

# **Soy Exports Drive Growth!** **9<sup>th</sup> Tri-State Development Summit**

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USSEC, CEO

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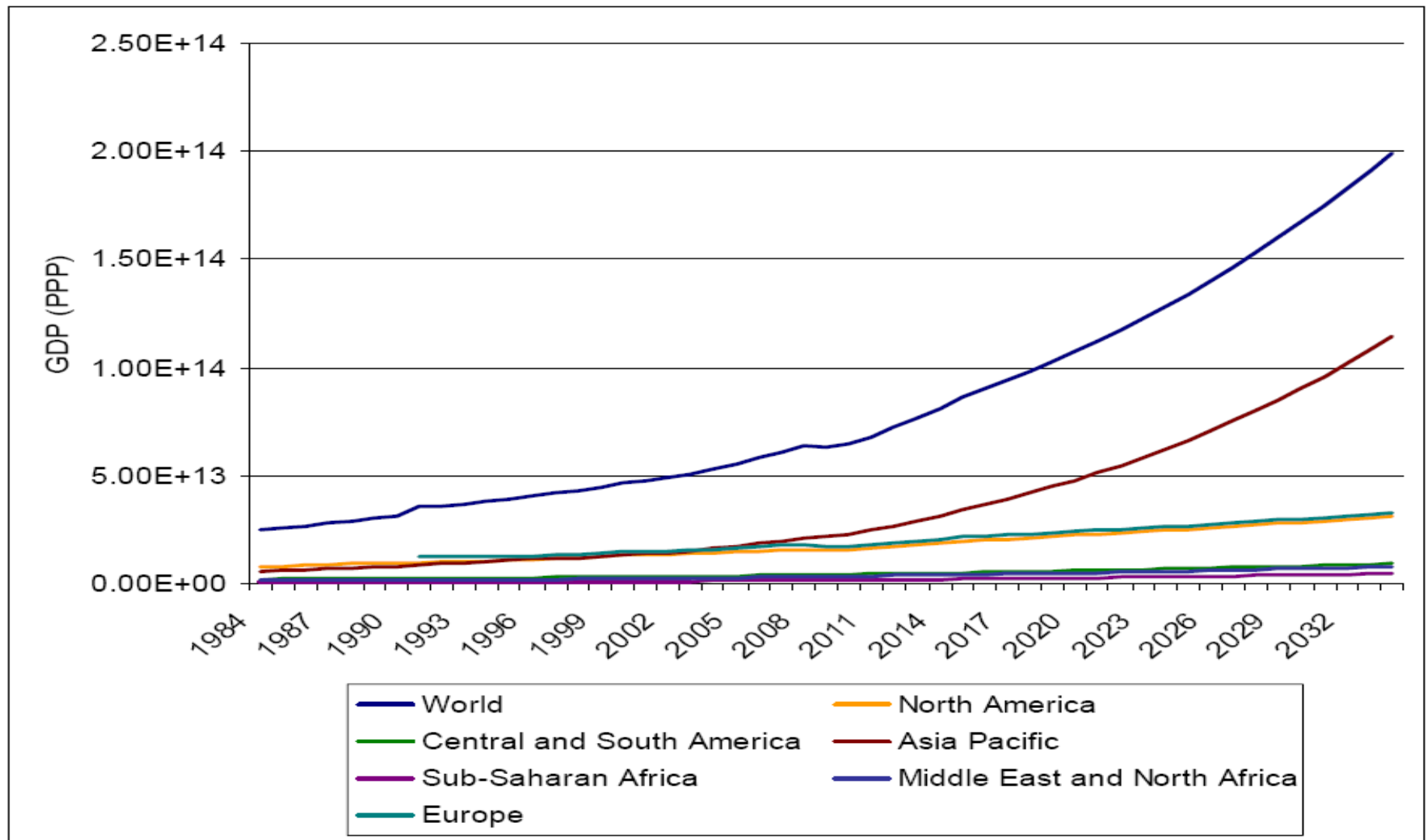


- Macro Trends effecting Soy

- Soy Exports tied to World Economic Growth

- A Positive Story!

