

**Our Vision**

Building a consumer focused, farmer-owned agri-business with innovative people committed to excellence in a global marketplace.

**Our Mission**

To be a progressive, diversified agri-co-operative providing the benefits of ownership.

**Our Motto**

Proud to be farmer-owned.

02/08

## HIGH YIELD/HIGH PROFIT • SOYBEANS

by Merv Carter (CCA-ON)

The soybean originated in China. Its earliest documented cultivation in the western hemisphere was in North Carolina, before the American Revolution. In 1893, soybeans were introduced into Ontario as a hay crop. An oil shortage during World War II and advances in oil extraction and refining changed soybeans from a forage crop to an oilseed crop. From 1945 to 2007, soybean acreage has grown from 45,000 to 2,200,000 acres in Ontario. In 2007, approximately 49% of soybean plantings were genetically modified soybeans.

**Variety selection:** Consider these criteria for higher profits:

**Soil Type:** Some varieties will outperform others on certain soil types and cultivation systems such as no-till vs conventional tillage. Select varieties to maximize productivity with these conditions in mind.

**Disease Resistance:** Grow varieties with good overall disease/pest resistance rating, especially if your fields have a history of a particular disease or pest, ex. Phytophthora Root Rot, Brown Stem Rot or Soybean Cyst Nematode.

**Maturity Rating:** Select full season varieties for your area for maximum yield. If planting winter wheat following the soybeans, consider varieties of 100-200 CHU less to help with timely harvest and wheat planting.

**Food Grade Premiums:** Premiums available to enhance profitability this year are greater than in the past, ranging from \$1.00 to \$3.75/bu. These premiums can have a large effect on overall profitability.

**Use Certified Seed:** Certified seed is a requirement to obtain Food Grade Premiums. Research has shown a 1 to 2.5 bu/acre improved yield with Certified seed over bin run seed.

**Seed Treatments:** A fungicide seed treatment such as Apron/Maxx for early planted soybeans or where conditions suggest high disease pressure can improve emergence, stand and early plant health. Cruiser/Maxx treated seed provides fungicides and a powerful insecticide for early season control of insect pests such as seed corn maggot and bean leaf beetle. Cruiser/Maxx treated seed has shown faster emergence, improved stands, increased root mass, earlier crop canopy, improved crop quality, and several research studies have demonstrated over a 4 bu/acre increase in yield.

**Inoculants:** The use of Apex Extra or PulseR HP can also result in a positive yield response, even in fields that have grown soybeans in the recent past. Yield trials indicate a 2 bu/acre increase over an uninoculated control.

**Planting:** Planting on May 7 is likely to improve yield 4 bu/acre

over planting on May 28. Soybean development responds to hours of daylight, therefore early planting allows the development of a vigorous plant and large root system before the shorter days, after June 21, trigger reproductive development. Soil temperature at planting also affects performance. If the first water to soak through the seed coat is below 15°C, plant growth will be affected. If soil temperatures are cool, delay planting until late afternoon, allowing the sun to warm the soil. Plant 1 to 1.5 inches deep and into moisture, but do not plant into a "wet" soil. Using a coulter in front of the opener on a no-till drill could improve yields.

**Fertility:** Soybeans require a high level of fertility to produce top yields. A 50 bu/acre crop uses approx. 190 lbs N, 45 lbs P2O5 and 66 lbs K2O as well as micronutrients. About 60-75% of these nutrients are contained in the seed at harvest. With good nodulation the soybean crop does not require additions of nitrogen, however phosphate, potash and possibly micronutrients may be required for maximum yields. An up-to-date soil test helps determine fertility requirements. Last season many fields demonstrated potash deficiency symptoms, partially as a result of poor soil conditions as well as less potash being applied. Micronutrient application can contribute to higher yields, especially if deficiency symptoms in years past, or soil tests reveal low levels. Manganese is the nutrient most commonly required, especially on lighter soils. A foliar application of a product like SuperMN plus a micronutrient foliar product such as Crop Booster can show benefits. These applications can be incorporated with a herbicide or fungicide treatment if compatible, avoiding an additional pass.

