

FOOD AND ENERGY LEADERSHIP STARTS WITH A SEED AND THE FEED



Overview

- PURPOSE OF MEETING: Support USDA and USA success with a breakthrough way to produce more food and energy per acre with less environmental impact.
- INTRODUCTIONS: Who we are and why we are here.

KEY POINTS TO COVER

- Consolidate and quantify sustainability, carbon footprint, nitrogen, and protein availability to move beyond commodity basis.
- Science is available but not implemented Yet.
- The global food supply can be improved with management of natural protein within current agriculture system (soybeans for protein; grains for energy).
- Encourage best management practices to reward quality standards without losing tons.
- Science team "asks" to support USDA mission success



"Looking at every prediction for 2050, we can't miss any opportunity to produce food more efficiently." – Dr. Bart Borg, Standard Nutrition Company

Why the variation In nutrient values (protein or energy) exists

- 1. Because it can: commodity groups are focused on tons or bushels as Key Performance indicators.
- 2. The recognition of "inferior" protein or oil content in soybeans could cost producers in marketability of products or reduce tons per acre (etc.)
- 3. Commodity groups have not yet joined into the sustainability efforts related to end products
- 4. Inherent carbon footprint increases from livestock growing slower and eating more feed to produce meat.
- 5. Fear that quality measures will be counterproductive to farm income per acre because of less-than-optimal production practices.
- 6. The need for a reliable and quick "test" of quality of beans and corn at markets; Quick and accurate recognition of value

Increasing and Predicting Soybean Feed Value

44 SBM Formula Cost - \$191.20 SBM used/ton - 437.22 lbs Corn used/ton - 1,481.49 lbs Fat used/ton - 20.87 lbs

Select Ration			Use Pase Price	As Fed	Dry Matter	Select Model:	<none></none>
Optimize	Sub-Rat	Mix	Weight (Lbs.):	2,000.00	1,743.34	Animal Specs	Evaluation
Save Re-Load		Adjusted \$/Ton	191.20 191.20	219.35 219.35	Input/Compare	Projection	
Make Availab	le Feasi	ible	Formula Cost	Base \$	Adjusted \$ 191,20	Minimum: 2,000.00 Maximum	1: 2,000.00 • AF I
	bie		Purchased Feed	0.00	0.00	Ration Concentration: 87.17	Analysis Basis: 🖲

Hide Unavailable Ingredients

ls Available	Code	Sub Rat	Name	Base \$/Ton	Mix Item	Amount	Minimum	Maximum	Shadow Price
	4CG013/		Corn Grain	127.00		1,481.49			
\checkmark	44 G		44 CP SBM	325.00		437.22			
✓	008220		Calcium Carbonate	42.00		28.10			
\checkmark	4FT002		Choice White Grease	595.00		20.87		95.00	
✓	008022		Salt (Bulk)	73.00		10.00	10.00	10.00	
\checkmark	008466		Lysine - L	1,420.00		7.26		10.00	
✓	VTM		VTM	2,000.00		5.00	5.00	5.00	
\checkmark	008203		Monocalcium Phosphate 21%	422.00		4.18			
✓	008630		Threonine - L	1,720.00		2.51		4.00	
\checkmark	008468		Methionine - DL	2,500.00		2.44		4.00	
✓	008629		Tryptophan - L	6,800.00		0.49		2.00	
\checkmark	008509		Ronozyme 5000FTU/gm	4,444.00		0.45	0.45	0.45	
	9510		L-Isoleucine	10,000.00					
\checkmark	008628		Valine	7,880.00					7,105.81

