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VOLUME 18 ISSUE 5

STARTING POINT

Working on Your Behalf

Summer is quickly getting away from us and it looks like it will be an early harvest season. When the Northarvest board of directors met for its summer meeting, we went around the table to get an update on the crop. Everybody was facing hot, dry conditions, hoping and praying for rain. It's amazing how different things can be from

year-to-year. At the same meeting one year ago, everyone seemed to be talking about drown-outs and field conditions that were too wet.

At our summer meeting, the Northarvest board approved the annual budget. I'd have to say the board is taking a conservative approach to the budget situation. The acreage situation is always in the back of our minds. We're optimistic about dry edible bean pricing for this fall, but realize competitive crops are also expected to see strong prices. Another acreage battle is possible in 2013



The Northarvest board works diligently on budget issues. At the same time, we are financing important initiatives on research and promotion, doing our very best for the strength of the dry bean industry in the Northarvest region.

As mentioned, the harvest season will soon be upon us. Be safe.

Sincerely,

Dan Webster, President
Northarvest Bean Growers Association





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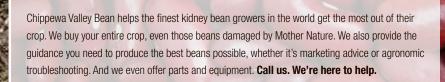
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MAP Support Helps Launch New Varieties of US Dry Beans Into Japan

While the Senate recently defeated the latest attempt to cut funding for the Market Access Program, more evidence surfaced of how the USDA export assistance program is helping to improve exports of US agricultural products.

According to a report filed by the US Dry Bean Council to the Foreign Agricultural Service, exports of US dry beans to Japan in 2011 were at their second-highest level in the past five years. Sales

totaled 15,210 metric tons compared to 14,066 mt five years earlier.

The USDBC's strategy of promoting a broader range of dry bean varieties for non-traditional uses in Japan is paying dividends. Japan has historically used dry beans almost exclusively for producing a bean paste consumed in Japanese confections, and the largest share of US dry bean exports has consisted of baby lima beans, which have significant demand for use in



the manufacture of bean paste.

Over the past five years, USDBC has broadened its marketing strategy to include promotion of US dry bean varieties little known in Japan, for use in new Western-style applications, such as soups and salads. As a result,

several varieties of US dry beans have experienced sharp increases in export volume to Japan, including red kidney beans, garbanzos and white beans.

The export value of these three varieties increased from a combined \$225,000 in 2007 to \$1,631,000 in 2011. The US Dry Bean Council plans to continue its strategy of promoting new varieties of US dry beans for non-traditional uses in Japan as a way to expand the market in the future.

Congress Recesses Without Passing 2012 Farm Bill

After approval by the House Agriculture Committee, House leadership failed to give floor time to the 2012 farm bill before the August recess. A late attempt to pass a one-year extension of the current farm bill was pulled just days before the recess began. This increases the odds that a new farm bill will not be passed before the current bill expires on September 30th.

Senate Agriculture
Committee Chair Debbie
Stabenow said the House
process is unprecedented.
"Never before have we
seen the House leadership unwilling to bring to
the floor a bill that came
out of the committee on
a bipartisan vote. It's really quite shocking." From
what she understands,
Stabenow says about half
the Republican caucus

in the House that doesn't think there ought to be a farm bill.

SENATE BILL

The Senate passed its version of the farm bill June 21st on a vote of 64-35. The bill has an overall cost of nearly \$1 trillion, but is estimated to achieve savings of more than \$23 billion. Senate Agriculture Committee Chair Debbie Stabenow said the House process is unprecedented. "Never before have we seen the House leadership unwilling to bring to the floor a bill that came out of the committee on a bipartisan vote. It's really quite shocking." From what she understands, Stabenow says about half the Republican caucus in the House that doesn't think there ought to be a farm bill.

Two amendments were approved to put new restrictions on crop insurance premium subsidies. Farmers with an Adjusted Gross Income over \$750,000 would see a 15 percent cut in premium subsidies. Minnesota Senators Amy Klobuchar and Al Franken, as well as North Dakota Senator Kent Conrad, were among the 66 senators voting for that amendment. North Dakota Senator John Hoeven voted no. The Senate also approved an amendment tying conservation compliance to crop insurance premium subsidies.

An amendment putting a \$75,000 payment limit on marketing loan benefits and loan deficiency payments was approved. Farmers earning more than a million dollars will also not be allowed to receive conservation payments.

Bob Sindt, Government Affairs Liaison for the US Dry Bean Council, says the Senate considered more than 70 amendments to the farm bill, and the final version contains several matters of importance to the bean industry, including:

- Eliminates direct payments, countercyclical payments, and the ACRE revenue program, while establishing the Agricultural Risk Coverage program where "shallow losses" of up to about 20% are covered above maximum crop insurance coverage;
- Eliminating program crop payments makes the non-program crop planting restriction unnecessary. In other words, no restrictions would exist on fruit and vegetable planting;
- Reauthorizes export promotion programs— MAP and FMD—at present funding levels;
- Pulse Health Initiative would be established with funding authorized up to \$25 million/year for five years;
- Specialty Crop Block Grants continued with funding authorized up to \$70 million/year;
- School Pulse Food Pilot Program authorized for \$10 million to encourage purchase of dry beans, dry peas, lentils and



On July 18th, Agriculture Secretary Tom Vilsack met with President Barack Obama to discuss the drought. After the meeting, Vilsack reiterated the need for timely passage of the farm bill.

chickpeas for school meal programs;

- Specialty Crop Research Initiative funded at \$170 million for five years of farm bill;
- Export food aid programs reauthorized at about present funding levels, although establishes statutory authority for overseas purchase of commodities to the tune of \$40 million/year for USDA food aid programs;
- Reauthorizes the Technical Assistance for Specialty Crops program at \$9 million/year;

Of other interest to beans, amendments were defeated that would have reduced MAP funding by \$40 million/year; and would have authorized states to mandate labeling of GMO foods.

Senate Agriculture Committee Chair Debbie Stabenow (D-MI) said the Senate farm bill represents a very important shift in the way the breadth of agriculture is supported. "This is really about supporting the diversity of agriculture", said Stabenow. She also said another big difference between this farm bill and past farm bills is the increased focus this bill has on promoting healthy, local foods. "We expand healthy foods, strengthen programs focused on fruits and vegetables, and organic crops. We are focusing on innovative research in pest control and other supports related to organic and specialty crop areas."

Chef Michel Nischan, CEO of Wholesome Wave Network, said the Specialty Crop Block Grants are more than doubled in the 2012 Senate farm bill, to promote greater sales and distribution of healthy fruits and vegetables and also to allow multi-state collaborations.

According to the cochair of the Specialty Crop Farm Bill Alliance, Robert Guenther, the Senate broadened the scope of the farm bill. "This legislation really builds on the strong policy foundation that was set forth in the 2008 farm bill with enhanced investments in the competitiveness and sustainability of the US specialty crop industry." Guenther highlights
Specialty Crop Block
Grants, the Specialty Crop
Research Inititative, the
Plant Pest and Disease
Mitigation fund, Market
Access Program, technical assistance for specialty
crops, and the Fresh Fruit
and Vegetable program
fully funded at the 2008
farm bill level as highlights of the 2012 Senate
farm bill.

