

# Michigan AgFacts<sup>©</sup>

## Michigan Agri-Business Association

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**James E. Byrum, President**

### Upcoming Events:

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CALENDARS!

**May 11, 2016**  
Lansing AgClub  
Radisson Hotel  
Lansing, MI

**June 1, 2016**  
Grain Grading  
USDA-GIPSA-FGS  
Maumee, OH

**June 28, 2016**  
Scholarship Golf  
Outing  
Hawk Hollow  
Golf Course  
Bath, MI

**August 5, 2016**  
CCA Exam  
Holiday Inn Express  
Okemos, MI  
Registration & Info  
*Registration period*  
*May 2 – June 24, 2016*

**September 8, 2016**  
Ed Brown Memorial  
Golf Outing  
St. Louis, MI

**September 9 - 11, 2016**  
Outlook Conference  
Mackinac Island, MI

**April 15, 2016**

**AGFACTS<sup>©</sup> FACT OF THE WEEK:** The Great Lakes State is 179 years old. On Jan. 26, 1837, Michigan was admitted as the twenty-sixth state of the union. There was a delay in Michigan's statehood because of the war with Ohio, called the Toledo War. In the end, Ohio was able to keep Toledo, but Michigan was awarded the entire Upper Peninsula.

**MAY 1, 2016 IS THE DEADLINE FOR APPLICATIONS FOR THE 9<sup>TH</sup> MABA LEADERSHIP PROGRAM CLASS!** The objective of the Michigan Agri-Business Leader Program (ABLP) is to identify emerging leaders in Michigan's agribusiness industry and provide an opportunity for personal growth and professional development. The program is designed to offer information, hands-on training and ground level experiences in several critical areas regarding policy, legislation and regulatory matters. Participants will learn the "nuts and bolts" of the opportunities and challenges facing our industry and what we need to do to continue moving it forward, both politically and economically. The Leadership Program sessions include two, two full day sessions, with an evening before each, coupled with a visit to Washington, D.C. The program size is limited in order to provide an optimal learning experience for the participants. [Click here](#) for more information and to submit an application!

**WE ARE HEARING THE USUAL STORIES AS SPRING APPROACHES, AND WE AREN'T TALKING ABOUT PLANTING DATES.** We are hearing about, "this retailer is undercutting prices," or "brokers are competing from out of state," and prices are at rock bottom. If you hear of this and can help by providing invoices of brokers selling pesticides here, MDARD would be happy to make sure they are paying the MAEAP tax. The same is true with fertilizer being delivered direct to farms by out of state dealers. Let us know!

**MORE IMPORTANTLY, WITH GREAT WEATHER FORECAST FOR THE WEEKEND, FARMERS IN MANY PARTS OF THE STATE WILL HIT THE FIELDS.** When farmers are in a hurry, the coffee shop banter about prices ends and they just need product. With planting happening as fast as it does these days, just getting material to farmers to stay ahead of the planter, or keep the planter running stretches every supply chain we have...as an issue, price at that point is way down the list of concerns! And remember, "Profit is not a four letter word," and it is absolutely necessary for retailers and across the supply chain.

**...AND SPEAKING ABOUT BEING IN A HURRY, TAKE THE EXTRA TIME TO BE SAFE.** Fatigue, speed and taking an unnecessary risk are all common during spring planting, but no crop is worth injury or worse. For you oldsters, as they used to say on the television show Adam-12, "Be Careful Out There!"

**PURPLE WHEAT HAS BEEN OBSERVED ACROSS THE STATE OVER THE LAST WEEK, AN EFFECT OF THE RECENT STRETCH OF COOL, WET WEATHER.** Wetter locations in the field, such as low spots or between tile lines, have

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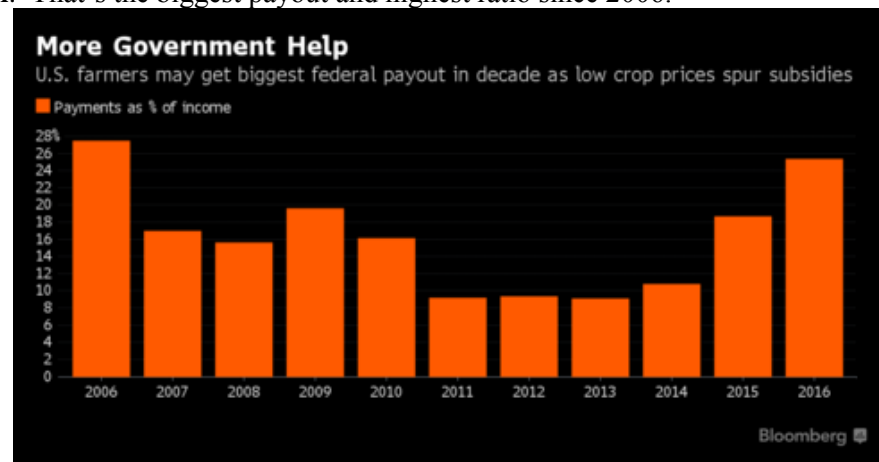
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the problem showing up to a greater extent. Variety differences are also evident. The phenomenon is the same that can often be seen in young corn plants, primarily brought on by low P availability. The weather conditions haven't favorable for much P availability in the soil and the issue can be compounded in areas with low pH or high Al levels. The warm-up that kicked wheat into gear a few weeks ago resulted in growth that has just outpaced the available P in the soil. With warm weather back in the forecast, look for this to turn around quickly and new growth to be free of these symptoms.