# World Economic Output Over 50 Years, 1984-2034 (2005 PPP dollars)



**The world's economic "center of gravity,"  
1980–2007 (black) and extrapolated (in red),  
at 3-year intervals.**

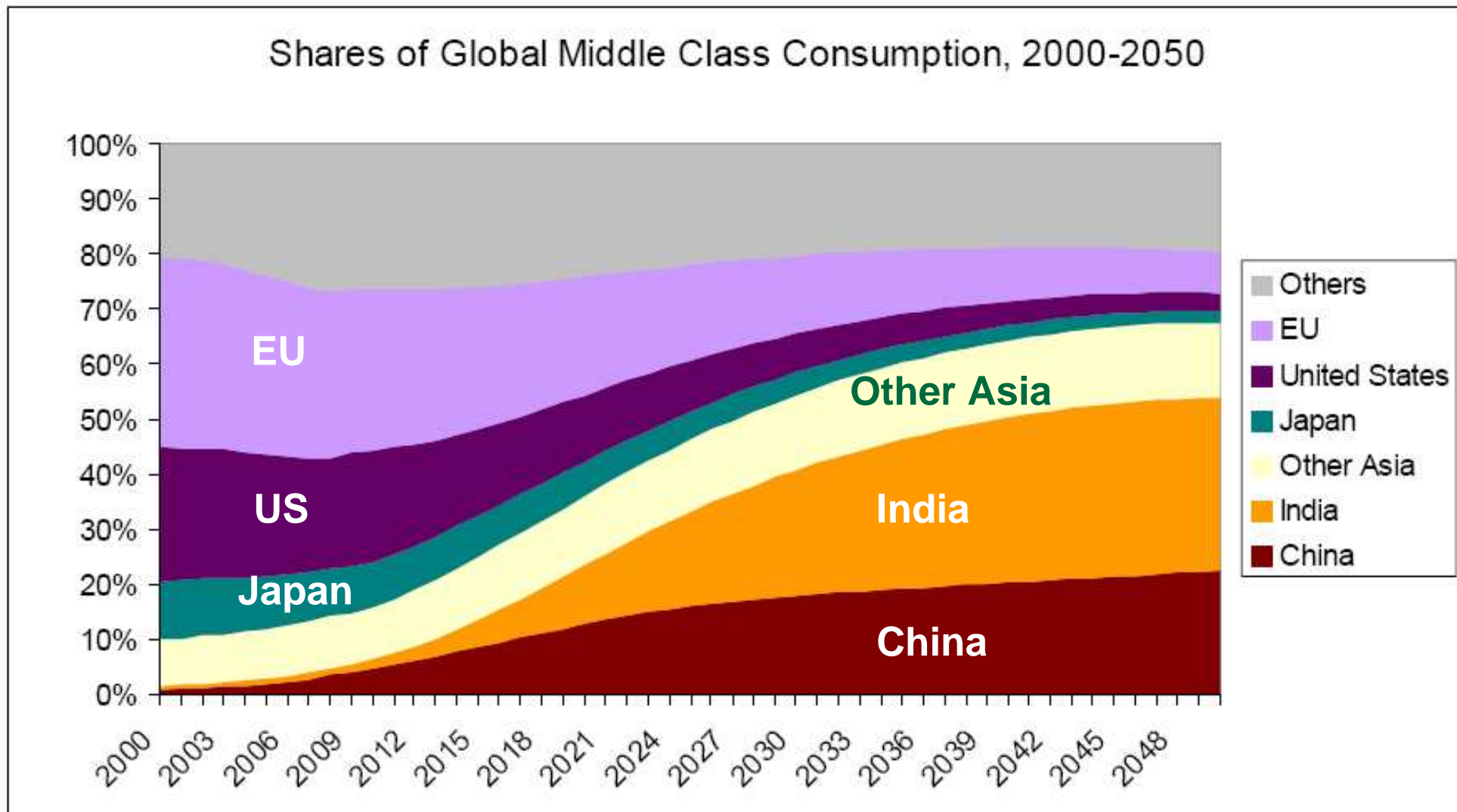


## Growing Economic Power, Growing Middle Class: By 2030, 66% of The World's Middle Class Will Live in Asia Pacific

Numbers (millions) and Share (percent) of the Global Middle Class

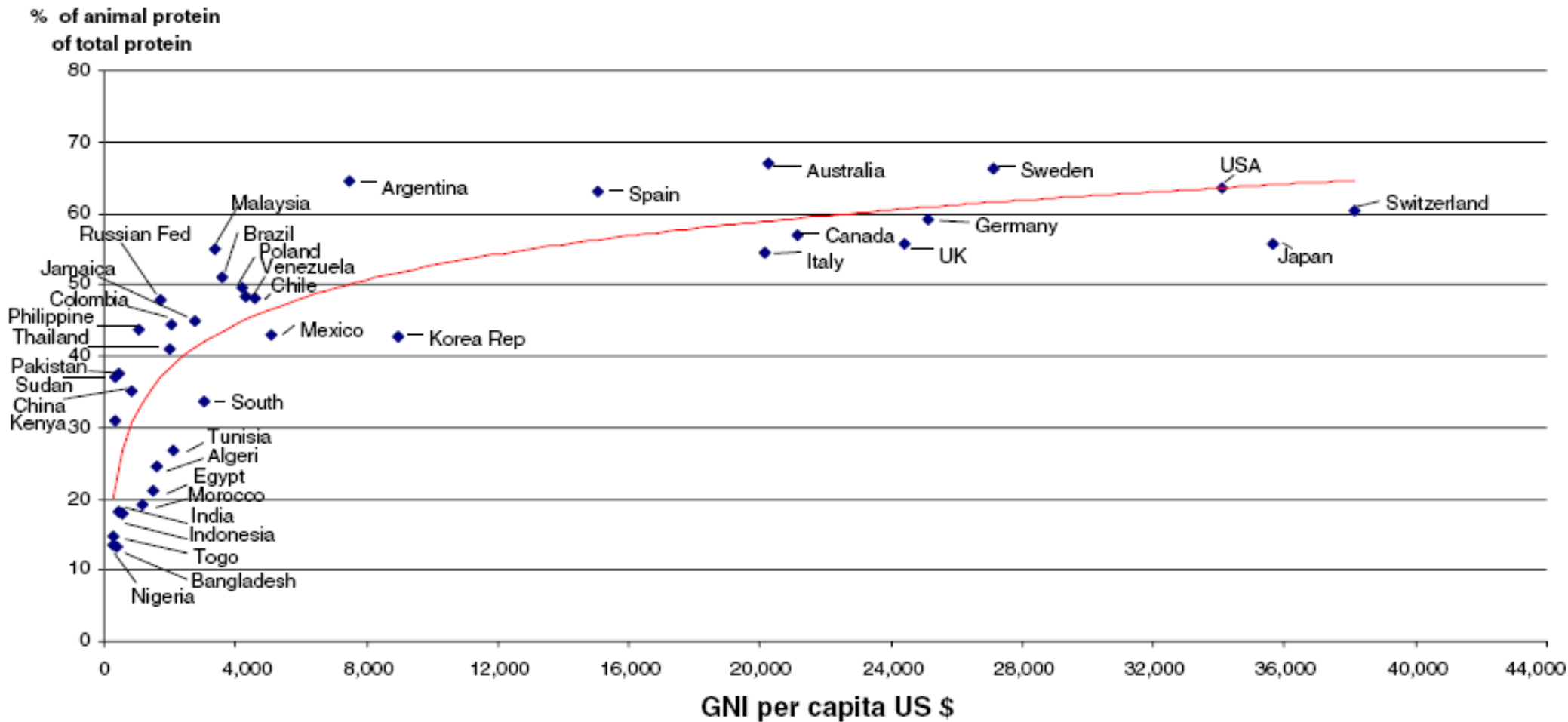
	2009		2020		2030	
North America	338	18%	333	10%	322	7%
Europe	664	36%	703	22%	680	14%
Central and South America	181	10%	251	8%	313	6%
Asia Pacific	525	28%	1740	54%	3228	66%
Sub-Saharan Africa	32	2%	57	2%	107	2%
Middle East and North Africa	105	6%	165	5%	234	5%
World	1845	100%	3249	100%	4884	100%