HOUSE BILL

The House Agriculture Committee passed its version of the 2012 farm bill on July 11th. The proposal cuts more than \$35 billion in mandatory funding; repeals or consolidates more than 100 programs; ends direct payments,

Continued on Next Page

FARM BILL MAY INCLUDE FUNDING FOR PULSE HEALTH INITIATIVE PROGRAMS

The American Pulse Association and the Pulse Health Initiative were discussed at length during the US Dry Bean Convention this summer. The APA was formed in 2010 by the US Dry Bean Council and the USA Dry Pea and Lentil Council with a goal of getting funding for the Pulse Health Initiative. At the convention in California, US Dry Bean Council vice president Bill Thoreson said the Council's board of directors agreed to support the APA through voluntary contributions by its member organizations. The APA will also expand and allow more members.

According to Thoreson, the \$125 million contained in the Senate farm bill to fund the Pulse Health Initiative is the kind of resources the pulse industry has not seen, which is exciting. "The question is, can we get that money and is the farm bill going to pass?"

Dale Thorenson, with Gordley Associates in Washington, D.C., is a lobbyist for the Northarvest Bean Growers Association. He says the House farm bill contains neither the PHI nor the school lunch pulse pilot program, but it does have language within the large competitive grants reauthorization, called the Agricultural Food and Research Initiative, that places a priority on nutrients that USDA deems as a priority. According to Thorenson, "specific crops are not mentioned, but they (legislative staff) have also told us they would write, within the report language, what they mean by that, which is dry peas, dry beans, lentils and chickpeas."

If this becomes a reality, Thorenson thinks there's about \$300 million a year that's in this large competitive grants program that these pulse crops could compete for.

The US Dry Bean Council's Thoreson says they'll work to include both the PHI and school lunch pulse pilot in the farm bill if and when it gets to conference committee. "It truly could have some very positive effects on what we can do in the pulse industry into the future."

countercyclical payments, the ACRE and SURE programs and replaces them with a new policy that will save taxpavers more than \$14 billion dollars. Farmers will have the option of a shallow-loss program, like what's in the Senate bill, and a target price program. A provision to cut \$16 billion in food stamps spurred considerable debate, and is expected to spur even more if and when the bill goes to the House floor. The Senate farm bill only cuts \$4.5 billion out of food stamps.

Agriculture Secretary Tom Vilsack says Americans deserve a farm and jobs bill that reforms the safety net for producers in times of need, promotes the bio-based economy, conserves our natural resources, strengthens rural communities, promotes job growth, and supports food assistance. Unfortunately, says Vilsack, the bill passed by the House Ag Committee contains deep cuts in SNAP, or food stamps.

House Agriculture Committee ranking member Collin Peterson says the biggest difference between the House Agriculture Committee draft and the Senate farm bill is in the commodity title. "You're going to have the option of the new shallow loss program or you could take the countercyclical target price program," said Peterson, who says farmers in his district are

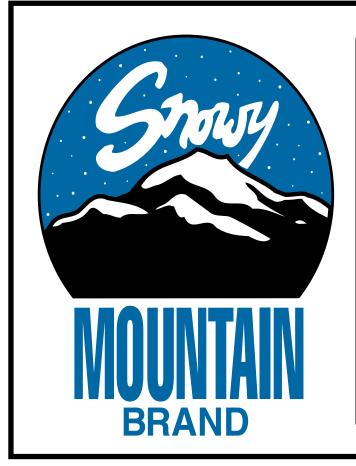


According to House Agriculture Committee ranking member Collin Peterson, the biggest difference between the Senate bill and the House Agriculture Committee bill is in the commodity title.

telling him they'll take the higher crop insurance levels and use the target price as a fallback, in case, these price levels aren't maintained.

The Specialty Crop Farm Bill Alliance commended

House Agriculture Committee leaders for releasing the Committee's version of the 2012 farm bill. The Alliance welcomes the Committee's continued commitment to policies that enhance the competitiveness and sustainability of specialty crop agriculture. These commitments reinforce many of the policies that were included in the Senate-passed farm bill. However, Alliance members are disappointed to see the House language make a significant policy change to the Fresh Fruit and Vegetable program, which has demonstrated the benefits of providing access to healthful fresh produce to millions of America's school children.



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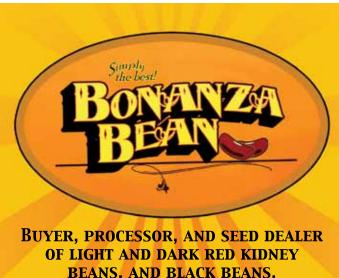
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Dry Bean Acres: More Than Last Year; Less Than 2010

According to USDA's Planted Acreage report, US dry bean planted area is estimated at 1.63 million acres for 2012, up 35 percent from 2011. Harvested acres are forecast at 1.57 million acres, 36 percent above the previous year. Planted area is expected to be higher than last year in 14 of the 18 estimating states.

Although up from last year, compared to two years ago, this year's dry bean acreage estimate is down almost 280,000 acres, or 15 percent.

In North Dakota, planting began the end of

April, progressed quickly through mid-May, and was virtually done by the first week of June. 59 percent of the dry edible bean crop was emerged as of June 3rd, almost two weeks ahead of average.

Minnesota planting progress was well ahead of the previous year and the five-year average. As of May 27th, the crop was 79 percent planted compared with 36 percent last year and 58 percent for the five-year average. As of June 17th, 98 percent of the crop was emerged and 65 percent was rated in good to excellent condition.

	Area Planted			Area Harvested	
	2011	March Int.	2012	2011	2012
State	1,000 acres				
Arizona	8.5	7.0	9.0	8.2	9.0
California	45.5	51.0	44.0	45.0	43.5
Colorado	38.0	40.0	50.0	37.0	47.0
Idaho	95.0	130.0	130.0	94.0	129.0
Kansas	6.5	5.0	5.0	6.0	4.5
Michigan	170.0	220.0	180.0	168.0	176.0
Minnesota	140.0	170.0	160.0	135.0	155.0
Montana	15.0	23.0	25.0	14.8	24.0
Nebraska	110.0	155.0	165.0	105.0	155.0
New Mexico	12.5	10.5	9.0	12.4	9.0
New York	12.0	11.0	8.0	11.8	8.0
No. Dakota	410.0	660.0	660.0	380.0	630.0
Oregon	6.4	6.0	7.5	6.4	7.4
So. Dakota	10.2	15.0	12.0	9.0	11.0
Texas	9.0	12.0	12.0	8.0	11.0
Washington	77.0	110.0	115.0	77.0	115.0
Wisconsin	5.3	6.4	5.7	5.3	5.7
Wyoming	35.0	38.0	35.5	33.0	33.5
US	1,205.9	1,669.9	1,632.7	1,155.9	1,573.6

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Brazil Bean Reduction

According to Conab, Brazil's government crop supply agency, the country's total dry bean production, over the three crops in 2011/2012, will be 2.9 million metric tons. This is 800,000 tons, or 21.4 percent, below the previous year. Drought in the northeast and a wet harvest for the second crop in Parana created the losses. Dry bean acreage in Brazil was down 18 percent this year, and yields declined four percent.

