for space from other industries.
- Soybean checkoff efforts initially addressed feed development by developing and testing marine fish feeds with high soybean meal inclusion rates between 1999 and 2003.
- The Ocean Cage Aquaculture Technology (OCAT) project was implemented in 2004 to expand the ocean-based aquaculture effort and recently completed its second harvest in December 2005.

Soy Compositional Traits

- The checkoff is also committed to making livestock and poultry producers more competitive by improving the traits of soybean meal, including essential amino acids, digestibility, energy value and traits with environmental impacts.
- The soybean checkoff is helping to fund a study to determine swine allergenic response to soy proteins.
- The soybean checkoff is helping to fund a study to determine the net energy requirements for swine on U.S.-formulated diets. This research provides a direct correlation between soybean trait improvement and animal response.
- The soybean checkoff is working with QUALISOY to discover soybean compositional traits that can: 1) reduce feed costs; 2) increase efficiencies; 3) enhance animal performance; and/or 4) reduce negative environmental effects of animal waste.
- The QUALISOY initiative encourages development of high-quality soybeans that meet standards and deliver value. It will generate broad, far-reaching industry and consumer benefits.