# India and China Drive the Growth in the Global Middle Class



# Proportion of Animal Protein in Diets Increase with Income Per Capita: *This Drives Soy Demand!*

2000

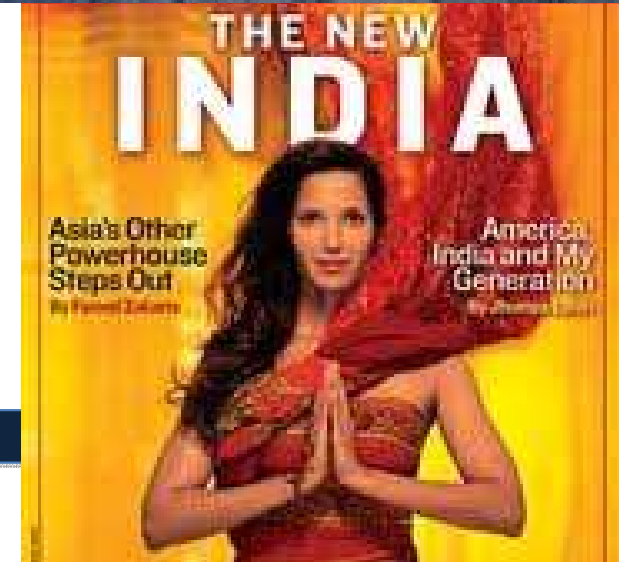




Harrods  
KNIGHTSBRIDGE



# 3 billion middle class



# Expect things to change!

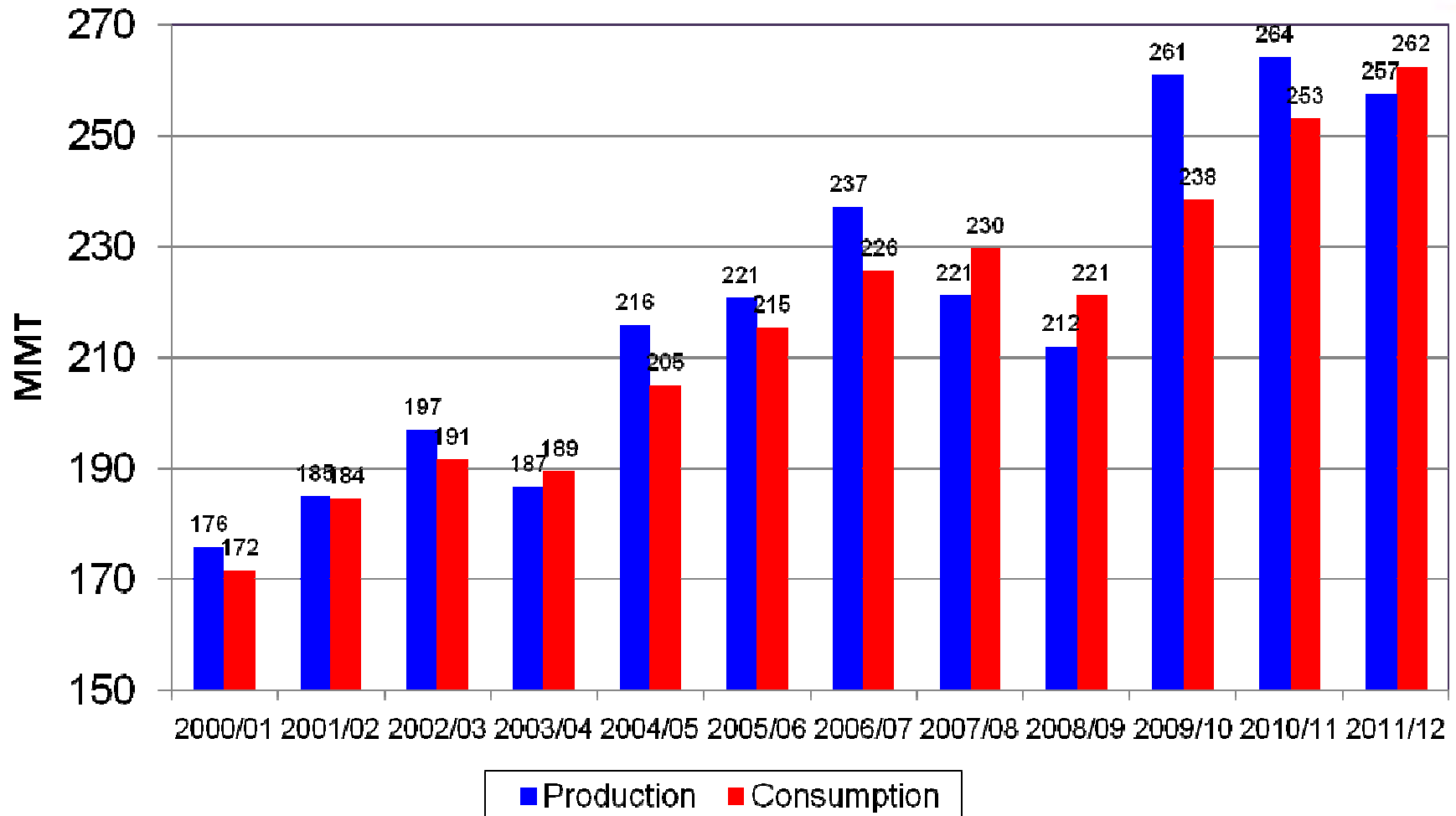




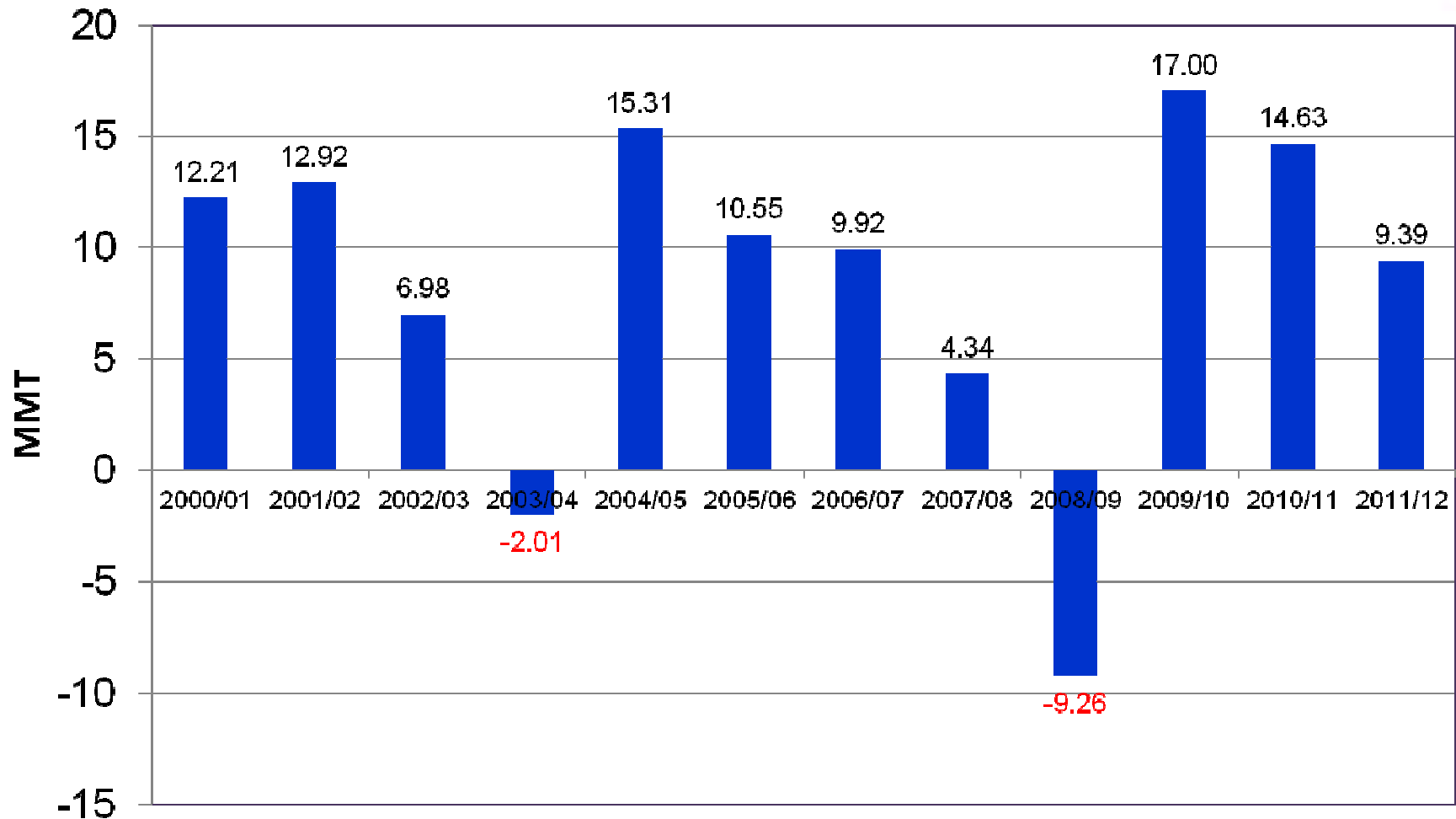
- Soy Statistics:

- The Pie keeps growing globally!