News reports from Brazil indicate that Brazil will import 150,000 metric tons of beans this year. Brazil has had to import black beans from China. With the reduced supply of beans, the consumer price is high. Brazil is the No. 1 dry bean producer in the world.



Northarvest Growers Visit Africa

Bean Growers from
Northarvest were part of
two separate US Dry Bean
Council trade missions to
Africa in May. Northarvest
Bean Growers Association director Gary Paur
met with bean buyers in
Nigeria. North Dakota Dry
Bean Council member
Grady Thorsgard did the
same in Angola. Both then
joined up in South Africa
to meet with more bean
buyers and processors.

High prices have forced Angolan companies to buy beans on a hand-tomouth basis. However, members of a US Dry Bean Council trade mission to Angola in May found increasingly good opportunities to promote US pinto beans in Angola.

According to David Mc-Clellan, USDBC Regional Representative, AngoAlissar (Angola) has conducted successful US chicken promotions and is interested in doing the same with US pinto beans and the US Dry Bean Council. Angofex is interested in collaborating with USDBC

to conduct US pinto bean promotions in Angola, and is currently redesigning its packaging.

Supermarket chains and small food retailers are taking over food sales, at least in Luanda, as the government closes downtown open markets and moves them outside the city limits. These stores need packaged legumes. McClellan says the US-DBC is contacting the major packagers selling into this market to persuade them to incorporate a US

pinto bean logo onto their packaging.

Angola covers 308,000 square miles, equivalent to the states of North Dakota, South Dakota, Minnesota and Nebraska. It has a population of 18 million, including 5 million in Luanda. Thorsgard was impressed that that many people got along in traffic, without any stop signs. One of the larger farm operators in Angola tried to encourage the Northwood, North Dakota

Continued on Next Page

farmer to return to Angola to help him grow pinto beans.

Exports of pinto beans from the US plummeted this last year due to high prices and lack of supply. During the 2011 marketing year, US pinto bean exports to Angola totaled 13,299 metric tons. That fell to just 704 mt in the 2012 marketing year.

The trip to Nigeria was organized around the Market Access Programsponsored Global Broadbased Initiative (GBI) program, "High Quality, Cost-**Effective Food Products** for Private and Public Sectors." This program promotes US protein products in targeted countries to both the commercial and humanitarian sectors in Africa as a response to the protein-deficient diets there.

The program attempts

"For those willing to navigate all the health, financial, ethnic tensions, and legal risks of doing business in Nigeria, its huge population and oil wealth could furnish significant rewards."

Gary Paur, Northarvest Bean Growers Association

to go beyond simply promoting US agricultural products to food aid users or commercial buyers and looks to link commercial development to meet humanitarian needs.

The US Dry Bean Council's objectives were to identify opportunities for US dry bean sales to Non-Government Organizations (NGOs) and commercial buyers in western and southern Africa.

Representatives on the mission also introduced

pre-cooked, dehydrated US dry bean products to NGOs and commercial buyers.

Paur, Thorsgard, Mc-Clellan, and Judd Keller, a bean trader with Kelley Bean Co., were part of meetings with a dozen African companies using or interested in US dry beans.

Nigeria is Africa's most populous country, with a population expected to exceed 170 million this summer. GDP growth has been strong in recent years due to high crude oil prices. According to Paur, Nigeria has very poor infrastructure, a very poor banking system, is disease ridden, and at the same time furnishes some of the greatest opportunities for market development. "For those willing to navigate all the health, financial, ethnic tensions, and legal risks of doing business in Nigeria," says Paur, "its huge population and oil wealth could furnish significant rewards."

Nigeria and neighboring Niger are the leading world producers of cowpeas, the most widely produced and preferred legume in the country.

As incomes rise and women have less time to cook, cowpeas are increasingly sold ground into flour. The Nigerian market for flour is extensive. In addition to being used to make side dishes, bean flour is also being used as a meat extender and protein enhancer by some Nigerian food processors.

The trip to South Africa was in conjunction with another GBI food products seminar in Sandton, South Africa. McClellan gave a presentation on US dry beans as part of the agenda.

South Africa has a land mass of 471,011 square miles, with a population of 50 million. Dry bean acreage is in decline, due to farmers' preference for planting corn, particularly biotech corn. In the 2011 marketing year, South Africa imported more than 84,000 mt of dry beans, all but 8,000 of which came from China. Imports of US beans totaled less than 300 mt.

The US trade team was told that the South African market will be very short of beans for the next six months. Barriers to sales of US beans to South Africa include import duties, a lower limit on container weights than in other countries, and the high shipping cost from the US to South Africa.



Gary Paur, Northarvest, and David McClellan, US Dry Bean Council, were represented in the USDA Global-Based Initiative Conference in Lagos, Nigeria.

USDA Dry Bean Outlook

According to USDA's Economic Research Service, grower prices for dry edible beans are expected to average a record \$41.10 per hundredweight for the 2011 marketing year (September to August). That would be up 47 percent from the previous year and nearly 19 percent above the previous record of \$34.60 in 2008/09.

By class, USDA estimates the current marketing year average grower prices as follows:

Pinto	\$46.50
Navy	42.00
Black	42.00
Great Northern	42.00
Lt. red kidney	56.00
Dk red kidney	55.00
Pink	46.50

In its June Vegetables and Pulses Outlook, the ERS said monthly grower prices are averaging more than a 60 percent increase. For all dry beans, the average price received by US growers from September 2011 to May 2012 was \$43 per cwt, up 55 percent from \$28 the previous year.

Dealer prices in 2010-2011 reached a peak of \$55.50 for all dry beans. Through May 2012, dealer prices averaged about the same as in the preceding crop year.

The ERS estimates the value of the 2011 US dry bean crop exceeded \$1 billion, a 26 percent increase over the previous year, and 24 percent above the recent three-year average.

After removing net exports of 490 million pounds in 2011 and projecting a 33 percent decline in 2012's beginning stocks, total domestic use of dry beans was down 11 percent in 2011.

Based on the domestic use

amounts for each dry bean class, per capita use declined 12 percent, from 6.4 pounds in 2010 to 5.7 pounds in 2011. Per capita use of pinto beans fell from 3.4 pounds to two pounds. For black beans, per capita use increased from .4 to .7 pound.

Despite lower dry bean production and eight percent fewer exports in 2011, the export share of production expanded to 38.5 percent from 26 percent in 2010. The larger export volume of navy beans partly offset export

declines for pinto and black beans. Driven by low production in 2011, the 38.5 percent export share is at the highest level dating back at least two decades. The corresponding shipment volume was down six percent, largely due to a 20 percent decline in black bean exports. Dry bean shipments in 2011 to Mexico, the largest export market, were down 18 percent in both value and quantity. By contrast, shipments to the next biggest market-Canadawere up five percent in value and 19 percent in volume in 2011.