50 SBM Formula Cost - \$180.72 SBM used/ton - 372.67 lbs Corn used/ton - 1,563.53 lbs Fat used/ton - 2,54 lbs

Select Ration			Use Base Price	As Fed	Dry Matter	\searrow	Select Model:	<none></none>	
Optimize	Sub-Rat	Mix	Weight (Lbs.): 2	2,000.00	1,739.12		Animal Specs	Evaluation	
Save	ave Re-Load		Base \$/Ton Adjusted \$/Ton	180.72 180.72	207.83 207.83		Input/Compare	Projection	
Make Availab	le Feas	ihle		Base \$	Adjusted \$	- Fe Mir	ed Intake Requirement: — nimum: 2.000.00 Maximum	: 2.000.00 • AF I	
Make Unavaila	ble	DIC	Formula Cost Purchased Feed	180.72 0.00	180.72 0.00	Ratio	on Concentration: 86.96	Analysis Basis: •	

Hide Unavailable Ingredients

ls Available	Code	Sub Rat	Name	Base \$/Ton	Base Mix \$/Ton Item		Minimum	Maximum	Shadow Price
	4CG013/		Corn Grain	127.00		1,563.53			
\checkmark	50 G		50 CP SBM	325.00		372.67			
✓	008220		Calcium Carbonate	42.00		28.53			
\checkmark	008022		Salt (Bulk)	73.00		10.00	10.00	10.00	
✓	008466		Lysine - L	1,420.00		7.49		10.00	
\checkmark	VTM		VTM	2,000.00		5.00	5.00	5.00	
\checkmark	008203		Monocalcium Phosphate 21%	422.00		4.38			
\checkmark	4FT002		Choice White Grease	595.00		2.54		95.00	
\checkmark	008630		Threonine - L	1,720.00		2.53		4.00	
\checkmark	008468		Methionine - DL	2,500.00		2.35		4.00	
\checkmark	008629		Tryptophan - L	6,800.00		0.53		2.00	
\checkmark	008509		Ronozyme 5000FTU/gm	4,444.00		0.45	0.45	0.45	
✓	9510		L-Isoleucine	10,000.00					
	008628		Valine	7,880.00					4,207.95

Initial Soybean Feed and Oil Value Findings-2018

- Soybean feed and oil value are *predictable*
- Field, feed, and oil *value vary widely*
- Near-zero correlation with feed value and yield
- Protein pricing *missing billions* in feed value
- Farmers losing billions to factory-made feed
- Crop-livestock feed teamwork needed
- Then, a nutritionist helped the marketing team see the corn and the ecosystem became visible

Corn Demand Increase "Discovered"

Higher-protein soybean meal increases corn demand:

1 5.2% in pork production



in broiler production



Source: USDA, ERS Feed Outlook, Jan. 15, 2021; ProExporter Network, Projected Crop Year Ending Aug. 31, 2021

<u>Preliminary</u> corn demand estimates based on public and commercial nutrition data. Source: Dr. Paul Mitchell, Dr. Bart Borg, Dr. Dean Boyd, Dr. Shawn Conley, John Osthus. Chart source: NCGA website.

Natural Feed Naturally Reduces Emissions

- Share of monogastric emissions from feed = ~90 %
- GHGs and energy use decrease with natural feed
- Examining Soy protein deltas creates an ecosystem opportunity

Natural feed:

- Less carbon intensity
- Reduce energy requirements



Pahola Thathiana Benavides, Hao Cai, Michael Wang, Nick Bajjalieh, "Life-cycle analysis of soybean meal, distiller-dried grains with solubles, and synthetic amino acid-based animal feeds for swine and poultry production," *Animal Feed Science and Technology*, Volume 268, 2020, 114607, ISSN 0377-8401, https://doi.org/10.1016/j.anifeedsci.2020.114607

Soybean Protein in Swine and Poultry Diets Decreases GHG Emissions



- 44% CP compared to 50 % CP In ACTUAL IOWA PIG DIETS:
 - % delta CO2-eq: 11.5
 - % delta Nitrogen 7.9

Sources: Mourtzinis et al; Benavides et al; Dr. Paul Mitchell, Dr. Bart Borg, Dr. Dean Boyd, Dr. Shawn Conley, John Osthus; Public and commercial nutrition data.