# Global Soybean Production and Consumption 2000/01 – 2010/11 and Forecast for 2011/12

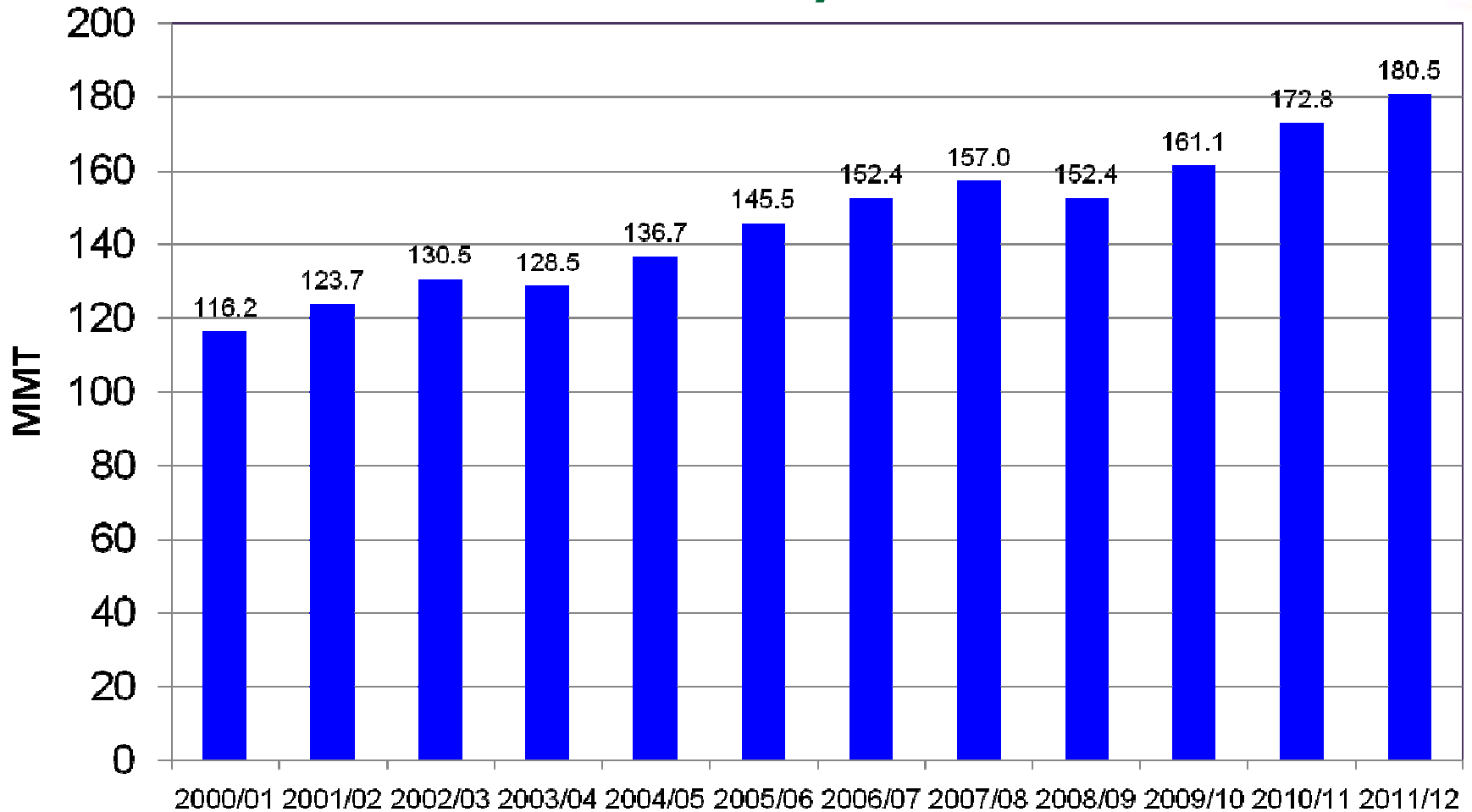


# Annual Growth in Global Soybean Consumption 2000/01 – 2010/11 and USDA Forecast for 2011/12



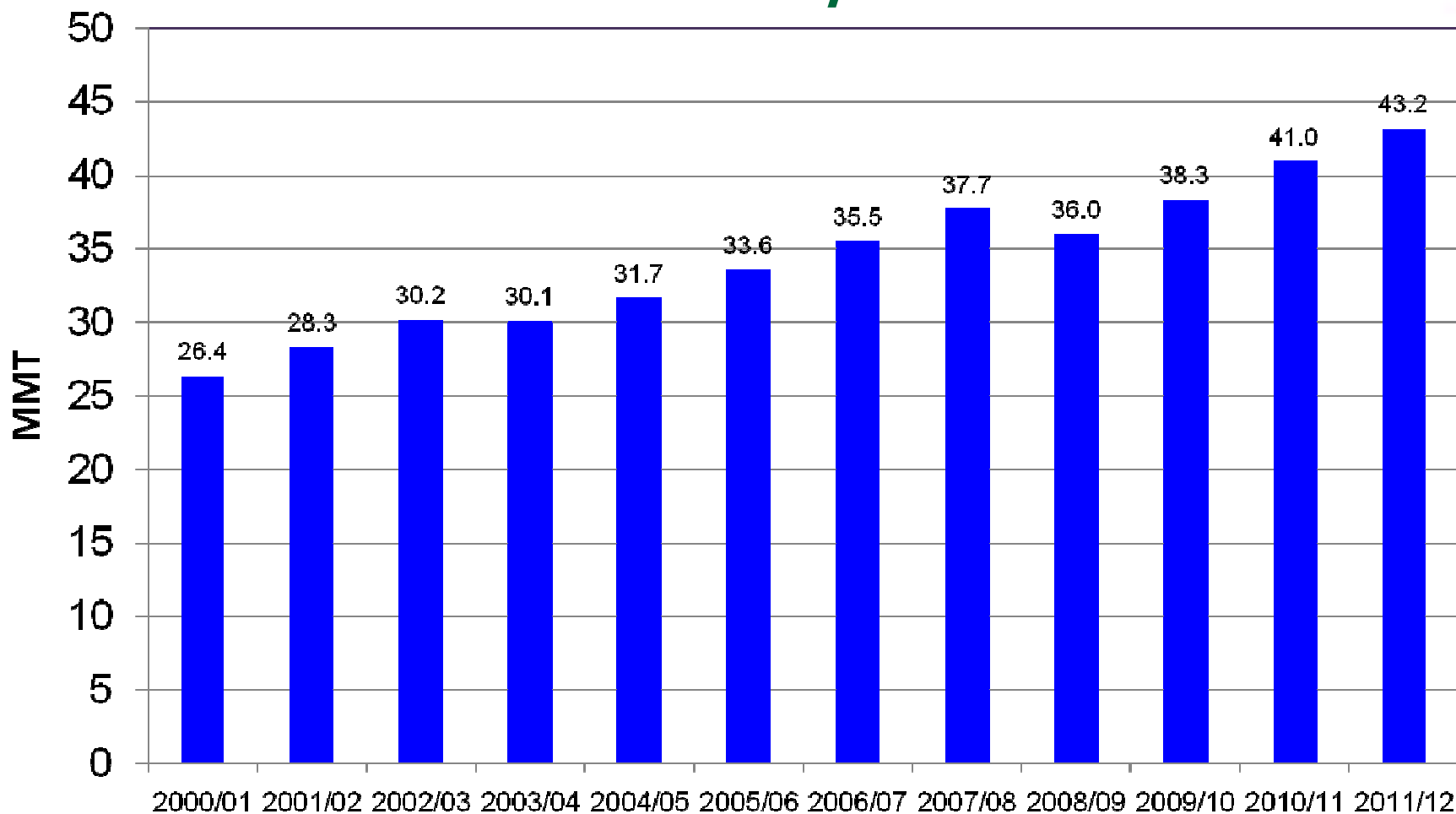