**AGRONOMY INSIGHTS: AN OMEGA BLOCK IS FINALLY BRINGING SPRING-LIKE TEMPERATURES TO THE REGION FOLLOWING SEVERAL WEEKS OF COLD AND SNOW.** The weather pattern, [described by MLive meteorologist Mark Torregrossa](#), is characterized by a slow moving area of high pressure that promises to keep dry, warm conditions in the forecast though next week. The current jet stream pattern, looking similar to the Greek letter omega, wraps around the Great Lakes region, blocking cooler, wetter weather out west. This stretch of good weather should allow for some N applications to wheat and a chance to take out winter annuals that gained a foothold a few weeks ago during the last period of warm weather. Considering an Omega Block is usually expected to be slow to dissipate, we are probably seeing the beginning of the spring planting window.

**THE AGRICULTURE SLUMP MEANS THAT FARMERS ARE ABOUT TO GET MORE GOVERNMENT AID THAN AT ANY TIME IN THE PAST DECADE.** About \$13.9 billion of net farm income this year will be federal payments, or about 25% of total profit estimated at \$54.8 billion, according to estimates by the USDA. That's the biggest payout and highest ratio since 2006.



Farmers will earn less than half what they did just three years ago, before global surpluses sent commodity prices plunging. Corn and soybean prices are so cheap that farmers are expecting to lose money on every acre they plant this season. The new farm programs approved in 2014 scrapped an aid program that wasn't tied to prices. The replacements were payments tied to market swings, which raises expenses in less-profitable years. In a different measure of government farm payments, a report from the Congressional Budget Office last month said the cost of price-support programs will peak at **\$10.2 billion** in the year that starts Oct. 1. That was 13% more than the agency estimated for the same period a year earlier.

**THE HOUSE APPROPRIATIONS COMMITTEE RELEASED A \$21.3 BILLION FISCAL 2017 AGRICULTURE SPENDING BILL TUESDAY THAT WOULD INCREASE FUNDING FOR RURAL DEVELOPMENT AND FOOD SAFETY, BUT ALSO OPENS THE FARM BILL.** The bill, which proposes spending \$451 million

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less overall on agricultural programs than in fiscal 2016 and \$281 million below President Barack Obama's request, would allocate more resources in a few areas even as overall discretionary funding is squeezed. Rural development programs would get \$2.88 billion, which is \$113 million more than in fiscal 2016. The bill would give a \$33.2 million bump to food safety funding at the FDA, exceeding the president's proposed \$25.3 million increase. But there would also be changes to mandatory farm bill funding and deep cuts to conservation programs - a move that is already being strongly criticized by the National Sustainable Agriculture Coalition. NSAC said the bill would cut the Conservation Stewardship Program sign-up by 20%, which would cut its farm bill baseline funding by more than \$300 million. The group also pointed to cuts in the Environmental Quality Incentives Program sign-up (\$113 million) next year, along with a \$98 million permanent rescission of earlier year EQIP funding. Those cuts also mean less funding is available for the Resource Conservation Partnership Program - \$46.5 million, the group said.