Protecting Water Quality

Ingredient	CP, %	Nitrogen, %
Corn	7.5	1.20
Corn DDGS, low oil	27.5	4.40
Soybean meal, 44%	43	6.88
Soybean meal 48%	47	7.52
L-lysine	78	12.48
DL-methionine	98	15.68
L-threonine	98	15.68
L-tryptophan	98	15.68

Sources: Hans Stein, University of Illinois





Improved Education Brings Benefits Everyone

- More soybean oil and/or protein value per acre
- Lower feed cost
- Improved health and performance
- More corn demand
- Less GHG intensity
- Less water pollution
- More sustainable food and energy
- Builds new bridges between political bedfellows



Significant Yield, Protein and Oil Hide in Top Varieties

Mimicking Nature with Geographic Targeting





Improved Field Practice Measurement

Field Data on Tillage, Cover Crops, and Carbon Savings



Feed Software Documents Field-to-Feedlot Ecosystem Deltas

(a) Ag Acres F	ield \$26 2023	2-7-12.xif	- ACE Feed Ara	alysis								-	o x
							Đ	ishboard	Reporting	import/Exa		Model Evaluatio	
Destationeral Co	per Projess ar	poort Rasker	Neder Defeads	LLL Reporting	+ New Project	Lask Nodes	Computation	Delete Balen	Download	Dure Reads	Land Land	O O Darfyreitar	Batton
GHG Projection	s Report					Fe	ed Valua	tion Rep	ort				
Nitrate Reductio	on Report		Code	Name		Bas	e S/Ton	Amount	Minimumi	Meximum	CC2 Equiv	alent Nitab	es:
Catencestor			406011	Contra	90) (127.00	5481,70	r .			-0.55	ाःम्
Yield/Oil Estima	Vield/Oil Estimates		44 G	44 CP 5	BM		325.00	437.2	1			0.65	
-				Delcium	n Carbonate			25.1					
Phosphate Out	CONTINUES		4FTD02		White Grease		595.00	20.8		95.0	a		
Feed Valuation	Report		008022	Salt (bi	ilk)		73.00	10	10.0	0 <u>10.0</u>	0	1.25	
CHARTON MICH SOLU													
Profit/Loss Ana	ilysis						2,000.00		i 5.0	0 5.0	a	1.23	
			008208	Monoc	alcium Phosph	ste 21%	422.00	4.1				1.55	
Custom Report	ts.		000510	threan			1,720.00	2.51		10	0	3.05	15.60
My Repor	t.												
Compare	Yield to GHG		008629	Tryptop	thain L		6,500.00 02				0	8.95	15.58
Hogratio	Hogration barn 44		000509	Ronozy	me 5000F10/g		4,464.00	0.42		5 0.4			
	· Add Mean Tes		9510				10,000.00					1.11	15.68
	T ALLE NOW HE	ante:	008628	Valine			7,880.00					0,55	15.68