# Global Soymeal Consumption

## 2000/01 – 2010/11 and USDA Forecast for 2011/12



# Global Soyoil Consumption

## 2000/01 – 2010/11 and USDA Forecast for 2011/12



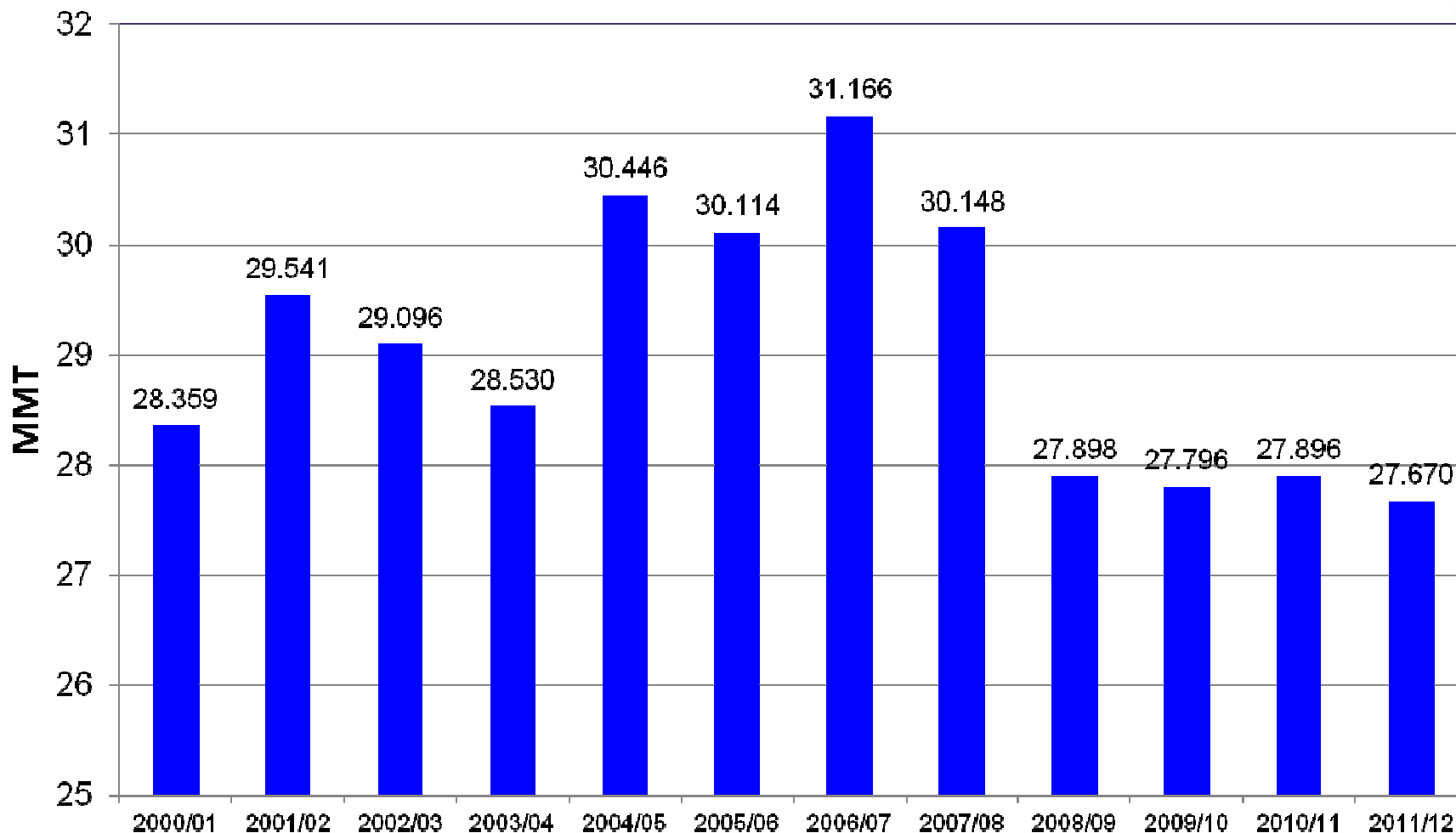


- Focus on the US and Soy

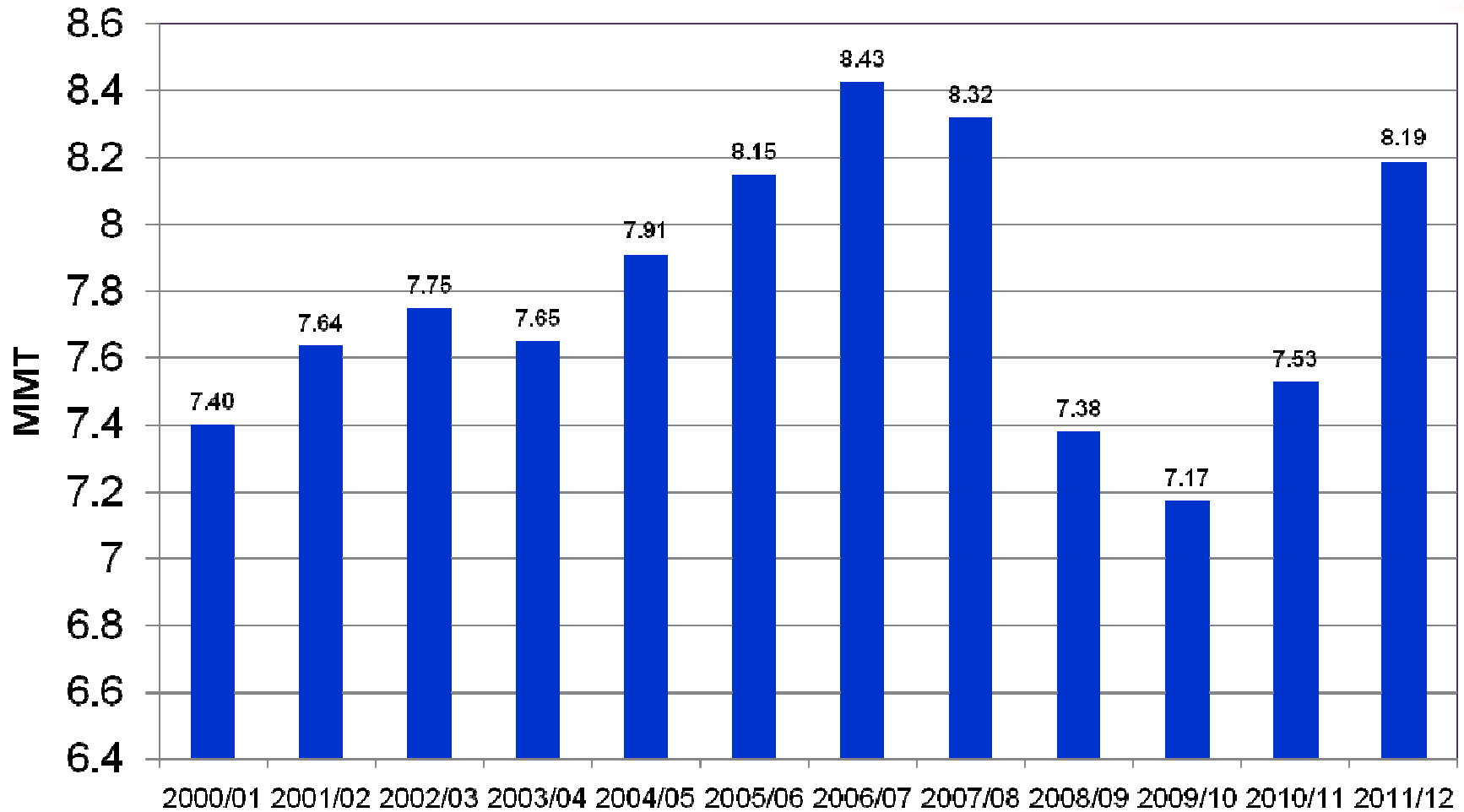
- The US has a key role to play!