**THE ENVIRONMENTAL WORKING GROUP (EWG) IS WARNING CONSUMERS TO WATCH OUT FOR STRAWBERRIES.**

The summer fruit landed on top of the group's annual "Dirty Dozen" ranking of the produce that has the highest pesticide residue levels, with 98% of samples tested coming back positive for at least one chemical. Peaches, nectarines and apples were also almost always found to have pesticide residues, while the report found the average potato had more pesticides by weight than any other type of produce. To see their claims, [click here](#). In response, the Alliance for Food and Farming (AFF) issues its annual call for reporters and bloggers to read the actual [United States Department of Agriculture's Pesticide Data Program](#) report that EWG states it uses to develop its list before covering the "dirty dozen" release. This USDA report states that the findings show "residues do not pose a safety concern." "We aren't surprised that EWG has a new number one this year. "We even predicted it since media coverage of the "dirty dozen" list has fallen dramatically in the last five years and reached an all time low last year," says Marilyn Dolan, AFF executive director. "We also predicted that the new number one would be a popular fruit that is a favorite among children because this is an EWG prerequisite for a number one placement." One of the main reasons for declining coverage of the "dirty dozen" is not only are more reporters and bloggers reading the actual USDA report, but EWG's "list" has been discredited by the scientific community. A [peer reviewed analysis](#) of the "dirty dozen" list found EWG uses no established scientific procedures to develop the list. This analysis also found that EWG's recommendation to substitute organic forms of produce for conventional forms does not result in a decrease in risk because residue levels are so minute, if present at all, on conventionally grown fruits and vegetables. Further an [analysis](#) by a toxicologist with the University of California's Personal Chemical Exposure Program found that a child could literally eat hundreds to thousands of servings of a fruit or vegetable in a day and still not have any effects from pesticide residues. "For strawberries, a child could eat 1,508 servings of strawberries in a day and still not have any effects from pesticide residues which show how low residues are, if present at all," Dolan says.

**ORTHO, THE NATION'S LEADING BRAND OF INSECT CONTROL PRODUCTS FOR LAWN AND GARDEN USE, WILL IMMEDIATELY BEGIN TO TRANSITION AWAY FROM THE USE OF NEONICOTINOID-BASED PESTICIDES FOR OUTDOOR USE AND ANNOUNCED A NEW PARTNERSHIP WITH THE POLLINATOR STEWARDSHIP COUNCIL TO HELP EDUCATE HOMEOWNERS ON THE SAFE AND APPROPRIATE USE OF PESTICIDES.** Ortho will eliminate the use of neonic active ingredients Imidacloprid, Clothianidin and Dinotefuran by 2017. "This decision comes after careful consideration regarding the range of possible threats to honey bees and other

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pollinators,” said Tim Martin, general manager of the Ortho brand. “While agencies in the United States are still evaluating the overall impact of neonics on pollinator populations, it’s time for Ortho to move on. As the category leader, it is our responsibility to provide consumers with effective solutions that they know are safe for their family and the environment when used as directed. We encourage other companies and brands in the consumer pest control category to follow our lead. Ortho is taking this important action on its products, yet, consumers will still not know which products contain neonics and which do not simply by reading the product label. We know straight-forward, easily understood product labels help consumers make the best choices to protect their plants as well as honey bees and native pollinators,” Ms. Colopy continued. “Regulators need to allow the images on labels to be consistent with typical, recognizable consumer imagery to help the consumer make intuitive choices to achieve these goals. We look forward to joining with ScottsMiracle-Gro in the effort to help consumers better distinguish what products are neonic-free.”

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**BRINGING A NEW CROP PROTECTION PRODUCT TO MARKET COSTS \$286 MILLION AND TAKES 11 YEARS OF RESEARCH AND DEVELOPMENT, ACCORDING TO A NEW REPORT.** Commissioned by CropLife International, CropLife America and the European Crop Protection Association, the study found \$2.6 billion was spent on new innovations in 2014. The report also found the cost of bringing a new product to market has increased by 55% since 2000, with much of the increase attributed to a rise in the volume and complexity of environmental safety and toxicology data required by regulatory bodies to ensure products are safe. Since 1995, the time required to bring a new product forward has increased from 8 years to 11 years. CropLife International CEO and President Howard Minigh said, "The crop protection industry continues to invest heavily in cutting edge innovations to help farmers around the world to protect their crops from pests. Given the growing cost, the report demonstrates why we need predictable and risk-based regulations alongside robust intellectual property rights to give companies the confidence to continue to invest."

**IN THE CONTINUING SAGA OF EUROPEAN PESTICIDE APPROVALS, GERMANY HAS ANNOUNCED INTENTIONS TO BACK AN EU PROPOSAL THAT WOULD ALLOW THE CONTINUED USE OF GLYPHOSATE.** The EU last month delayed a decision on whether to approve a European Commission proposal to extend the authorization of glyphosate for 15 years until 2031. The existing authorization is due to lapse in June. The debate centers around the World Health Organization's International Agency for Research on Cancer (IARC) classification of glyphosate as "probably carcinogenic to humans." In the German statement, the ministry's plant protection unit says it agrees with the assessment of the European Food Safety Authority (EFSA), which issued an opinion that glyphosate was unlikely to cause cancer. Recently, France has moved to ban herbicides that combine glyphosate and tallowamine because of concerns over possible health risks. These issues are due to ramp up preceding the June deadline on glyphosate registration.

