Thomas Hammer, President
National Oilseed Processors Association
San Antonio, Texas
January 21, 2015
13 NOPA member companies
Account for 95% of U.S. soybean crush
Operate 63 processing plants in 19 states, including 57 that process soybeans
Crush 1.645 billion bushels, comprising almost 52% of U.S. soybean farmers’ production in 2013/14
NOPA Membership

- Ag Processing Inc.
- Archer Daniels Midland Company
- Bunge North America
- Cargill, Incorporated
- CHS
- Consolidated Grain and Barge Company
- Incobrasa Industries, Ltd.
- Louis Dreyfus Commodities
- Northstar Agri Industries
- Owensboro Grain Company
- Perdue Grain & Oilseed, LLC
- Riceland Foods, Inc.
- Zeeland Farm Soya
Can U.S. Crushers Export more Soybean Meal?

- U.S. processors investing in their crush plants to increase efficiency and capacity
- NOPA monthly crush & export numbers are at record levels
- Volume of U.S. soymeal exports is now 30% of total production – up steadily over the past decade
- Steady growth in U.S. meat & poultry exports provides steady growth of soymeal disappearance
- With this year’s larger soybean production (and other crops) – the transport system is functioning

**U.S. soybean crushers can & will export more soymeal – as long as the domestic soybean crop continues to expand through the use of enhanced technology and improved farming practices & protein levels remain competitive!**
NOPA Soybean Meal Exports CY2011–2014 (tons)
U.S. Soymeal Exports As Share of Soymeal Production [2000/01 – 2014/15]

Source: John C. Baize & Associates
## Top 10 Destinations for US Soy Meal
### JAN - DEC 2013 (Value/Quantities in thousands)

<table>
<thead>
<tr>
<th>Country</th>
<th>Rank</th>
<th>Value ($)</th>
<th>Quantity (M/T)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico</td>
<td>1</td>
<td>$672,494</td>
<td>1,269,452</td>
</tr>
<tr>
<td>Philippines</td>
<td>2</td>
<td>605,118</td>
<td>1,120,642</td>
</tr>
<tr>
<td>Canada</td>
<td>3</td>
<td>450,645</td>
<td>895,096</td>
</tr>
<tr>
<td>Venezuela</td>
<td>4</td>
<td>395,482</td>
<td>755,097</td>
</tr>
<tr>
<td>Turkey</td>
<td>5</td>
<td>218,243</td>
<td>397,787</td>
</tr>
<tr>
<td>Poland</td>
<td>6</td>
<td>211,594</td>
<td>408,512</td>
</tr>
<tr>
<td>Vietnam</td>
<td>7</td>
<td>201,226</td>
<td>377,450</td>
</tr>
<tr>
<td>Ecuador</td>
<td>8</td>
<td>183,807</td>
<td>366,468</td>
</tr>
<tr>
<td>Egypt</td>
<td>9</td>
<td>178,781</td>
<td>328,499</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>10</td>
<td>174,236</td>
<td>331,602</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td></td>
<td><strong>$5,423,942</strong></td>
<td><strong>10,160,713</strong></td>
</tr>
</tbody>
</table>

*Source: USDA/FAS*
U.S. Red Meat & Poultry Exports = Steady Growth for Soymeal Usage

Source: USDA Long-term Projections, February 2014

Source: John C. Baize Associates
U.S. Pork Exports As Share of Pork Production (2000 – 2014)

Source: John C. Baize Associates
Domestic Constraints to Exporting more U.S. Soybean Meal?

- Continuing need for greater supply of domestic soybeans
- Improving protein levels for domestic soybeans
- Increasing struggle for acres between soybeans & corn
- Making critical investments in U.S. transportation systems
- Terminating work stoppages at U.S. port facilities
- Ending unnecessary/costly Federal & State environmental & safety/health regulations on U.S. processors and farmers
- Combating anti-GMO Federal & State legislation
- Maintaining market-oriented farm programs
- Overcoming anti-trade sentiment from far Left & Right
Global Constraints to Exporting more U.S. Soybean Meal?

- Increased competition/production – South America, India, etc.
- Increased competition from mid-level proteins: DDGs, canola, etc.
- Negative effect of the stronger U.S. dollar on exports
- Slowdown in economic growth rates in key markets
- Anti-competitive trade policies: DETs, GMO-labeling
- Lack of synchronous approvals and low level presence (LLP) policy for biotech crops in major foreign markets
- Not concluding regional free trade agreements: TTP, TTIP
- Breakdown of World Trade Organization (WT0): Doha
U.S. Soymeal is Very Competitive

- Best farm-to-market system in world
- Best farm crop management
- Best delivery system
- Best risk management programs
- Diverse growing areas
- Overall quality of the soybean is world-class

Adding Value for our Global Customers
U.S. Soybeans are Unequaled

- U.S. soybeans are the **most** sustainable in the world.
- U.S. laws & regulations governing farmers, grain handlers, processors & exporters are the **most** rigorous in the world.
- U.S. soybean meal is the **best** overall value in the world.
Top Ten Reasons to Buy U.S. Soy Meal

1. Nutritional Advantages
2. Availability of Supply
3. Reliability of Product
4. Consistency of Product
5. Quality/Claims Process
6. Quality Adjustments for Feed Ingredient Buyer
7. Transportation Diversity
8. Sustainable Production
9. Market-Driven Policies
10. **USSEC Real-Time Support to Foreign Buyers with “Boots on the Ground”**
Thanks for allowing me to be a part of this important Global Strategy Session.

On behalf of NOPA’s soybean processing members, we value your ongoing efforts to promote the global use of U.S. soymeal.

We look forward to an even closer partnership in the future.
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