For full Vegetables and
Pulses Outlook: www.
ers.usda.gov/topics/
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Mexico Weather Bears Watching

According to World Weather, Inc., the worst drought in recorded history that occurred in Texas and Mexico last year has lingered into 2012, although both agricultural areas are in better shape than they were a year ago. For Mexico, seasonal rains were slow to evolve, but they have arrived. World Weather, Inc. meteorologists Drew Lerner and Andrew Owen say it will take an enormous amount of rainfall to restore water

Drew Lerner, World Weather, Inc. says Mexico's dry bean



area continues to face drought conditions.

supply to normal in northern and central Mexico and with El Nino brewing in the Pacific Ocean the odds are good that a hydrologic drought (one that impacts river and stream flows and long term water

supply) will prevail into 2013. The big question becomes how significant will summer 2012 rainfall be and can summer crop production recover back to normal?

Drought has been slightly eased due to improved rainfall. Areas from northern Sinaloa to central and northern Chihuahua received 2.5 to slightly over six inches of rain in the first half of July. Prior to July, little to no rain had fallen from

the monsoon in northern and some central regions of Mexico.

Winter and spring crop quality and yields were reduced severely in northern Mexico due to drought. The recent boost in rainfall has offered some hope that further relief will occur. Planting of the summer-autumn crop is normally most aggressive from late June into August with sufficient rain normally occur-

Continued on Next Page

MEXICO TO IMPLEMENT DROUGHT RELIEF PROGRAM

According to a recent report from US Dry Bean Council representative Raul Caballero in Mexico, it is evident that Mexican consumers are not willing to pay the high prices for a kilo of beans and many are substituting beans with other foods such as rice and pasta.

According to the June analysis of the Public Finance Institute from the Deputies Chamber, the danger of a new price increase and food shortage prevails in Mexico because of insufficient supports for the agricultural sector. This tendency influences the agriculture's profitability, which is diminished by the value and volume of

agricultural imports.

With the high price of grains, legumes and other foods, Mexico's Federal Government decided to enforce the Integral Program of Attention to the Drought and the payment of \$12.1 billion pesos to seven states to maintain the productive capacity of the rural sector and the permanent supply of water and food.

According to SAGARPA (Department of Agriculture), Chihuahua will receive 3.8 billion pesos to reduce the effects of drought; Zacatecas 1.73 billion, and Durango 1.69 billion pesos. For 2012, Mexico is considering an extra quota of 39.6 million metric tons of beans to be assigned to companies and individuals, and six

million tons more that will be directly assigned to the Rural Supply Program in order to guarantee the bean supply in rural areas.

The value of bean imports from the United States averaged \$25 million per month through the first five months of this year. The value of bean imports jumped from \$9.5 million in April 2011 to \$24.3 million in April 2012.

The cost of beans on the shelf has doubled, from 15 to 30 pesos. Oscar Sanchez, the Secretariat of Economy's delegate, said the bean imports have not helped to lower the price of beans. The Federal Government authorized bean quota permits to import 100,000 metric tons in order to avoid price in-

creases, in addition to the duty-free imports from the US.

In the first five months of this year, Mexico's grain and oilseed imports totaled 13.68 million metric tons, up almost 50 percent from the same period in 2011. The value of those imports rose 57.5 percent. The great increase in imports is the result of the drop in production due to frosts the previous year and the drought that persists. In Zacatecas, the water level of dams is less than 7.5 percent, so it will be necessary to have a good rainy season this summer in order to not compromise the 2012 fallwinter production.

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ring to support crops in September and October while seasonal rains are diminishing and crops are reproducing.

World Weather, Inc. says monsoonal rain will have to fall frequently and abundantly during the rest of the summer to get the ground saturated and induce significant runoff so that water supply can begin improving.

There is concern that the developing El Nino will soon reduce rainfall in Mexico. In past developing El Nino events, many of the tropical regions of the world, including Mexico and Central America, have experienced below average rainfall during the month of August. If that occurs this year, as World Weather, Inc. expects it to, water supply will not likely be in very good shape raising concern that there may not be enough moisture in some areas to carry on normal crop development well into the autumn and winter of 2013.

Most likely yield potentials this season will be below average again, but not nearly the disaster that occurred a year ago. World Weather, Inc. believes crops will recover favorably, but Mexico is still another year away from notably improved water supply.

World Weather, Inc. says a very close watch on Mexican rainfall distributions is warranted to better determine production potentials, but if rainfall in the first half of July is any example, there is hope for improvement.

NEW PRESIDENT

Mexico's new president-elect is Enrique Pena-Nieto, from PRI, the party that ruled Mexico for 70 years before being defeated in 2000. Pena-Nieto's goals include:

- Recover peace and safety for people fighting organized crime
- •Food security by increasing the agricultural productivity in Mexico
 - Fight poverty, create jobs and improve education
 - •Recover the tourism potential of Mexico
 - •Create an aerospace national research center

Pena-Nieto will inherit a good economic foundation when he takes over in December. Even before the election, the Mexican exchange rate was the best in the previous eight months. Mexico enjoys its highest international reserves in history, \$156.4 billion US, plus a credit line of over \$71 billion from the International Monetary Fund.



Update From Central & South America, Caribbean Region

US Dry Bean Council representative Randy Duckworth reports that exports of US dry beans to the Dominican Republic-CAFTA and Mercusor regions have slowed in the face of shorter supplies and higher prices. Through the first seven months of the current marketing year, the volume of US dry bean exports to those regions was 29 percent below the previous year.

Duckworth provides comments from various countries.

COSTA RICA

The Government of Costa Rica recently changed a decree that would have levied a 13 percent sales tax on retail sales of dry beans, milk, bread and wheat flour. The change was made after employers and others complained that the new taxes were being imposed on staple foods, fell disproportionately on lower income consumers, and were unfairly excluding many popular consumer products that are consumed by households with higher incomes.

NICARAGUA

Red bean producers are reported to have committed about 20,000 metric tons of this spring's harvest to buyers in El Salvador and Costa Rica in exchange for seed and financing. Nicaragua's dry bean production for the 2011/12 crop cycle was expected to total about five million cwt, three million of which is for domestic consumption and the remainder for export.

DOMINICAN REPUBLIC

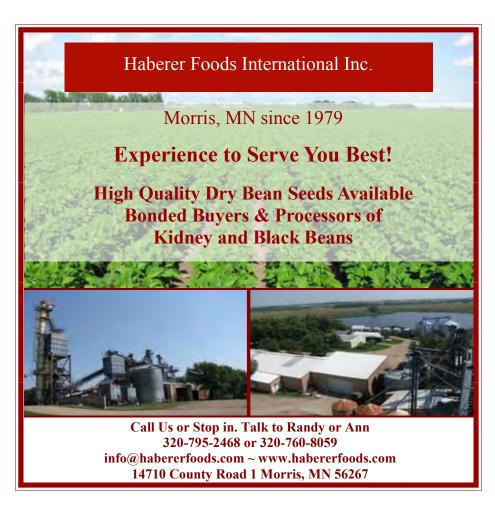
The President of the National Confederation of Agricultural Producers, Eric Rivero, said recently that the country has not had an agricultural policy because instead authorities have actively promoted imports. Rivero said the Ministry of Agriculture should be called the Ministry of Agricultural Imports. The agricultural union leader went on to say that USDA import figures show that the D-R has violated all import quotas, especially those of boneless chicken, pork, milk, beans and rice.