# U.S. Soybean Meal Consumption

2000/01 – 2010/11 and USDA Forecast for 2011/12

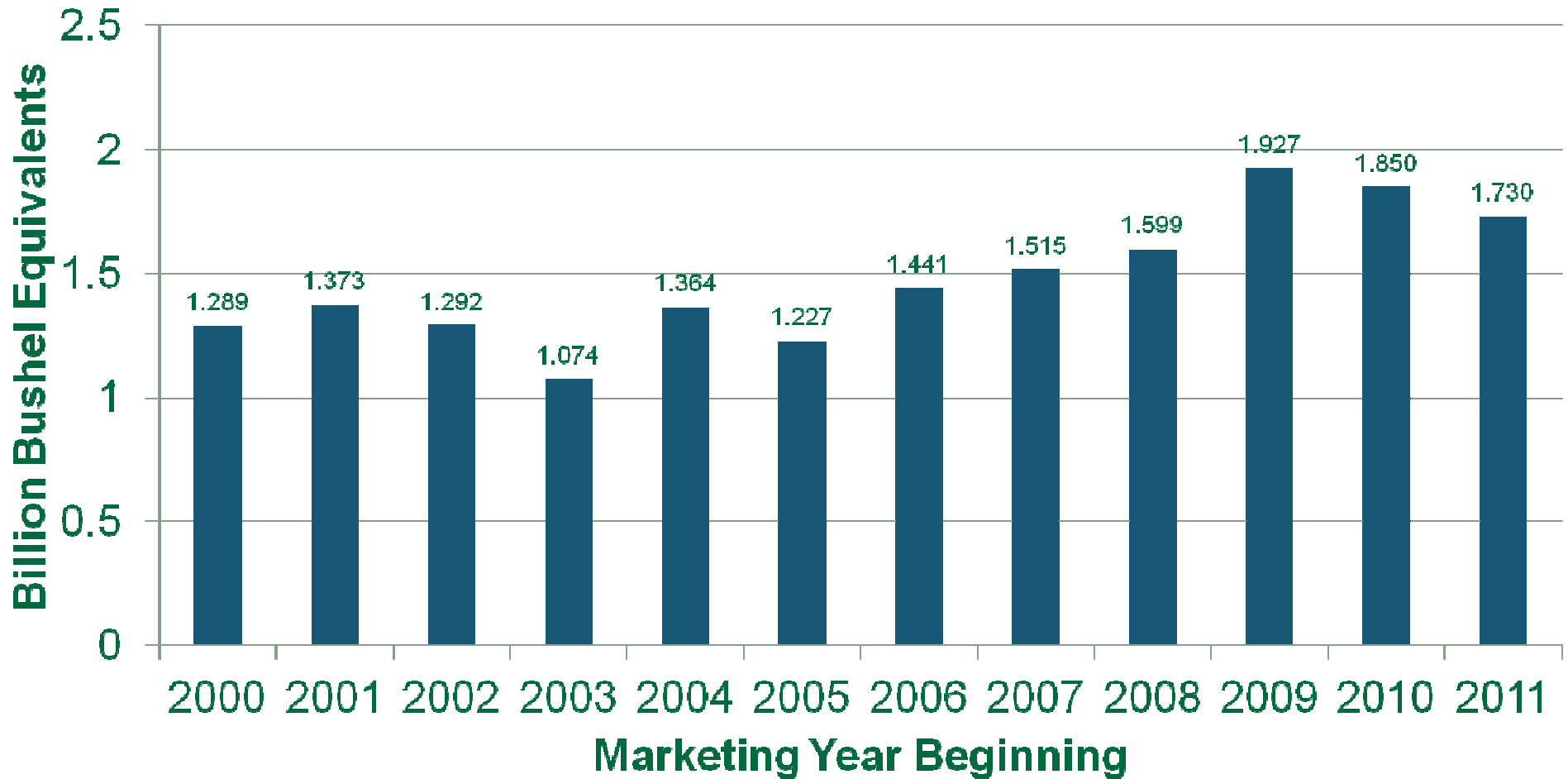


# U.S. Soybean Oil Consumption 2000/01 – 2010/11 and USDA Forecast for 2011/12



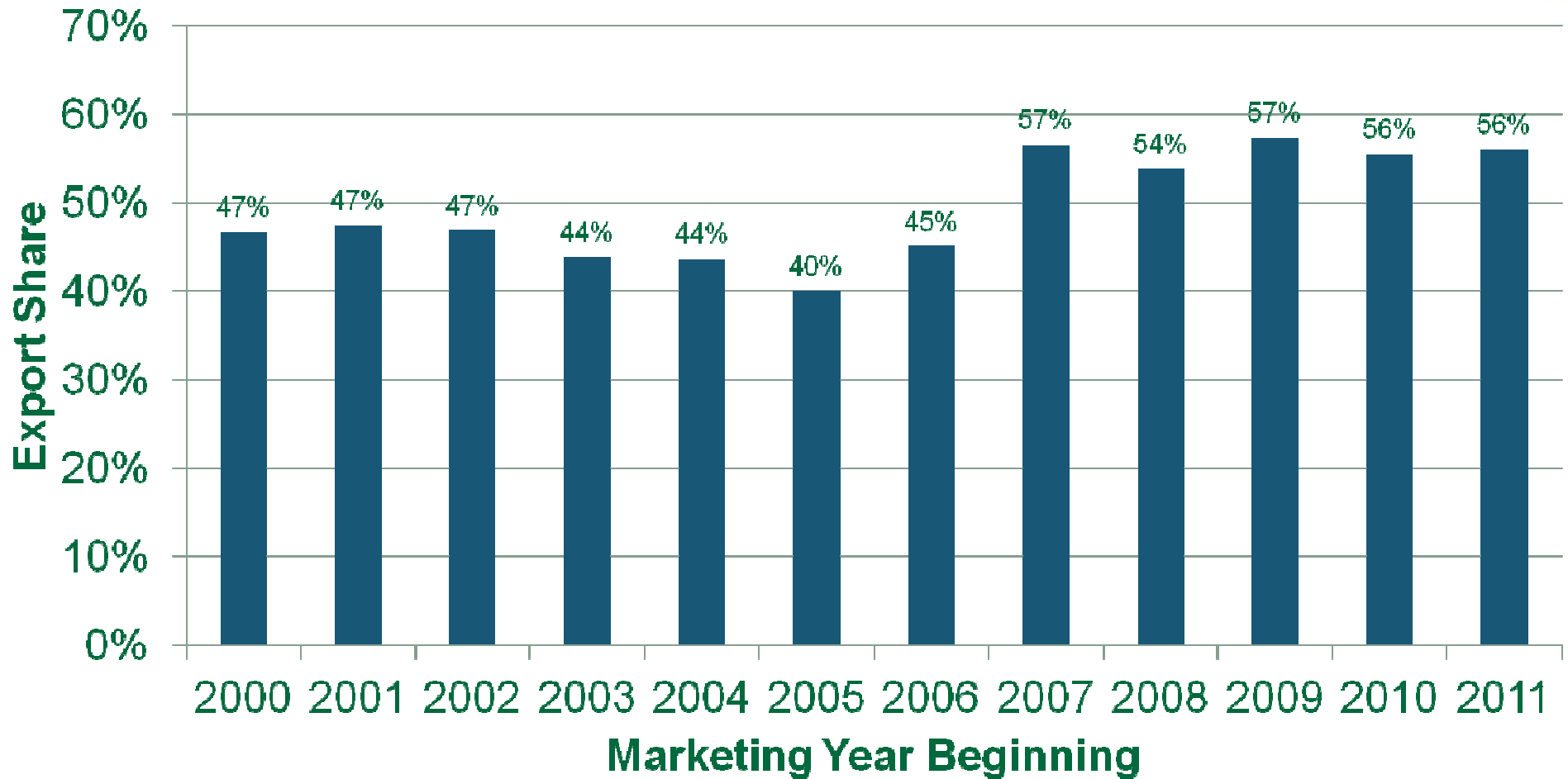
# US Soy Exports – Beans, Meal & Oil

2000/01 – 2010/11 and USDA Forecast for 2011/12



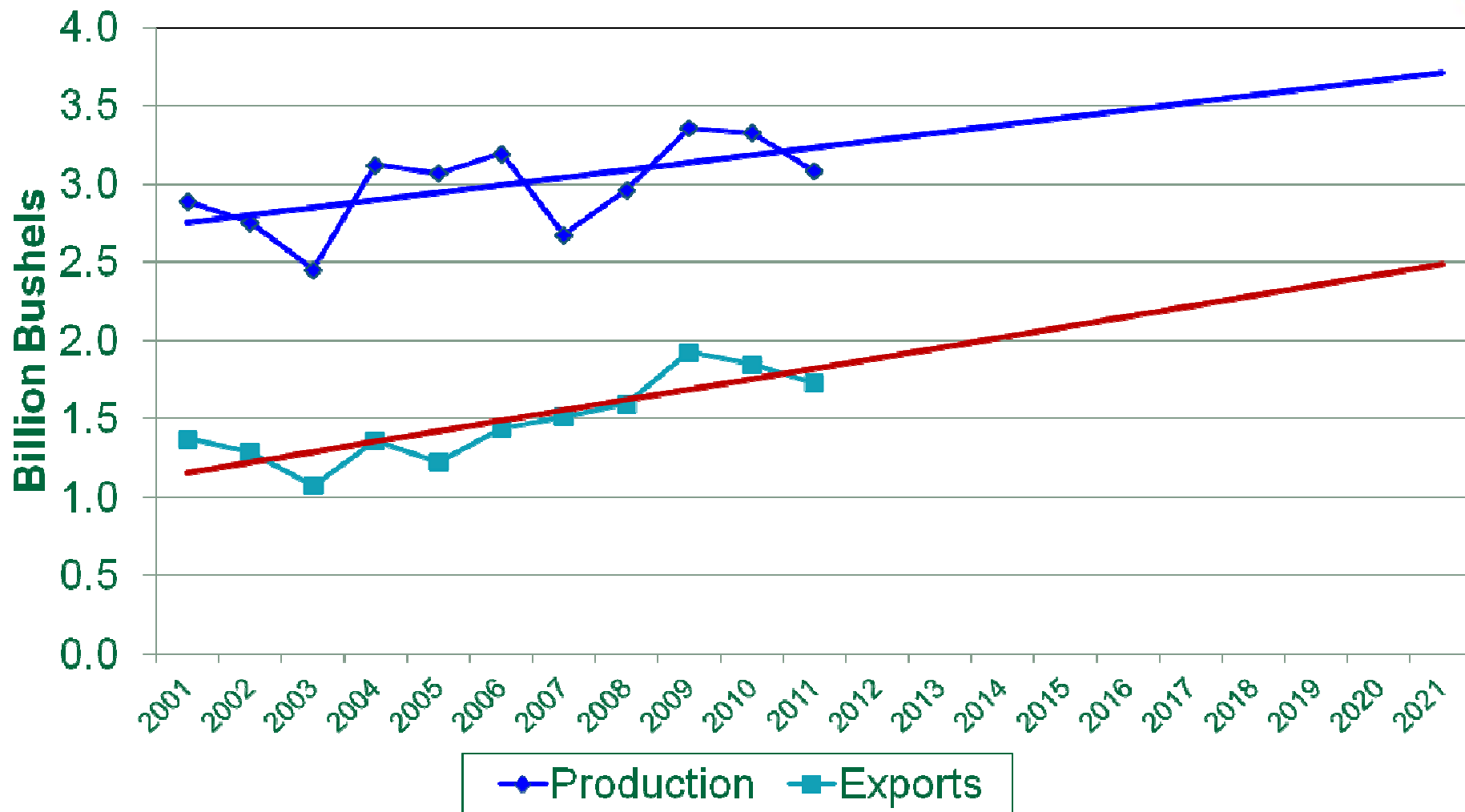
# Soy Exports as Share of U.S. Production

## 2000/01 – 2010/11 and USDA Forecast for 2011/12



# U.S. Soybean Production and Exports 2001 – 2011 and Trend to 2021

**U.S. Likely to be Producing 3.7 Billion Bushels in 2021, Exports  
Likely Reach 2.5 Billion Bushels (68%)**



