



Wheat Producers Advantage

South Dakota Wheat, Inc.

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Repeal of the Estate Tax

SD Wheat Inc., members represent family farmers and ranchers who provide food and fiber for our nation's citizens as well as for people around the globe. Over the years, our members have shared personal stories about how their farms and livelihoods have been jeopardized by estate taxes. We come together now to support efforts for full and permanent relief from the estate tax.

At the end of 2012, Congress passed the American Taxpayer Relief Act (ATRA) narrowly avoiding a return to a \$1 million estate tax exemption with a 55 percent tax rate. ATRA permanently extended the estate tax exemption level at \$5 million per individual (\$10 million per couple) and raised the top tax rate to 40 percent, while maintaining the spousal transfer, step-up in basis and indexing the estate tax for inflation. Arguably, ATRA provided permanency in the tax code and permanent relief for some farmers and ranchers, but not all.

House Ag Committee Approves Grain Standards Act Legislation

The House Agriculture Committee considered legislation to reauthorize the Grain Standards Act (GSA). The proposed legislation—introduced by Chairman Conaway, Ranking Member Peterson, Subcommittee Chairman Crawford, and Subcommittee Ranking Member Walz—would reauthorize GSA for five years. It includes some transparency provisions as well as changes to the ways fees are structured. Additionally, the bill would require a review of any state delegated authorities that cease inspections and would require the Federal Grain Inspection Service (FGIS) to step in to provide inspections should state agencies cease their responsibility. If FGIS is not able to step in within a specified timeframe, the bill would allow other state delegated or designated agencies to provide inspections at such facility for up to 90 days.

The Committee approved the legislation unanimously. NAWG is gathering input from our members, and will continue to engage with the House and Senate Agriculture Committees on this important issue. The Senate Agriculture Committee will be holding a hearing on this topic where the panel will hear from various segments of the value chain.

Family farmers and ranchers are not only the caretakers of our nation's rural lands but they are also small businesses. The estate tax is a disservice to agriculture because we are a land-based, capital-intensive industry with few options for paying estate taxes when they come due. Unfortunately, all too often at the time of death, farming and ranching families are forced to sell off land, farm equipment, parts of the operation or take out loans to pay off tax liabilities and attorney's fees. With rising farm land values across America the estate tax will continue to plague farm and ranch families until it is repealed.

We urge all of Congress to join as a cosponsor of H.R. 1105, the Death Tax Repeal Act of 2015, and send the message that now is the time to enact full and permanent estate tax relief.



Julien Roseth and Caren Assman with Senators Mike Rounds, John Thune and Representative Kristi Noem.

AG HORIZONS CONFERENCE

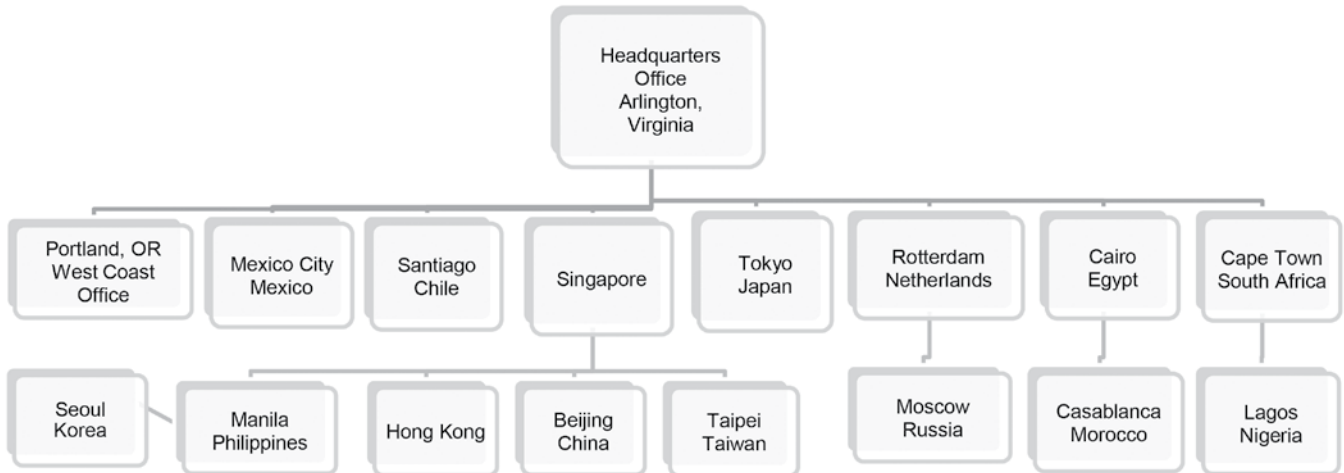
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US Wheat Office Structure



U.S. Wheat Associates (USW) is the industry’s market development organization working in more than 100 countries. Its mission is to “develop, maintain and expand international markets to enhance the profitability of U.S. wheat producers and their customers.” The activities of USW are made possible by producer checkoff dollars managed by 19 state wheat commissions and through cost-share funding provided by USDA’s Foreign Agricultural Service. For more information, visit www.uswheat.org or contact your state wheat commission.