**Fungicides:** There's been a lot of interest in fungicides such as Headline on soybeans. Results have been varied, however if leaf diseases are present or weather conditions encourage disease development, i.e. warm and wet, an application of Headline at flowering can be beneficial.

Implementation of some of these suggestions and regular scouting for weeds and pests such as aphids, spider mites etc. can result in improved yields and profit. Consult your HDC Field Marketer to get the best results from your soybean crop.

### ATTENTION NH3 CUSTOMERS

HDC is offering hands-on training on April 2nd at our Hensall location. Please contact your local Field Marketer or 519-262-3002 if interested. *There will be a morning and afternoon session with lunch included.*

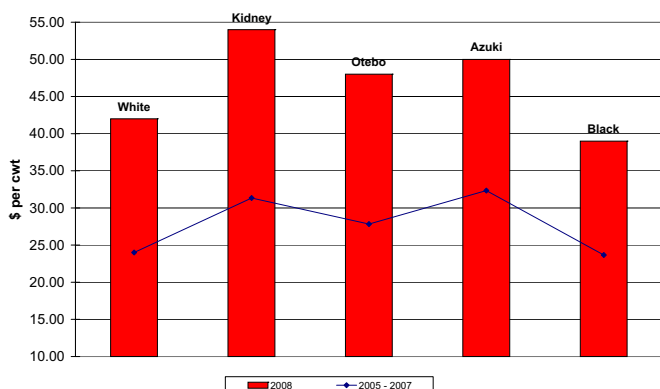
## HDC's end-users are looking for beans

Who knows beans better than Hensall Co-op? *Together* we all do! HDC has made major gains in accessing some of the largest dry bean and edible soybean markets on the planet. We are the supplier of choice to many canners and processors, offering consistent quality due to our processing facility and our food producers. We continue to brag to our end-users about the quality that our food producers can deliver.

No sector in this alliance can make it alone. Our end-users provide HDC's food producers with access to consumers in a global marketplace. By working together we have built a strong value-added marketing chain which is the envy of many of our competitors. For example, with our Premier Foods alliance, we supply one-half of the UK population (70,000,000) with baked beans. The Japanese food buyers have supported us by purchasing a large percentage of their Otebo and Azuki requirements from us for several years.

HDC's end-users come to the market offering unprecedented contract pricing. Contract pricing for new crop beans has never been available at current levels providing returns at levels that commercial grains can not compete with.

2008 DRY BEAN CONTRACT PRICING VS 2005 TO 2007



It would be foolhardy to disregard the excellent returns that are being offered. In some market classes we have lost 30% of market share for 2008 to other countries. HDC needs your support to fill the contracts being offered. Dedicated growers realize that it takes a long time to build the market alliances that we have forged, but without your support, 2008 may be the year that we lose a substantial share of the market. We will be scrambling to get them back when commercial grain markets are sourced from the least cost producer again.

It would be prudent management to supply the market in these good times and take the substantial profits being offered. When markets turn around, we will have access to the specialty markets that provide the best returns. HDC's end-users have made an offer of good returns to our food producers and it would be sensible if you took them up on it. Don't let these markets migrate to other areas of production. We need your support! We need your production! We thank you for your consideration! Contact your HDC rep today to commit to making a wise production and marketing decision.

## CREDIT CORNER

by Angela Nirta

It's time to arrange financing for your 2008 crop inputs. Your bank or ACC Farmers Financial can offer you the least costly way to finance. A few hours spent now with your Bank Manager to review your cash flow for 2008 can mean the difference between profit or loss. As crop prices are very good right now, locking in some of your production may be a wise option.

ACC Farmers Financial offers the following programs and generally, you can borrow for prime minus 0.25% or lower. Download the forms or request by mail.