# Growth Business

- Soy Industry is a growth business!
- All aspects will be growing to feed a growing and developing world!
- A great story to tell!

# Soy Exports Drive Jobs

- USDA says that 8,400 jobs can be attributed to \$1 billion in ag exports.
- US Soy Exports will be \$22 billion in 2011 which equates to 185,000 jobs.
- Tri-State Soy Production = 35% of US total so that would be ~65,000 jobs.
- Export growth in the future = job growth!



● For the US we need to:

● Grow the Supply of Soybeans

● Grow the export markets – supply the growing demand

● Focus on value-added for those that are so inclined

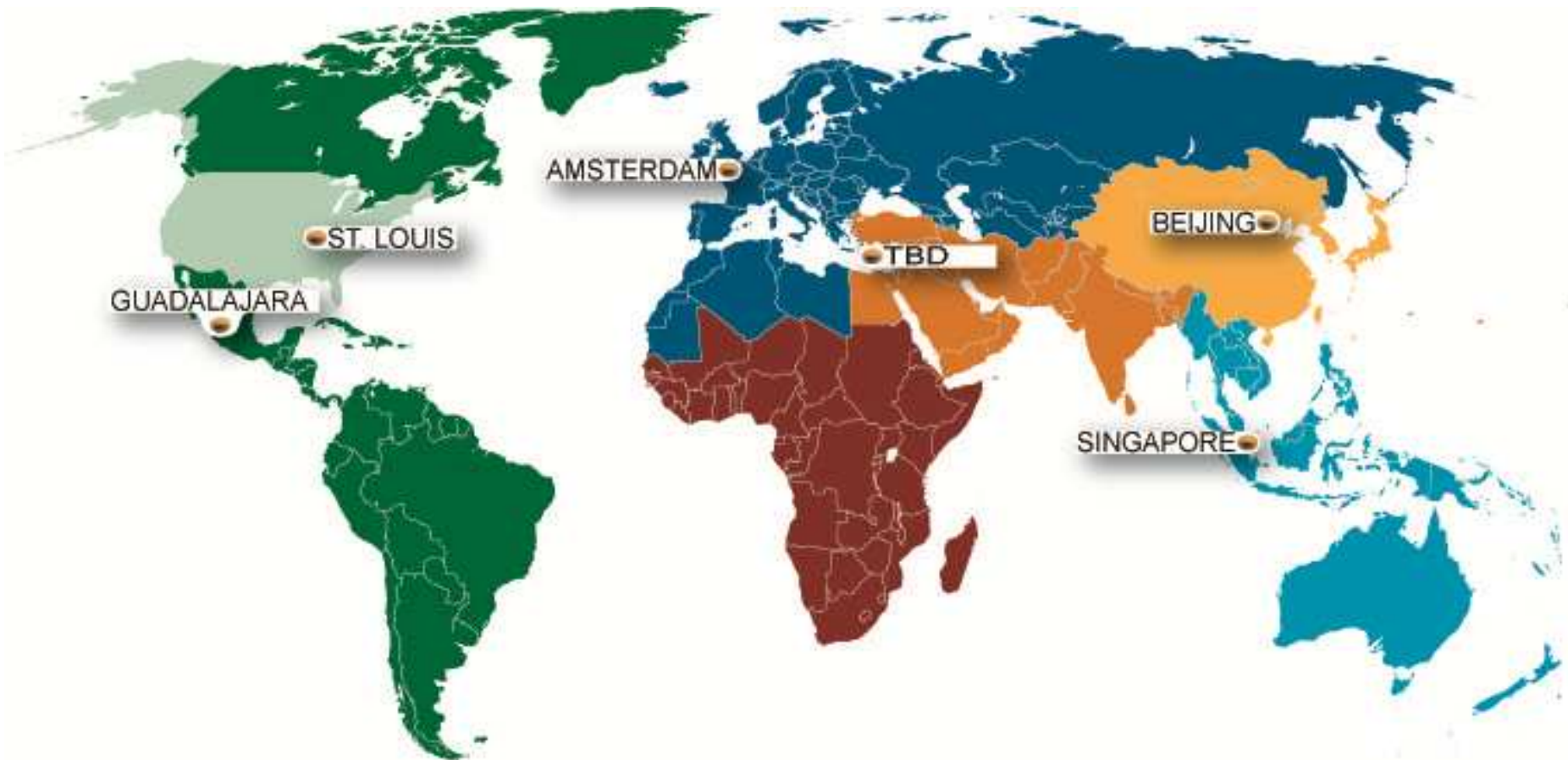
# Transportation is Vital!!!