Marketing year 2014/15 has turned into a perfect storm of bearish factors for U.S. wheat exports. Global wheat supplies are even larger than first expected, U.S. prices remain higher than the competition and protein is limited. The abundant supply of corn and soybeans has added price pressure to all grains and, to complicate matters, the U.S. Dollar Index (USDx) hit a 12-year high last week, making U.S. agricultural products even more expensive for overseas customers. Despite the challenging context, the United States will still be the largest single supplier of wheat in the world this year as customers concerned with consistent quality and reliable supply find value in our production.

SDSU Extension 2015 Wheat Walks

The 2015 Wheat Walks are scheduled for May 26 near Fort Pierre in the morning and near Wall in the afternoon. On May 27, Wheat Walks will be held near Winner in the morning and at 4pm at Agland Coop near Delmont. The Wheat Walks provide an opportunity for wheat producers to interact with South Dakota State University Extension Specialists with regards to wheat production issues.

Producers will receive current information on wheat production research, soil fertility, pest management, and agronomy information. There will be plenty of time for small group/one-on-one interaction with specialists.

Thanks to sponsorship by the South Dakota Wheat Commission and South Dakota Wheat Inc. and local area Coops, there will be no charge to attend the events. A meal and refreshments will be available at each location.

May 26, 2015 10:00 am to 12:00 am:
Stanley County - From Fort Pierre- 5 miles west on SD Hwy 14 & 34, go north on Cut Across Rd until intersection with SD Hwy 1806. Take a left on 1806 and travel 5 miles.

May 26, 2015 4:00 pm to 6:00 pm: Pennington County - From Wall SD, go west on I-90 to Exit 107. Go north on Cedar Butte Road about 4-5 miles. Turn left on to gravel at 228th Street. Drive west on gravel (about 2 miles). Plots are on the north side of the road.

May 27, 2015 10:00 am to 12:00 pm: Tripp County - From Winner, 9 miles west on SD Hwy 18, 4 miles north of SD Hwy 183, and 1 mile west on SD Hwy 44/53.

May 27, 2015 4:00 pm to 6:00 pm: Douglas County - Agland Coop, 39833 U.S. Hwy 18, Delmont SD.

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DISTRICT 6

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DISTRICT 7

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2015 Bake and Take Contest

The South Dakota Wheat Commission annual "Bake and Take Day," which occurred this year on March 28, invited home bakers of all ages to slow down, relax and embrace community spirit by baking home-made goodies and sharing them with friends, neighbors or folks who may not be able to bake themselves. Bake and Take Day has a long tradition in South Dakota as an activity designed to educate consumers in the importance of home baking and wheat foods consumption. The personal visit to members of the community is as rewarding and important as the baked goods you take them.

Contestants who submitted their Bake and Take activity were entered into a random drawing for \$50 cash in one of four categories. Categories included -- youth individual (4-17), youth group, adult individual (18 plus), or adult group. Please congratulate our winners below.

The following entries were randomly selected as winners in the annual South Dakota Wheat Commission Bake and Take Contest

- Youth Individual Laci Svennes, Huron
- Youth Group Milesville Rangers 4-H Club

- Adult Individual Deanne Ness, Huron
- Adult Group Busy Fingers, CFEL, Huron

Thank you for participating. Remember, the annual Bake and Take contest is always held the 4th Saturday in March, but every day is a great day to bake and take.

Next generation carries on the Take & Bake tradition. Shannon Gebhart with her siblings Katelyn and Kyle.



Reid Christopherson, Executive Director

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Chet Edinger, Mitchell

Darrell Davis, Ipswich

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Scab Management: It Takes an Integrated Approach

When it comes to managing Fusarium Head Blight (commonly referred to as “scab”) in wheat and barley, university small grains specialists emphasize that the best approach is an integrated one focusing primarily on the planting of moderately resistant varieties and the use of effective fungicides.