Accurate Outcome Measurement

Livestock Diet Software Delivers Output Files

Select Ration		1	Use Base Price As Fr		ed Dry Matter		Select Model:			odel: <none< th=""><th colspan="2"><none></none></th></none<>	<none></none>			
Optimize	Sub	Sub-Rat Mix		Weight (Lbs.): 2,000		.00 1,739.12		Animal Specs			E	Evaluation		
Save Re-Load			Base \$/Ton	180.	.72 207.83			Input	/Compare		projection			
	-		5	Adjusted \$/ Ion	180.	72 20	(.83)	E	Feed Intake	Requiremen	t:			
Make Available					Base	s \$ Adjuste	d Ş		Minimum: 2	,000.00 Max	imum: 2,000.	00 🖲 AF I		
Make Unavailable		-	Formula Cost	180.	72 180 00 0	0.72	D.	ation Conce	etration: 06	06 Analy	Anakaria Dasisi 🖉			
			(Parchased reed				P.	auon conce	initation: oo	.90 Analy	Analysis basis: 💌		
Hide Un	available l	ngredients												
ls	Code	Sub Rat		Name	Base	Mix	Amount		Minimum	Maximum	Shadow			
Available					_	\$/10n	Iten	n				Price		
	4CG013/		Corn	Grain		127.00		_	1,563.53					
	50 G		50 C	P SBM	_	325.00		_	372.67					
 Image: A start of the start of	008220		Calci	ium Carbonate		42.00			28.53					
\checkmark	008022		Salt	(Bulk)		73.00			10.00	10.00	10.00			
✓	008466		Lysin	ie - L		1,420.00			7.49		10.00			
✓	VTM		VTM			2,000.00			5.00	5.00	5.00			
 Image: A start of the start of	008203		Mon	ocalcium Phosphate	21%	422.00			4.38					
✓	4FT002		Choi	ce White Grease		595.00			2.54		95.00			
 Image: A start of the start of	008630		Thre	onine - L		1,720.00			2.53		4.00			
 Image: A start of the start of	008468		Meth	hionine - DL		2,500.00			2.35		4.00			
 Image: A start of the start of	008629		Trypt	tophan - L	6,800.00			0.53		2.00				
✓	008509		Rone	zyme 5000FTU/gm		4,444.00			0.45	0.45	0.45			
~	9510		L-Iso	leucine		10,000.00								
✓	008628		Valin	e		7,880.00						4,207.95		

Feed Software Documents Revenue and Ecosystem Deltas

(40) Ag Acres Field \$26 2022-7-12	xif - ACE Feed An	alysis								-	0 X
					Ð	ashboard -	Reporting	import/Exa	art. Mod	Model Evalu	
Carloserd Open Project	ker Master Dehecks	Lal. Reporting	+ New Project	Lask Model	Computation	Delete Balton	Download	Share Hanada	Jun	O O Darfyrdar	1
GHC Projection Report				Fe	ed Valua	tion Rep	ort				
Nitrate Reduction Report	Code	Name		Bas	e s/Ton	Amount	Minimum	Maximum	CC2 Equival	ent Nital	e%
	400011	Corin Gr	97) (1481.4	t.			-0.55	1-20
Meld/Oil Estimates	44 G	44 CP S	BM		325.00	437.2	1			0.65	
	000220	Calcium	n Carbonate		90.50	26.1	i -			0.25	
Phosphate Output (priv)	4FT002	Choice White Grease			395.00	0 20.8	t	95.0	a .	0.98	
Feed Waluation Report	008022	Salt (bi	ulk)		73.00) 14	10.8	0 10.0	0	1.25	
			đ.								
Profit/Loss Analysis	VTM.	VTM			2,000.00		i 5.0	0 5.0	a:	1.23	
	008203	Молас	alcium Phosph	nate 21%	422.00	4.1	I			1.55	
Custom Reports	000600	threan			1,720.00	1 2.51		1,0			15.60
My Report-	000468	Mathia	nina-BL		2.500.00	2.44		4.0	à.	11.55	15:88
Compare Vield to GHG	008629	Tryptop	shain -L		6,300.00 0.4			2.0		8.55	15.68
Hog ration barn #4	000509	Ronozy	me 5000F1U/j	gent (4.404.DK	0,48		5 0.4			
a Artel Mexer Demont					10,000.00					1.11	15.68
Y ADD NEW REPORT.	008628	Valine			7,880.00					0,55	15.68

Our Requests

- 1. Energize the supply chain with a farm, food, and energy ecosystem grant to increase quality and value of soybeans.
- 2. Help secure funding for our team to spark innovative ecosystem partnerships.
- 3. Help ensure open access to quality field data is available to our team and the public to help the and livestock diets to accurately measure feed and ecosystem value.
- 4. Tell us how this discovery can help support USDA success.

Questions/Discussion