**CANADA'S PEST MANAGEMENT REGULATORY AGENCY (PRMA) THIS WEEK ANNOUNCED "REGISTERED PRODUCTS CONTAINING 2,4-D ARE ACCEPTABLE FOR CONTINUED REGISTRATION" IN CANADA.** The decision was part of a special review of products containing 2, 4-D, and is consistent with previous PRMA reviews, the government said. PRMA said not all forms of 2, 4-D are not mutagenic or genotoxic, and that the "weight of evidence indicates the chemical is not carcinogenic in rats, mice and dogs." The agency also looked at data from several epidemiological studies on human exposure.

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**A HEARING HAS BEEN SCHEDULED BEFORE AN EPA ADMINISTRATIVE LAW JUDGE TO HEAR ARGUMENTS FROM THE AGENCY AND BAYER CROPSCIENCE OVER EPA EFFORTS TO WITHDRAW APPROVAL OF BAYER'S (BELT) PESTICIDE FLUBENDIAMIDE.** EPA is seeking to cancel the conditional flubendiamide registration because it contends the chemical is placing aquatic animals at risk. The company says that monitoring data proves EPA's concerns are unfounded. Belt is used on corn, cotton, tobacco, tree nuts, grapes, vegetables and pome and stone fruit, and has been conditionally cleared since 2008.

**ALTHOUGH FARMERS HAVE ACHIEVED YIELD INCREASES OVER THE PAST SEVERAL YEARS, NEW DATA SUGGEST THAT THE TREND OF SOIL NUTRIENT REMOVAL RATES ARE OUTPACING FERTILIZER APPLICATION RATES IN MOST STATES.** PotashCorp's eKonomics program released an in-depth, state-by-state analysis of the 2015 soil test levels in North America issue by the International Plant Nutrition Institute (IPNI). eKonomics combined IPNI data from 2005, 2010 and 2015 and presented it alongside nutrient balance data. With another year of large crops and expected high yields during a down economy, ag retailers will have a hard time convincing farmers not to cut their fertilizer budgets. However, maintaining or building their soil fertility program could go a long way toward building their land's future profitability. The analysis focused on the declining nutrient balance levels of potassium and phosphorus, according to Robert Mullen, Ph.D., PotashCorp's director of agronomy. Harvests have removed a significant amount of nutrients from the soil in recent years, but fertilizer application rates have not increased to sufficiently replace the nutrients that have been removed, the data found. From the IPNI data, the most significant decline in soil test levels for potassium was seen in the Midwest, Southeast and Mid-Atlantic regions of the U.S. as the median soil test levels for potassium have declined an average of 18 ppm in 26 states since 2010. For phosphorus, under-fertilization was more widespread geographically – the median soil test levels for 22 states declined an average of 9 ppm and the median soil test level for 21 states increased by an average of 8 ppm. "If you happen to be a farmer producing crops on soils that have slipped below the established critical level, you are likely not producing as many bushels as you could, nor are you generating the maximum return from your farming operation," said Mullen. "The best course of action is to reevaluate your fertility program and invest your dollars in those nutrients that are limiting your production potential." In addition, Mullen advises farmers to look beyond the soil test results and to consider the productivity levels they are experiencing. Shorting this year's crop from necessary nutrients will mean lost revenue and a continued decline in soil test levels. Declining soil test levels translate into a greater fertilizer need down the road as the nutrient balance deficit continues to grow. The 2015 IPNI soil test summary is the esteemed organization's most extensive to date, including results from more than 7.5 million samples from U.S. states and Canadian provinces. To view the in-depth state-by-state analysis, please visit the [eKonomics site here](#) and join the discussion on Twitter [@eKonomics\\_PCS](#).

**CANADIAN PACIFIC HAS DROPPED THEIR BID TO MERGE WITH NORFOLK SOUTHERN.** After months of growing opposition from industry stakeholders and lawmakers, the prospect of a successful takeover looked increasingly unlikely. "We have long recognized that consolidation is necessary for the North American rail industry to meet the demands of a growing economy," said Canadian Pacific CEO E. Hunter Harrison, "but with no clear path to a friendly merger at this time, we will turn all of our focus and energy to serving our customers and creating long term value for CP shareholders."