1. **Commodity Loans** provide funds of up to \$750,000 for crop inputs. For application forms log onto [www.accfarmersfinancial.ca/commodity](http://www.accfarmersfinancial.ca/commodity)

2. **Advance Payment Program:** With APP, the production period runs up to 18 months, from April to September of the following year. A production period refers to the maximum period of time during which a producer can take a cash advance and repay it. Producers not enrolled in Production (crop) Insurance may apply for an APP advance based on their CAIS reference margin. Move to the storage program by December 31st.

Loans of up to \$400,000 are available to qualified borrowers. The first \$100,000 borrowed is interest free, with the balance available at an interest rate of prime minus 0.25%. Visit the following website for more information: [www.accfarmersfinancial.ca/advance](http://www.accfarmersfinancial.ca/advance)

HDC will also finance your crops until harvest, upon completion and approval of the paperwork. The rate for this year is 9.0%. Contact your local FM Rep or Angela Nirta, FCI, at 519-262-3002 ext. 262.

*HDC has limited tonnage of edible soybean varieties available to contract. Make arrangements today to secure contracts and seed for the variety you want!*

Variety	Premium
HDC X790	\$3.75
S14-P6	\$2.25
OAC Kent	\$2.00
S03-W4	\$1.50

*Plus many more varieties - additional premiums for on-farm storage.*

### VISIT US AT THE LONDON FARM SHOW

Stop by for a visit at the London Farm Show  
March 5 - 7th. The HDC booth is located  
in the Canada Building.



**Hensall**  
262-3002  
1-800-265-5190

**Seaforth**  
522-1000

**Londesboro**  
523-4470

**Exeter**  
235-1150

**Ailsa Craig**  
293-3272

**Parkhill**  
294-6252

**Forest**  
786-5424

1-800-265-9000

PAPER CONTAINS 50% RECYCLED FIBRE & 10% POST-CONSUMER WASTE

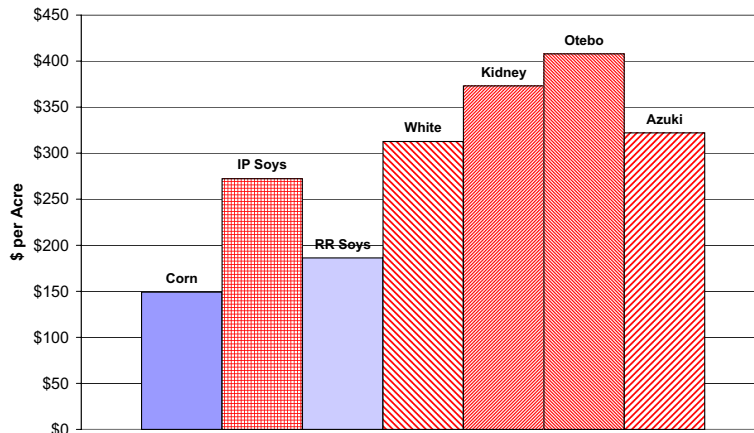


## Producers should support the industry they've built

Grant Jones and family manage a mixed farming operation just north of Hensall. While the cow-calf portion of the operation currently looks dismal, Grant admits there is potential for good economic returns in the cash crop side of things. "Any producers that have not had dry beans in their rotation recently really should consider planting them again this year," Grant suggests. "Pricing levels offer returns that are head and shoulders above commercial corn and soys." Dry beans do best in a good rotation where disease and weed pressure is reduced. By starting out with clean fields, producers can avoid the unwarranted aggravation of trying to control problem weeds.



**2008 CROP COMPARISON**  
Available Profit per Acre



"Growers would be wise to take a long term view and support the edible bean industry to preserve the infrastructure that is in place. To lose what we have established as an industry would be foolish in the long-term," comments Grant. HDC has made a strong commitment to the dry bean industry. "Hensall Co-op is a grower focused company providing benefits to the people that grow for them. Hensall Co-op is great to deal with!" remarks Grant. "Producers would be foolish to ignore the profits that the dry bean industry is offering. White beans have always been my most profitable crop! Why not participate when the prices are at these levels? We haven't seen opportunities like this for years."

Hensall Co-op appreciates and needs the support from our food producers. Contact your local Field Marketer to discuss the profits available in the dry bean market.