HAITI

In general, food security right now is better that it has been over the last couple of years. With good rainfall, farmers in most parts of the country began planting crops in March.

CUBA

The spring of 2012 marked something of an auspicious anniversary for the people of Cuba. The government introduced rationing and coupon books to the island of Cuba. The ration books include rice, beans, sugar, chicken, fish, eggs, coffee, oil or bread. For most Cubans, the ration books only supply enough food for a week or at most two weeks of discounted food. In 2011, Cuba reported a lower production of beans and reportedly imported 30,000 metric tons of dry beans. The government of



Cuba's office of national statistics reports that agricultural production increased 9.8 percent in the first quarter of 2012, while livestock production fell 11.6 percent. Bean production is reported to be up from the previous year. According to official sources, Cuba will spend \$1.7 billion to import 70 percent of its food requirements for the year.

MERCOSUR REGION ARGENTINA

The Ministry of Agriculture reported in April that 331,000 hectares of beans were planted for the 2012 crop year.

COLOMBIA

Canadian officials have reportedly complained privately to the Colom-

bian government about its failure to meet its obligations under the free trade agreement between the two countries. Under the agreement, Canada is entitled to export more than 14,000 metric tons of duty-free beef, pork, and beans to Colombia (4,000 mt of beans). Colombian government officials reportedly countered that Colombia's customs system needs to be improved to meet demands of free trade agreements. Others suggest, however, that the delays have resulted more from an effort to slow implementation of duty-free imports of sensitive products that may hurt domestic producers. Colombian government officials indicate that both the 2011 and 2012 duty-free allocations will be allowed to be imported this year.

Colombia was supposed to be ready to assign quotas for duty-free imports of US dry beans on the first day of the new free trade agreement with the United States and also have mechanisms in place with customs to allow for imports.

BRAZIL

In 2012, China has reportedly continued to export black beans to Brazil at near-record levels. Brazilian importers are reportedly unhappy with the quality being provided but their decisions continue to be driven by prices. These sales are likely to slow significantly soon in anticipation of the upcoming harvest in Argentina.



World View

Over 900 participants from 55 countries attended the International Pulse Trade and Industry Confederation's World Pulses Convention in Dubai this past spring. Eight members of the US Dry Bean Council staff attended, including regional representative Randy Duckworth who submitted a report to USDA's Foreign Agricultural Service.

According to Duckworth, Argentina had problems with its 2012 dry bean crop, due to drought. Argentine exporters Duckworth spoke with suggest-

ed that black bean acreage was significantly affected by drought conditions. "I heard figures ranging from 50 to 80 percent of normal," says Duckworth. "It's really a guess at this point but I'd give a conservative initial estimate of 75,000 to 85,000 metric tons of exportable supplies of black beans."

The question now is whether Argentina will have enough black beans to meet demand. Given strong continued demand for black beans from Brazil, it seems unlikely. If all goes well, Argentina ex-

pects around 20,000 mt of exportable colored beans.

Duckworth says one of the most interesting bits of information he uncovered in Dubai was that Ethiopia is now exporting pinto beans to Angola. "This may explain why US exports dropped off significantly in the latter half of 2011." USDBC representative David McClellan saw a sample of Ethiopian pinto beans and said, while they were not equal to good No. 1 US pinto beans, they were good enough to find a home in Angola.

The Ethiopian government is said to be pushing to increase investment in the agricultural sector. The government's stated goal is to increase pulse production 10-fold over the next decade. Ethiopia reportedly has 1.2 million hectares available for agricultural expansion. Duckworth thinks it may be a good idea for the US dry bean industry to visit Ethiopia at some point in the not too distant future, to see what competitive threats Ethiopia may pose to the US dry bean industry down the road.

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China has reportedly been exporting significant quantities of black beans to Brazil to make up for shortfalls there. Production of almost all color beans is expected to increase this year in response to favorable pricing growers have been receiving. China began the year with huge inventories of black beans and Japanese white beans. Fortunately for Chinese export-

ers, short world supplies of beans have helped China move out some of these old inventoriessome of which reportedly dated back as far as 2009. Nevertheless, prices never reached levels sufficient to maintain grower interest in black beans and Japanese whites. As a result, most Chinese traders expect black bean and Japanese white bean production to trend down

this year as farmers plant other varieties of beans or more corn and soybeans.

Word from Brazil is that carioca planted acreage was up this year; however, overall productivity in the main growing region of Parana is reported to be down due to drought conditions and delayed plantings. Competition for bean acreage in Brazil continues to squeeze black bean acres, and the

main food buying agency, Conab, is reported to have low inventories of beans that it uses to give to Brazil's poorest people. Traders are wondering how they are going to fill Brazil's large demand gap for black beans if Argentina and China crops come in smaller and Mexico's drought situation continues.

Beans in School Lunches Closer to Reality

Ten products made with various pulse crops were taste-tested at the recent conference of the North Dakota School Lunch Administrators. Carlisle, Inc. owner and general manager Chuck Fleming, who spearheaded the project, was thrilled with the results. "The only product that showed any real negatives was the hummus, but it still scored well."

Fleming's one-year project to get pulse foods in schools is funded by a Specialty Crop Block Grant received by the Northarvest Bean Growers Association. The goal is to develop at least 10 specialty crop products and expose at

least five percent of North Dakota's 70,000 school children to them. To do



Chuck Fleming, owner and general manager of the Carlisle, Inc., spearheaded a project to get pulse foods in schools.
The project was funded by a Specialty Crop Block Grant received by the Northarvest Bean Growers Association.

that, the foods must meet the four basic parameters of the school lunch program: meet nutrition requirements, easy to prepare, reasonably priced, kids like the product.

Of the ten products, five have products related to the Northern Pulse Growers Association, five for Northarvest Bean Growers Association, four for the National Sunflower Association, and one for the Northern Plains Potato Growers Association. All of these organizations were supportive of the USDA Specialty Crop Grant application.

Fleming is especially pleased with the response the North Dakota waffle and the pasta. Accord-

ing to Fleming, "every farmer in North Dakota, except those who only have a corn-soybean rotation, produce one of those crops. We also got very good comments on the black bean chips, pinto bean chips, and the yellow peas."

Fleming is also working on developing a snack pack which could contain up to eight combinations of six pulse products, and meet the one meat substitute requirements of the school lunch program.

Fleming is also trying to find food manufacturers for these products and develop a distribution system.



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EASY STUFATO ITALIAN VEGETABLE STEW

Nutrition Note: This recipe makes 12 one-cup servings of stew. Each serving has 250 calories, 6g fat, 16g protein, 36g carbohydrates, 7g fiber, 107mg calcium, 36 mcg folate, 32mcg potassium and 210mg sodium.