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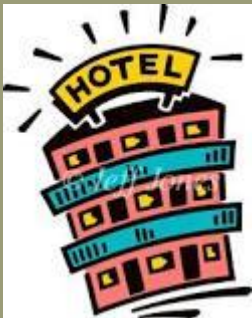
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**ON JULY 1, 2016, A NEW MANDATE REQUIRING A “VERIFIED GROSS MASS” (VGM) FOR SHIPPING CONTAINERS PRIOR TO LOADING ABOARD A CONTAINERSHIP GOES INTO EFFECT.** The National Industrial Transportation League (NIT League) provided this [FAQ document](#) that further discusses this matter. The International Maritime Organization (IMO) adopted this mandate to address intentional and accidental misdeclaration of container weights that have been the source of various marine casualties. According to the NIT League, “U.S. exporters will have to provide a verified weight of their loaded container(s) to their carrier; carriers will use the information in creating the stowage plan for individual ship sailings, working with marine terminal personnel. Many U.S. exporters are already in compliance, but not all. The [FAQ document](#) describes the two alternative means to obtain a verified weight. U.S. importers need to be assured that their foreign sources are in compliance with the new requirement. The “penalty” for noncompliance is straightforward: the container will not be loaded aboard the ship.” The Ocean Carrier Equipment Management Association (OCEMA) has also developed [VGM Best Practices](#) and a [VGM Process Map](#). Both documents are summarized on this [OCEMA press release](#).

**CONSUMER GROUPS SHOULD NOT EXPECT TO GET EVERYTHING THEY WANT FROM LEGISLATION CREATING A NATIONWIDE LABELING SYSTEM FOR FOODS WITH INGREDIENTS FROM GENETICALLY ENGINEERED CROPS, SEN. DEBBIE STABENOW, SAID DURING A POLICY CONFERENCE.** “I do believe that we can create something that is positive and a step forward, but I think it’s going to be very challenging to do what you would feel is perfect,” Stabenow, the ranking member on the Senate Ag Committee, said during a speech at the Consumer Federation of America’s 2016 Food Policy Conference on April 7. Groups such as Just Label It and the Center for Food Safety have pushed for a nationwide, mandatory biotech labeling system such as the one set to take effect in Vermont on July 1. Stabenow stressed that getting labeling standards through Congress will require compromise between consumer activists and traditional agriculture, something that has so far been “very hard to do,” she acknowledged. “I don’t live in a world where I can do perfect,” Stabenow said. “When you advocate, you can do perfect. I live in the world of the doable. And so what I’m working on is how we get to the best thing that is achievable.” Stabenow told reporters after her speech that negotiations in the Senate continue and that she recently sent language related to the biotech issue to Senate Ag Chairman Pat Roberts, but added that her stance remains the same. “The chairman asked me to put down in writing things we’ve been talking about for months, but my position on the path forward that gets bipartisan votes has not changed for months,” Stabenow said.

**VEHICLE DESIGN AND MAINTENANCE, TEMPERATURE CONTROLS, TRAINING, AND RECORDKEEPING ARE KEY ASPECTS OF A NEW RULE FROM THE FOOD AND DRUG ADMINISTRATION ADDRESSING FOOD TRANSPORTATION.** “The goal of this rule is to prevent practices during transportation that create food safety risks, such as failure to properly refrigerate food, inadequate cleaning of vehicles between loads, and failure to properly protect food,” FDA said in announcing the new regulations, required by the Food Safety Modernization Act of 2011. Some firms will have to comply with parts of the new rule within a year; others will have more time. For instance, small businesses will get two years after publication to comply with training requirements for carriers, while all other businesses will have one year. One major change from the proposed to the final rule is the removal by FDA of “prescriptive requirements for temperature monitoring devices and continuous monitoring of temperature during transport.” The agency decided

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instead to adopt “a more flexible approach that allows the shipper and carrier to agree to a temperature monitoring mechanism for shipments of food that require temperature control for safety.” “We agree with the comments that ask us to clarify that a deviation from the shipper's temperature specifications does not necessarily and automatically cause the food to be unsafe, and, therefore, adulterated,” FDA said in the rule. An “inconsequential failure by a carrier to meet the shipper's temperature control specifications” does not necessarily mean that the food has become adulterated, FDA said. However, any person subject to the regulations who “becomes aware of an indication of a possible material failure of temperature control or other conditions that may render the food unsafe during transportation . . . must take appropriate action to ensure that the food is not sold or otherwise distributed, unless a determination is made by a qualified individual that the temperature deviation or other condition did not render the food unsafe.” FDA also removed a provision from its proposal that would have required the carrier to demonstrate temperature control to the receiver for every shipment that requires it. Instead, the carrier would only have to do that “if the shipper or receiver requests it, which is consistent with industry best practices and would likely only be done in situations in which it is suspected that there has been a material failure of temperature control.” The agency rejected suggestions that it exempt food transportation within the same company from the rule's requirements. “The fact that shippers, loaders, carriers, and/or receivers may be operating within a unified corporate/legal entity or sanitary food transportation system does not necessarily ensure that all of the involved parties are operating in compliance,” FDA said in the rule. The rule stuck with proposed language to exclude the transport of live animals from the definition of “transportation operations” and thus, from the rule's requirements.