*The crop comparison (see over) is intended as a guide to determine crop profitability for 2008. Please take the time to review the numbers to see how they apply to your operation.*



2008 Crop Comparison  
as of 25-Feb-08

	Corn	IP Soybeans	RR Soybeans	Winter Wheat	White Beans	Kidney Beans	Otebo Beans	Azuki Beans	Black Beans
Seed	\$75.00	\$39.10	\$68.00	\$45.69	\$49.09	\$79.80	\$55.68	\$48.40	\$60.00
Fertilizer	\$133.56	\$52.61	\$52.61	\$78.92	\$81.75	\$87.69	\$87.69	\$66.10	\$81.75
Herbicides	\$37.72	\$54.88	\$17.42	\$6.45	\$49.80	\$49.80	\$49.80	\$50.17	\$49.80
Insecticide	\$0.00	\$5.26	\$5.26	\$0.00	\$9.56	\$9.56	\$9.56	\$9.56	\$9.56
Fungicide	\$0.00	\$0.00	\$0.00	\$12.68	\$23.28	\$23.28	\$23.28	\$0.00	\$23.28
Desiccant	\$0.00	\$0.00	\$0.00	\$0.00	\$8.71	\$8.71	\$8.71	\$8.71	\$8.71
Drying	\$77.37	\$12.05	\$10.61	\$6.96	\$16.69	\$20.37	\$22.31	\$0.00	\$22.31
<b>Total Inputs</b>	<b>\$323.65</b>	<b>\$163.89</b>	<b>\$153.90</b>	<b>\$150.71</b>	<b>\$238.88</b>	<b>\$279.20</b>	<b>\$257.02</b>	<b>\$182.94</b>	<b>\$255.40</b>
Tillage	\$24.00	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00
Planting	\$14.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00
Applications@ \$7/ac	\$14.00	\$14.00	\$14.00	\$14.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
Harvesting	\$40.00	\$35.00	\$35.00	\$35.00	\$35.00	\$60.00	\$35.00	\$35.00	\$35.00
<b>Total Equipment</b>	<b>\$92.00</b>	<b>\$96.00</b>	<b>\$96.00</b>	<b>\$96.00</b>	<b>\$110.00</b>	<b>\$135.00</b>	<b>\$110.00</b>	<b>\$110.00</b>	<b>\$110.00</b>
Crop Insurance	\$11.20	\$9.88	\$9.88	\$6.00	\$13.44	\$19.70	\$20.01	\$20.01	\$19.38
<b>Total Cost/Acre</b>	<b>\$426.85</b>	<b>\$269.77</b>	<b>\$259.78</b>	<b>\$252.71</b>	<b>\$362.32</b>	<b>\$433.90</b>	<b>\$387.03</b>	<b>\$312.95</b>	<b>\$384.78</b>
Yield per acre	155 bu	48 bu	48 bu	85 bu	20 cwt	18 cwt	20 cwt	16 cwt	20 cwt
Price per unit	\$4.78	\$14.73	\$12.73	\$8.07	\$42.00	\$54.00	\$48.00	\$50.00	\$39.00
<b>Total Gross / Acre</b>	<b>\$740.90</b>	<b>\$707.04</b>	<b>\$611.04</b>	<b>\$685.95</b>	<b>\$840.00</b>	<b>\$972.00</b>	<b>\$960.00</b>	<b>\$800.00</b>	<b>\$780.00</b>
Net Margin/Acre	\$314.05	\$437.27	\$351.26	\$433.24	\$477.68	\$538.10	\$572.97	\$487.05	\$395.22
Land Cost	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
<b>Profit</b>	<b>\$149.05</b>	<b>\$272.27</b>	<b>\$186.26</b>	<b>\$268.24</b>	<b>\$312.68</b>	<b>\$373.10</b>	<b>\$407.97</b>	<b>\$322.05</b>	<b>\$230.22</b>

Revenue available will vary according to individual producer's costs. Pricing is subject to change and will vary according to market forces.