Ingredients:

- · 2 tablespoons extra virgin olive oil
- 1 pound unseasoned pork sausage or ground turkey
- · 1 onion, chopped
- 2 large cloves garlic, chopped fine or 2 teaspoons dry minced garlic
- One 15-ounce can cannillini, navy or great northern beans, drained, rinsed
- One 14-ounce can kitchen sliced green beans, drained
- One 24-ounce jar spaghetti sauce
- 6 small potatoes
- 2 cups sliced carrots
- · 3 stalks celery with leaves, chopped
- 1 green pepper, chopped
- ½ red, yellow or orange sweet pepper, chopped
- · 1 teaspoon dry sage
- · 1 teaspoon dry basil
- ½ teaspoon ground black pepper
- 6 black olives, pitted and minced
- 6 tablespoons Parmesan cheese
- Optional: Stir ½ cup dry red wine into hot stew.

Method:

- Heat large frying pan or 6 quart pan. Add the oil and ground meat. Brown meat well, separating into small chunks. Add onion, brown.
- Add garlic, white beans, green beans, spaghetti sauce, carrots, celery, peppers, herbs and black pepper. Stir to loosen brown bits and combine ingredients
- Cover and bring to a simmer on the stove top.
 Simmer covered 1 hour. Stir once or twice. Stew should be thick. Add a little vegetable broth, juice or water if it sticks on the bottom.
- Optional—add wine. Add minced olives into stew, stir and ladle into bowls. Top with cheese.
- Serve hot with whole grain bread, rice, pasta or noodles.

For a vegetarian entree, omit the meat. This recipe is an "American-i zed" Italian stew using canned vegetables. Italians use fresh vegetables, varied by seasonal availability, including those listed in the recipe above and/or tomatoes, zucchini, eggplant, squash, cabbage, kale, chard, leeks, artichokes and herbs. Always start with onion and garlic. Cook 1 pound dry white beans with 1 tablespoon salt in a 6 – 8 quart pot, add browned ground turkey, chop and add 8 tomatoes, 3 zucchini, 12 - 16 ounces green beans, other vegetables and lots of herbs—the beans will absorb all that flavor. Use your favorites; what's in your garden. Vary the amounts and piece size to fit your preference. Using dry beans and fresh vegetables will result in 3 or 4 more cups of stew, less calories, fat and sodium.

MY PLATE UPDATE

Agriculture Deputy Secretary Kathleen Merrigan joined local officials, educators, and students this spring to highlight the first anniversary of the MyPlate food icon and announced a

month of nutrition events and promotions to mark the occasion. In June 2011, First Lady Michelle Obama and Agriculture Secretary Tom Vilsack unveiled MyPlate, the federal government's primary food group symbol, to serve as a reminder to help consumers make healthy



food choices consistent with the 2010 Dietary Guidelines for Americans. MyPlate is a new generation icon with the intent to prompt consumers to think about building a healthy plate at meal times and to seek more information to help them do that by going to www.ChooseMyPlate.gov.

USDA's Center for Nutrition Policy and Promotion (CNPP) estimates that about 90 percent of nutrition professionals are familiar with MyPlate and are using the resources and messages that support MyPlate in client counseling. Since it was released, there have been over 7 million downloads of MyPlate graphics and other materials. In the first quarter of this year, there were 34 million page views at the ChooseMyPlate.gov website and over 700,000 registered users of the MyPlate SuperTracker, the web based tool to gauge one's diet and physical activity.

The MyPlate icon shows a plate with the five food groups on a placemat that is suggestive of proportions; i.e., to make half your plate fruits and vegetables. Integral to its design is the incorporation of the ChooseMyPlate.gov website address where consumers can apply the recommendations of the 2010 Dietary Guidelines for Americans in a personal way.

EZ BEAN COOKER

EZ Bean Cooker, LLC has developed a convenient and time-saving kitchen appliance to cook dry edible beans. The EZ Bean Cooker features preset bean variety buttons for ease of use and quick cook times; many recipes are completed in less than 60 minutes. The EZ Bean Cooker is a small, electric kitchen appliance that uses pressure cooking technology to cook dry beans quickly, with no presoaking necessary. Simply add ingredients to the cooker, select the preset bean variety button, push "Start" and walk away. The EZ Bean Cooker cooks most beans in 60 minutes or less. With a simple recipe book that features one-pot meals, the EZ Bean Cooker is an essential kitchen appliance for busy families, people interested in healthy meal options and those that just love beans.

EZ Bean Cooker, LLC was founded in January 2011 in Colorado and introduced the EZ Bean Cooker to the U.S. market in the fall of 2011. For additional information on the content of this release and the EZ Bean Cooker, please contact Meghan Walker or visit www.ezbeancooker.com.

Canadian Bean Acres, Production, Exports Up

According to Statistics Canada's survey of farmers, dry bean acres have rebounded from last year. Statscan estimates white dry bean acreage at 100,000, up from 55,000 last year, an 82 percent increase. Acres of colored beans are pegged at 182,000, up 58 percent from the 115,000 acres planted in 2011.

Manitoba farmers surveyed said they planted twice as many white beans as last year, a total

of 40,000 acres. Acres of dry colored beans jumped 62.5 percent, from 40,000 acres last year, to 65,000 this year. Total dry bean acreage in Manitoba of 105,000 acres is less than the 145,000 acres farmers told Statscan they intended to plant in April.

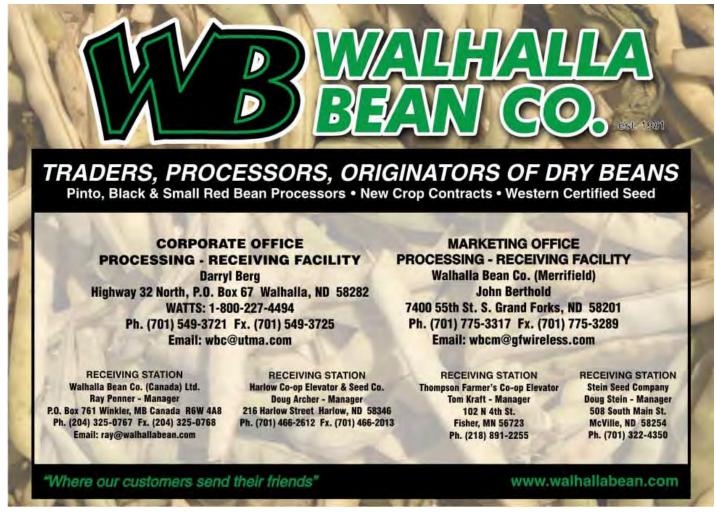
According to Agriculture and Agri-Food Canada, total production of pulses and specialty crops is forecast to rise by 22% to 5.0 million tons (mt), while total supply is ex-

pected to increase by 7% to 6.2 mt. Exports are expected to increase by 10% to 4.1 mt due to the higher exportable supply and increased world demand. Domestic use is expected to decrease assuming an average quality crop and grade distribution.

Total carryout stocks are expected to increase to 1.3 mt, which is expected to pressure prices. Prices, averaged over all types, grades and markets, are forecast to be lower for

most crops, with the exception of mustard seed.

For dry edible beans, the intended area seeded increased sharply from 2011-12 because of higher returns compared to other crops. Seeded area in Ontario increased by 18%, with white pea bean area increasing sharply and colored bean area decreasing, compared to 2011-12. In Manitoba, total dry bean seeded area more than doubled due to a sharp increase in white



pea and colored bean area.