**MORE THAN 200 FOOD AND AGRICULTURAL COMPANIES AND GROUPS ARE DOING THEIR PART TO HELP CARRY THE WATER FOR THE TRANS-PACIFIC PARTNERSHIP (TPP), URGING CONGRESSIONAL LEADERS TO PASS THE DEAL THIS LEGISLATIVE SESSION OR RISK FURTHER LOSSES TO FARM INCOME.** “With net farm income at its lowest level since 2002, the costs of inaction are too high for us to ignore,” the coalition said in a [letter](#) to House and Senate leaders Monday. “We must act now.” The National Cattlemen's Beef Association has taken the lead in mobilizing other farm groups, including signatures on the letter from the Michigan Agri-Business Association and Michigan Bean Shippers, to push for TPP's passage. If the trade deal is not enacted, U.S. beef producers risk losing Japanese market share to Australia, which has already inked a deal with the major export destination. Dairy groups are also speaking up. The three major U.S. milk and dairy food industry groups sent their own [letter](#) this week to lawmakers urging them to pass the TPP, but with the warning that certain aspects of the deal must be implemented correctly and fully enforced.

**THE SENATE COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY HAS PASSED A BILL TO REAUTHORIZE THE COMMODITY FUTURES TRADING COMMISSION (CFTC), THAT WOULD PROVIDE REGULATORY RELIEF AND CLARITY FOR AGRICULTURAL AND AGRIBUSINESS HEDGERS WHO USE FUTURES AND SWAPS TO MANAGE THEIR BUSINESS AND PRODUCTION RISKS.** “The National Grain and Feed Association commends Chairman Pat Roberts for his leadership in crafting a bill that provides vital customer protections and prevents undue regulatory burdens in commodity markets,” said NGFA Senior Vice President of Marketing Todd Kemp. “It accomplishes several important clarifications and tweaks that will help ensure that U.S. farmers, ranchers and agribusiness hedgers maintain access to the risk management

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tools they need." The challenge is that even though the bill has been reported out of committee, there are no immediate plans by Senate leadership to bring the bill to the floor for final passage. The bill has several provisions popular with ag interests, including:

- Confirming the intent of the Dodd-Frank law and historical practice at the CFTC that anticipatory hedging qualifies as bona fide hedging activity, a hugely important matter for maintaining the availability and use of risk-management tools for producers and traditional hedgers
- Codifies important customer protections to help prevent another MF Global situation
- Provides a permanent solution to the "residual interest" problem - a regulation initially proposed by the CFTC, but subsequently withdrawn - that would have put more customer funds at risk by forcing pre-margining of hedge accounts held by futures commission merchants. Such a rule also potentially would have driven farmers, ranchers and small hedgers out of futures markets by imposing higher capital requirements to maintain hedge accounts
- Gives the force of law to relief from burdensome and technologically infeasible recordkeeping requirements in commodity markets.
- Requires the CFTC to conduct a study and issue a rule before changing the de minimis threshold for swap dealer registration to make sure that doing so would not harm market liquidity and end-user access to markets.

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**U.S. FARMERS PLANTED NEARLY 5 MILLION FEWER ACRES OF BIOTECH CROPS IN 2015 THAN THEY DID THE YEAR BEFORE, THOUGH THE UNITED STATES STILL PLANTS MORE THAN ANY OTHER NATION, ACCORDING TO A REPORT OUT TODAY FROM THE INTERNATIONAL SERVICE FOR THE ACQUISITION OF AGRIBIOTECH APPLICATIONS.** While the U.S. went down to 70.9 million acres, Brazil added 2 million acres to put its production at 109.2 million acres. However, overall, global production of biotech crops was down 1% from last year to 440 million acres in 28 countries. The report is [here](#).

**MEXICO'S SUGAR CANE PRODUCERS SAY THEY HAVE ENOUGH PRODUCT TO INCREASE THEIR SHIPMENTS TO THE U.S. IF NEEDED IN RESPONSE TO AMERICAN CONSUMERS SHIFTING AWAY FROM SUGAR MADE FROM GENETICALLY MODIFIED SUGAR BEETS.** "While Mexico has no interest in renegotiating so-called suspension agreements signed in 2014 that set price limits and volume quotas, it has told U.S. authorities that it has between 300,000 and 500,000 metric tons of additional supply available should the country require it. The country is currently set to ship 1.2 million tons of sugar this season to the U.S." Read more from Bloomberg [here](#).