- More on this from other speakers so I won't elaborate.
- US will export a growing amount of Soy in years to come – efficient and economic transportation alternatives are a key!
- The US River system is a huge asset we must protect and capitalize on!

# USSEC History

- Formed in 2005 to carry out international marketing work previously done by the American Soybean Association (ASA)
- Implement international marketing activities on behalf of the United Soybean Board (USB) and ASA with producer contributions and USDA funds.
- Board representation from USB, ASA, state Checkoff groups, and Industry

# USSEC's Global Network: 5 Global Regional Offices + St Louis Headquarters



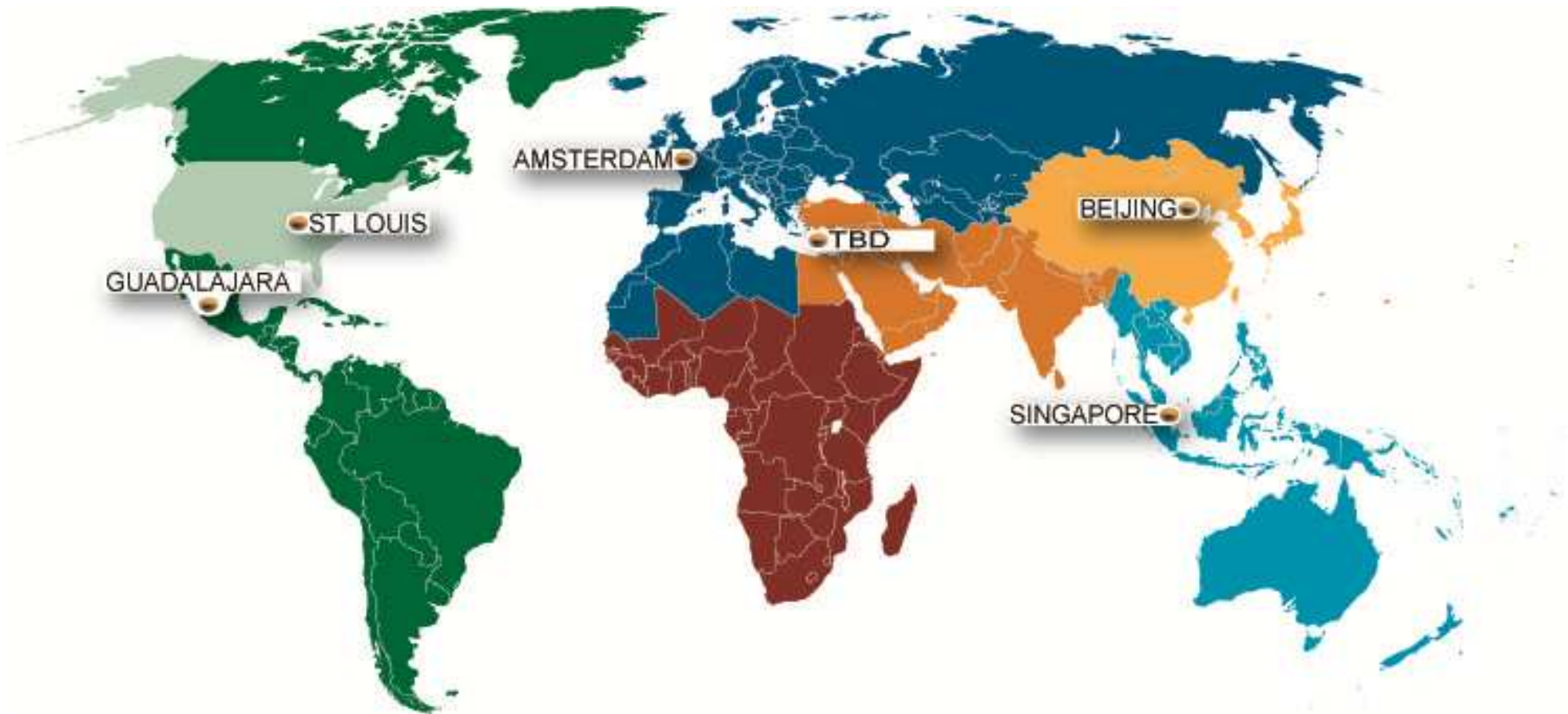
# USSEC Strategy: on behalf of our Members & US Soy Industry

- **Goal #1: Grow Exports – 56% in '11 to 60+% in coming years (vs 39% in '90)**
- **Goal #2: Promote US Capabilities and Reputation.**
  - **Reliable, Sustainable, and High Quality!**
- **Goal #3: Continually improve USSEC as a World Class Marketing Organization**

# USSEC's Matrix Structure

- Global Regions
- Utilization or Target Areas
- Commercialization and Marketing
- Global Opportunities

**USSEC revised its global organizational structure to position us to have maximum contact with potential customers around the world.**  
**Create Local Experts.**



# Focus on 3 Key Utilization or Target Areas:

- Animal Utilization: Pork, Chicken and other
  - Human Utilization: Whole beans and Non-commodity Soy Products
  - Aquaculture Utilization: Fish
- Our role in all 3:
    - Research opportunities, educate users on applications and benefits, facilitate to overcome barriers, demonstrate, etc.
    - Focus on technical benefits of US supply chain.

# Commercialization and Marketing Team: the “glue”

- Turning dreams into reality!
- Internal team with important focus:
  - Apply practical knowledge and experience to ensure the research has application and that the educational work has relevance.
  - Work with US Exporters to have product available once opportunities developed.
  - Seek out commercial openings for various Soy products and market US Soy to fill the need!
  - Focus on business opportunities for US Soy!

# Global Opportunities:

- Key USB Committee focused on identifying potential issues and opportunities facing US Soy.
- Invest research \$\$\$ to ensure the “facts” are readily available for those that need them.
- Long-Term Strategic eyes and ears for USB Board to ensure Freedom to Operate.



- Other Key US Market Opportunities or Issues:

# Sustainability! We hear many customers around the world using this overworked word which can have many different meanings. Ensure US Sustainability is understood!



# USSEC Issue: Opportunity

## ● Sustainability

- US is sustainable but we are shy to promote that – Farm Program compliance assures this!
- Need to define how we will “claim” or “prove”
- Must get out in front – play offense
- Include GM as a means of achieving a sustainable production system

# Thank You!

- The Tri-State Commission is doing great things – keep up the good work!
- Agriculture and Soybeans in particular is a great Growth Business – we need to work together!
- We look forward to working together!