As a result, total Canadian dry bean production and supply are expected to rise, especially for the larger classes of dry beans such as white pea and pinto types. Exports are forecast to increase due to the increased supply and carry-out stocks are expected to rise. The US and the EU-27 are forecast to remain the main markets for Canadian dry beans, with smaller volumes going to Japan and countries in Africa.

Agriculture and Agri-Food Canada pegs total Canadian dry bean area at 291,000 acres, up 71 percent from 2011. Production is expected to jump 59 percent from last year, to 230 million tons. Exports are estimated to rise 20 percent from the previous marketing year, and the average dry bean price is projected to decline 12 to 13 percent.



Bean Briefs

NEW DIRECTOR

East Grand Forks grower Troy Newhouse has been elected to the Minnesota Dry Bean Research and Promotion Council, representing Area 1. Newhouse, who was elected to a three-year term, replaces Brian Love, from Euclid, who served nine years on the Council. Council Chairman Mark Dombeck, from Perham, was re-elected to represent Area 5. Dombeck was also re-elected Chairman of the Council; Newhouse was elected Secretary.

NEW DIRECTOR AT UGPTI

North Dakota State University's Upper Great Plains Transportation Institute has a new director. Denver Tolliver takes over for Canan Bilen-Green, who has been the interim director since Gene Griffin was fired following an internal audit last fall that showed he padded expenses. Tolliver has been with the independent think tank for more than 30 years, and has served as associate director since 2003.

BEANS A BOOST TO RICE

According to a recent article on everydayhealth.com, white rice and anything made with white flour are big diabetes diet "don'ts." Multiple studies have shown that as you digest these "white" foods, your body essentially treats them like sugar, which can cause a blood sugar spike in patients with the disease and also increase a person's risk for developing diabetes. However, researchers at the Oregon Health and Science University found that the pairing of any type of beans with rice can help stop unhealthy blood sugar spikes.

INDUSTRY NEWS

Winnipeg-based Legumex Walker has agreed to sell its 20 percent share

of Blue Hills Processors, a pulse and specialty crop processing plant in Saskatchewan, to the company's majority owners. Legumex Walker says the move is part of its plan to optimize its wholly-owned processing capacity, following its creation last July from the merger of Roy Legumex and Walker Seeds.

DRY BEAN FACTS

With six percent of world output, the United States is the sixth-largest producer of dry edible beans, behind Brazil, India, China, Burma and Mexico. In 2011, the US produced nearly 900,000 metric tons of dry beans.

According to per capita consumption data published by the USDA's Economic Research Service, usage plunged from an average of 7.16 pounds in 2010 to 6.53 pounds per person last year. In raw terms, inferred domestic consumption of dry beans was down 80,000 metric tons in 2011. Even so, inferred domestic bean consumption was almost 40,000 metric tons above the recent five-year average.

Given current expectations of lower average prices and an improved domestic supply situation for the last third of the calendar year, per capita consumption could improve slightly in 2012 to around 6.62 pounds per person.

In 2011, the US exported more than 450,000 MT of dry beans. The principal export markets for the US are Mexico, Canada, the United Kingdom, the Dominican Republic, Italy, Spain, and Japan.

In 2011, the US imported 198,000 MT of dry beans, principally from Canada, China and Mexico.

(Source: USDA and Global Trade Atlas)

Dry Year Reduces Disease Threat

2012 presented a 'good news, bad news' scenario for dry bean growers. The good news is the dry conditions reduced the risk of diseases such as white mold, rust and anthracnose. The bad news is the risk of aborted blossoms and pods, and reduced yield potential.

Timely planting and this summer's heat pushed crop development well ahead of last year. As of July 22nd, 58 percent of the dry beans were setting pods in North Dakota, along with 53 percent in Minnesota. A year ago, those numbers were four and six percent, respec-



NDSU Plant Pathologist Dr. Sam Markell says the risk of anthracnose was reduced, due to dry conditions.

tively.

Dr. Sam Markell, North Dakota State University Extension plant pathologist, said in mid-July, water was needed to make this crop, but we're going to have less things like white mold, that have really plagued us in the last three to five years.

The dry year greatly reduced the risk of an explosion of anthracnose in North Dakota. Dr. Michael Wunsch, plant pathologist at the NDSU Carrington Research Extension Center, expects we should have quite a good year, even where some anthracnose-infected seed was planted. "We should dodge the bullet this year."

Wunsch, who has worked at the Carrington REC for a little over two years, had to work hard to establish anthracnose in order to study management methods, in this case fungicide efficacy. At a plot at New Rockford, Wunsch planted bin-run seed with a one percent incidence of anthracnose

infection. "To establish disease this year, we had to haul two loads of water per night from Carrington to New Rockford with a truck and a 1200-gallon tank. We got the canopy nice and wet, then inoculated with laboratory-grown spores between two and four times."

Very little field research has been done on anthracnose, and what has been done has been done in Canada, but even there it's been quite limited in scope. "For the simple reason that nobody really wants to touch it in the field," says Wunsch. He is very grateful for the Gavilon elevator for letting him use that site because it's difficult to find locations to do this research. "At the Carrington Research Extension Center, we do not have anthracnose, and we do not want to introduce it."





Dr. Michael Wunsch, plant pathologist, was hauling water to his research plots this year to evaluate fungicide efficacy.

Southeast Asia Success Story

A recent sale of Great
Northern beans by a
major distributor of US
pulses in the Philippines
was the result of the company's participation in last
year's US Fine Food Show
in Cebu. The Fine Food
Show was a two-day trade
exhibition, including
cooking demonstrations
by major cooperators
and food importers of US
products.

The show was organized by the USDA, Foreign Agricultural Affairs Office, US Embassy Manila, in cooperation with the US Dry Bean Council, USA Dry Pea and Lentil Council, US Potato Board, USA Poultry and Egg Export Council, US Meat Export Federation, and the California Raisin Administrative Committee.

The USDBC representative for the Philippines

followed up, using USDA funds to support Ideal Macaroni and Spaghetti Factory's efforts to promote its US bean and pea product line. USDBC's representative coordinated with Ideal Macaroni to organize and conduct cooking demonstrations using US dry beans and peas as major ingredients.

Five recipes that used pulses as main ingredients were presented: lentils and pesto macaroni soup; US beans twist salad; sticky chipotle with barbecued pinto beans; curried red kidney beans with jalapeno pepper; and pea flour-based bread. 84 participants attended the cooking demonstrations, including delegates from a manufacturer of meat and canned goods.

After the show, Ideal was asked by the manu-

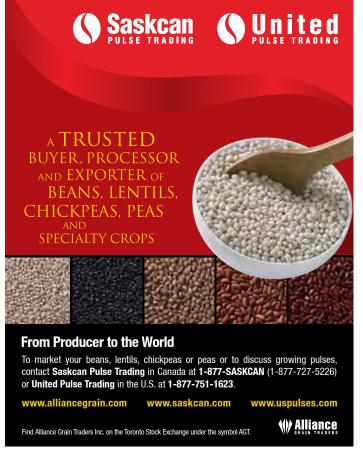
facturer to supply Great Northern beans. The first sale of 150 sacks of canning quality Great Northerns was made in January 2012, and all the beans were used to make canned pork and beans.