**THE FARM CREDIT SYSTEM (FCS), ESTABLISHED BACK IN 1916, IS UNDER ATTACK BY BANKS WHO CLAIM THE FCS IS OVERSTEPPING THEIR CHARTER.** Critics charge the cooperative is making some loans that have almost nothing to do with farming. "They are giving a loan to Cracker Barrel," said Steve Daggett, chief executive of a small community bank in Minnesota that competes with Farm Credit. "Does anybody really think when Congress set up Farm Credit, it was to make loans to Cracker Barrel?" The traditional banking industry says the government-sponsored organization has crept outside its scope by providing loans for vacation homes, restaurants, car washes and even casinos. It is also squeezing community banks, the once-lucrative institutions that have seen profits pressured by regulations since the 2008 financial crisis. Community banks want Farm Credit reined

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in. “It is unfortunate that trade associations for the banking industry often ignore the extremely positive and long-standing working relationship that Farm Credit has with commercial banks when they are lobbying Congress or communicating with their members,” said CoBank’s Bob Engel.

**2016 HAS BEEN DECLARED THE “INTERNATIONAL YEAR OF PULSES” (WHICH INCLUDES MICHIGAN-GROWN DRY BEANS) BY THE UNITED NATIONS – AND FOR MICHIGAN, THAT MEANS DRY BEANS ARE FRONT AND CENTER.** On April 20, the public is invited to Bean Day at the Market, a partnership between the Downtown Market Grand Rapids, the Michigan Bean Commission and the Michigan Bean Shippers, focused on the nutritional and economic benefits of Michigan beans. “The Downtown Market Education Foundation strives to be a community resource for nutrition education,” said Mimi Fritz, president and CEO of the Downtown Market. “The free demos and cooking classes on Bean Day, focused on Michigan-grown beans, are a perfect example of how to create easy, affordable meals from locally-grown crops.” Free events for the community throughout the day include: Lunchtime cooking demonstrations using Michigan beans; Bean Production presentation in the Downtown Market Greenhouse; Demonstration of an Indian fritter dish using Michigan-grown navy beans; Demonstration of a Chinese sweet bean crepe using Michigan-grown black beans and an Interactive, hands-on class, making a Mediterranean salad with Michigan-grown beans. To learn more and reserve a spot for any of the free demonstrations or classes, [please visit this site](#). More information about the 2016 International Year of Beans is [available here](#).



**THE MABA EDUCATIONAL TRUST COMMITTEE IS EXPLORING NEW WAYS TO RAISE MONEY FOR THE TRUST THAT MEMBERS WOULD ENJOY AND PARTICIPATE IN.** The Demmer Center on the MSU Campus is one activity that is being considered. The Demmer Center is an Olympian and USA Shooting Team certified facility that offers Shooting Sports, Education, and Training. They often host fundraisers and “friendly competitive” events. They have an indoor firearms facility as well as indoor and outdoor archery facilities. In the indoor firearms facility, shooters can shoot up to .22 caliber pistols & rifles. Is this something you would be interested in? If so, Archery? \_\_\_ Rifle/Pistol \_\_\_ Both \_\_\_ If we have enough members interested, we will schedule a trial run sometime later this year. Please email Andrea Williams at [andrea@miagbiz.org](mailto:andrea@miagbiz.org) if you have interest. To learn more about the Demmer Center, go to <http://demmercenter.msu.edu/>

**THE MEXICAN GOVERNMENT HAS THROWN A FINANCIAL LIFELINE TO TROUBLED STATE-RUN OIL COMPANY PEMEX WITH A CASH INJECTION OF 73.5BN PESOS (\$4.2BN) AND A 50BN PESO TAX CUT.** The cash injection will provide the company with sorely needed liquidity while the tax adjustments lay the groundwork for a healthier balance sheet going forward. The government’s rescue package for Pemex took shape as part of an agreement with the company to pay overdue debts to contractors and providers. The firm said it will free up cash by selling assets, storage tanks and land, reducing upstream spending, and seeking new partners to invest in some of its most costly projects.

**THE AFRICAN FARMERS’ ASSOCIATION OF SOUTH AFRICA SAYS THE AGRICULTURE INDUSTRY IS HEADING FOR WHAT IT’S CALLED A “DISASTER.”** The association has warned chicken, pork and red meat prices will more than double in the coming months, due to the rocketing price of maize (corn). It says the effects of the drought, exacerbated by the increases in the price of fuel and

Continued on next page

electricity are to blame. Aggrey Mahanjana has predicted doom for the agriculture industry. He says maize for livestock feed used to cost between R1,800 and R2,000 (South African Rand) a ton, and is now priced in the range of R3,000 a ton and could potentially double from that (Currently, \$1 US Dollar equals 14.56 South African Rand).

**THE NEXT MABA LANSING AGCLUB WILL TAKE PLACE MAY 11, 2016.**

Join us at The Radisson Hotel in downtown Lansing on May 11<sup>th</sup>, for an AgClub sponsored by the Michigan Sugar Company. [Click here to register!](#)

**REGISTRATION IS NOW OPEN FOR THE ANNUAL MABA EDUCATIONAL TRUST GOLF OUTING ON JUNE 28TH, AT HAWK HOLLOW, JUST NORTH OF EAST LANSING.** This is always a great time – and the proceeds fund the educational trust, which provides scholarships for those interested in our industry. For registration details, [click here](#).

**WE ENCOURAGE STUDENTS INTERESTED IN AGRICULTURE AND PLANNING TO WORK IN OUR INDUSTRY TO APPLY FOR A SCHOLARSHIP FROM THE MABA EDUCATIONAL TRUST.** Please pass this information on. Applications for the fall semester will be accepted through June 1st. [More information...](#)

**WHO WILL ADD EXTRAORDINARY VALUE IN THE WORKFORCE? SPARTANS WILL!** Connect with Spartan talent at no charge to you by holding on-campus interviews for full-time and/or internship opportunities. Call now to reserve interview space at the Stadium Career Center. To learn more, contact Kim Kowalski at (517) 355-0234 or [kowalsk4@msu.edu](mailto:kowalsk4@msu.edu). For more information about College of Agriculture & Natural Resources students, contact Jill Cords, CANR Career Consultant at 517-355-0234 at [jcords@msu.edu](mailto:jcords@msu.edu).

**GRAIN GRADING** MABA will be hosting a Grain Grading School on June 1<sup>st</sup> at the USDA-GIPSA-FGIS – Toledo/Maumee Field Office. This session will cover procedures and the interpretive line for Corn, Wheat and Soybeans, with time spent performing hands-on picking of various samples. If you have a specific sample that you would like graded please feel free to bring it. The session will begin at 12:30 P.M. and adjourn at 5:00 P.M.. Registration fees will be \$25 for MABA members and \$35 for non-members. [Information & Registration](#). This class is limited to 20 participants. If you attempt to register and get a message that the meeting is closed please email [maba@miagbiz.org](mailto:maba@miagbiz.org) with the number that would like to attend and we will see if we can set-up a 2nd session on a different day.

**ASMARK FEATURE** This month Asmark is featuring the Safe & Sound Online Training Management Tool. Since 1990, more than 80,000 people have turned to the Asmark Institute for quality training programs. The Safe & Sound Online Training Management tool is ideal for organizations seeking a comprehensive training solution. The platform incorporates advanced technologies to help them manage their employee training from start to finish, simplifying and streamlining the process. They have the ability to set their own monthly schedule as well as manage their new hire and re-hire training. The library of ag-specific DVDs are kept on-site with personalized tests sent electronically for each person based on their duties. [Click here](#) for more information.

**CLASSIFIED**

**AN OHIO STATE BACHELOR GRADUATE OF SCIENCE IN AGRICULTURE IS LOOKING TO RELOCATE TO MICHIGAN.** She has spent the last 3 years working for the Ohio Farm Bureau Federation, but is moving for family. If interested, [click here](#) to view resume.

**FLASHBACK STORY OF THE WEEK**

**The following flashback story is from AgFacts edition: April 15, 2011**

WE ARE ALSO HEARING REPORTS FARMERS AND LANDOWNERS ARE CLEARING WOODS, FENCEROWS AND BASICALLY DOING EVERYTHING THEY CAN TO CREATE MORE TILLABLE ACRES. This is happening everywhere in the country as commodity prices and high land rents drive the hunt for acres. Some are starting to worry that sensitive land will be brought back into production, with the accompanying challenges of upsetting wetlands and increased soil erosion.

**NAME THAT LOCATION!**

**DO YOU KNOW WHERE THIS PHOTO WAS TAKEN???** The first person to correctly name the city/location in Michigan, where the picture below was taken, will win a prize! Send your guess by email to [kara@miagbiz.org](mailto:kara@miagbiz.org).



**THE WINNER OF LAST WEEK'S CONTEST WAS RICK KESTNER WITH MICHIGAN DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT!** The photo shown last week was taken at Bayside Best Beans in Sebawaing, MI. Congrats Rick!