Despite short crops and high prices of US pulses in 2011, Ideal Macaroni's purchases of US dry peas, beans, and lentils increased by over 200 percent, from approximately \$15,452 in 2010 to \$46,721 in 2011. Ideal Macaroni's success was due to its market promotion, which was partly supported by the US Dry Bean Council and USA Dry Pea and

Lentil Council.

This year, Ideal is putting more effort and focus on the food service sector. Based on the company's experience, this has been the best avenue to promote US dry beans and other pulses. The company currently has partnerships with its food service clients, including two large fast food chains, and is helping them to develop healthy and contemporary menus. At present, Ideal is working closely with another major restaurant chain on a healthy menu and it appears the first roll-out recipe will involve US beans.





Trade Visit to Hungary and Poland Finds Potential

Hungary and Poland have relied on imports of cheap beans from China, but that may change someday. US Dry Bean Council regional representative Johanna Stobbs visited Hungary and Poland this summer to examine market conditions and identify export opportunities for US dry beans. The trade visit resulted in 10 one-on-one meetings with key importers, dry packagers and canners and a renewed interest in US dry beans.

Although Hungary and Poland are price-sensitive markets, Stobbs says the rise in cost of Chinese dry beans may encourage importers, dry packagers and canners to take a closer look at US beans. Having been absent from these two markets for almost a decade, Stobbs says it will take time for US suppliers to re-establish commercial relationships. Hungary and Poland each import more than 9,000 metric tons of dry beans annually, so building new bridges within these markets is worthwhile.

Much has happened in the Hungarian market since the US Dry Bean Council conducted a trade visit there in 2003. Hungary joined the European Union in 2004. The country is still suffering badly from the economic crisis of 2008. The government began a far-reaching austerity program in 2010 to try to address its high debt; however, these measures have largely stifled growth.

Many of the Hungarian companies the USDBC interviewed in 2003 have disappeared. Those that remain have proven to be very resilient, even in these very difficult economic times.

According to Stobbs, exports of US dry beans to Hungary have more than doubled between 2009 and 2011. As a member of the

EU, dry legumes now enter Hungary with no import tariff. However, Hungary's value-added tax on food products is a hefty 27 percent. Stobbs says unscrupulous companies avoid paying this tax, which enables them to sell dry legumes at a lower cost than tax-paying companies. The government is considering taking measures to combat the tax avoidance, which will not affect consumer prices.

One of the principal financial constraints in the Hungarian food sector is the fact that retail chains tend to delay payment to their suppliers 60 to 90



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days, which causes cash flow problems for dry bean importers, dry packagers and canners.

Hungary is a dry bean consuming market. The Hungarian consumer historically prefers red speckled beans, which are traditionally grown in back lots and private gardens. Stobbs says Hungary is looking for Great Northern beans, navy beans, dark red kidney beans, and is willing to substitute cranberry-type beans with pinto beans, if there is a price advantage.

Like many countries in eastern Europe, Hungary has relied on Ethiopian navy beans, as well as Chinese cranberry beans and light speckled beans. However, the market is now aware that Chinese production is in gradual decline and that Chinese prices have risen to very high levels. Stobbs says the result is that all of the companies she interviewed during this trade visit are now interested in receiving samples and quotes from US suppliers.

Like Hungary, Poland joined the European Union in 2004. Dry packagers use large white beans only, imported from China and Argentina. Canners offer dark red kidney beans and garbanzos, as well as white beans. Poland uses three classes of dry beans: dark red kid-

neys, Great Northern-alubia-type beans, and large white beans, similar to US large lima beans.

Poland grows its own dry beans, with trade estimates of 35,000 metric tons per year, most of which are large white beans. Imports of dry beans in 2011 totaled 9,440 metric tons.

Stobbs says the Polish trade believes that US dry beans are always too expensive and are not in contact with US suppliers. However, high prices from China may push the Polish trade towards developing commercial relationships with US suppliers.

Poland stands out as a success story among

Europe's transition economies. It was the only country in the EU to avoid a recession through the 2008-09 economic downturn, although GDP per capita is somewhat below the EU average.

Stobbs says a shift towards US dry beans and away from Chinese product will take time and patience, and it will be entirely price-driven. She says it remains to be seen how the decrease in Chinese production and the rise in Chinese prices will affect US exports to Hungary and Poland in the medium to long term, but both markets are worth watching and developing for US exports.

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JOHN BARRETT
East Grand Forks, Minnesota

How did you get into farming? After getting out of tech school, I worked at Massey-Ferguson and then John Deere. I spent about 21 years in the farm implement business. We always had some farming interest, but in 1994-1995, we got into farming for a living.

Sounds like you have farming in the blood. Yes, and you can see it in the next generation to come. This season we're in marks 135 years for our farm being in the Valley. I'm the fourth generation on the farm. My son is fifth, of course, and I have a grandson helping us out and he's the sixth generation.

What crops do you grow? We're into navy beans, spring wheat, occasionally, barley, and we have soybeans, sugarbeets and we do some rotational potatoes with a neighbor

Why navy beans? It's a specialty crop and you get to try some different things. There are many, many different edibles that you can grow and we just try to specialize in these and do the best we can with them.

You've sold and used a lot of equipment. Do you have a favorite? You can talk to those around me and they'd say I have a 'green' tendency. It all started with riding on the back of the old Model B and the six-row beet cultivator, watching the rows for Dad. I have to say I always thought the 4230 was the big change in where we're at in tractors. We got the focus on operator safety and health. You had air conditioning, the protection from the sun and a lot of creature comforts. I think that was the biggest change to where we are at today.

Is there anything on your farm that you wouldn't want to be without? Wow. I'd have to say my son. It's very, very rewarding to work with my son.

If you won a trip to travel anywhere in the world, where would you go and why? I like where we live. We get to the lake once in a while, but, hey, I like the good ol' US of A.



JASON NELSONThompson, North Dakota

How did you get into farming? I grew up in it. I've been farming on my own since 1997. I'm the third generation. My grandfather started in Thompson in 1949. Dad carried it on here. Hopefully, we can carry it on through the third and, maybe, the fourth generation.

What crops do you grow? We have corn, beets, soybeans and edible beans. In the edibles, we raise pinks, blacks and pintos. We have wheat, barley and oats, all for seed production.

How long have you been growing edibles? We've raised them since the early-to-mid 80's. We started with a few hundred acres and it has gone up and down since then.

Do you have a favorite among all the dry beans? I'd say the black beans with the versatility and how tough they are.

What's your favorite piece of equipment? I think the Apache Sprayer is as close to a favorite for me right now.

What's your biggest challenge as a farmer? I'd have to say the weather.

If you won a trip to travel anywhere in the world, where would you go and why? I don't know. I guess I'm not picky.

Tell us about your farm? My Dad has been a good teacher. 1997 and 1998 were good years. 1999 to 2006 were rough going for a lot of people and we were able to keep our heads above water. Sometimes, you question what you're doing, but persevere.

Any advice for others? For the young guys, they've seen nothing but high dollars. Some will get a rude awakening in the future. Keep your nose to the grindstone and watch your pocketbook.

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