“No individual approach is 100% effective at reducing scab — and particularly reducing vomitoxin,” says Pierce Paul, Wooster-based plant pathologist with the Ohio State Extension. “Fungicides provide about 50-60% control, while resistance provides about 50% control relative to the susceptible checks. To get the best control, you have to integrate multiple strategies, with fungicide and resistance being the two main ones.” Seeding into fields previously planted to non-cereal crops reduces the risk of increased inoculum pressure; also, Paul and his group have been researching the value of harvesting strategies that help improve the quality of the grain harvested from scabby fields. They found that increasing the combine fan speed helps to blow out scabby, light-weight kernels, thus reducing the level of vomitoxin and Fusarium-damaged kernels (FDK) and increasing the test weight of grain harvested from scab-affected fields.

“Any single management practice used alone to reduce FHB and DON (the mycotoxin often resulting from scab infection) is not enough when weather conditions are favorable for FHB,” states University of Illinois extension plant pathologist Carl Bradley. Speaking to wheat specifically, while no variety is completely resistant to scab, “the combination of a [moderately] resistant variety and the application of an effective fungicide (either Prosaro® or Caramba®) at the correct timing (beginning of flowering — Feekes growth stage 10.5.1) will provide a much better level of control than doing either practice alone,” Bradley advises. Should one be unable to apply Prosaro or Caramba on the day that most of the field is flowering, an application two to six days after that will still help reduce scab and vomitoxin, says Ohio State’s Paul.

For barley, fungicide application should occur at heading, says Andrew Friskop, North Dakota State University small grains extension plant pathologist. When deciding whether to make an application, wheat and barley growers often rely upon experience and “gut instinct,” Friskop notes. But, he likewise encourages producers to utilize state and national FHB prediction models. The FHB Risk Assessment Tool, funded by the U.S. Wheat & Barley Scab Initiative (USWBSI), is designed to give growers and grain industry personnel valuable advance notice of potential outbreaks and the risk of scab. This tool, which can be accessed at <http://www.wheatbarleyscab.psu.edu/riskTool.html>, displays daily estimates of disease risk for more than 30 states. The risk maps are accompanied by timely commentary from disease specialists from the participating states.

The USWBSI also sponsors the Fusarium Head Blight (FHB) Scab Alert, a real-time alert system based on commentary from small grains disease specialists around the country. Alerts are delivered to subscribers via either cell phone text messages or email, warning them when conditions in their area are favorable for scab development. Those interested in signing up for these alerts can do so at http://scabusa.org/fhb_alert.php.

Despite university extension emphasis on an integrated approach to FHB management, not all growers follow that advice. “Unfortunately, it was apparent that not enough growers in Illinois implemented an integrated management approach in the 2014 season,” Bradley says, referring to last year’s “major issues that occurred with FHB, and especially high DON levels, despite many fields receiving a fungicide application.” Numerous growers assume that a good fungicide can cure all disease problems, he continues. “But fungicide alone does not go far enough for control of FHB and DON.”

NDSU’s Friskop believes the use of an integrated strategy varies from region to region within his state. “Growers who deal with chronic scab problems likely will employ an integrated approach; and therefore, I would consider it to be highly adopted in these regions,” he relates. “However other regions that have infrequent scab epidemics may choose one of two FHB management tools instead of a holistic integrated approach.” Also, he points out, FHB-resistant varieties of durum wheat and barley are not yet as widely available in North Dakota, compared to hard red spring wheat.

As wheat and barley breeders develop and release more varieties with at least moderate resistance to Fusarium Head Blight, it is hoped — and expected — that the percentage of small grain acreage planted to such varieties will trend upward. One challenge facing extension educators, however, is how to maintain producers’ FHB “radar alert” on a regular basis, not just in those years when scab rears its head in their locale to an economically significant degree. “It’s a good thing we don’t get scab every year; but the fact that we don’t [likewise means] it’s hard to keep people focused on scab,” affirms Pierce Paul. “The same applies to using the forecasting system, using the tools that are available for scab management. When scab is ‘off the radar screen,’ nobody wants to hear about it. But we have to keep at it.”

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**Shannon DePoy
District 1**

Everyone is involved with the farm, including my wife Robyn and our two children Hayley and Case. Our home is in Lantry, which is a small town located between Dupree and Eagle Butte in the northwest corner of the state. I have been farming with my dad since I graduated high school in 1993. Farming has seen a multitude of changes since I started with technology, cropping rotation, equipment, and farm programs standing out the most.

When I started, I spent my time working summer fallow, then planting winter wheat in the fall. With the old farm programs we were limited in our choice of crops because of the lack of base acres. After the Freedom to Farm Act and the adoption of no-till in the early 90's things really started to change. It allowed us to grow other crops along with our wheat. Our main rotation is winter wheat, corn, sunflower and spring wheat, which is a popular rotation here in central SD. I incorporate wheat in my operation because it works well in drier climates, and it adds to my bottom line. As much as I like corn, this still isn't the corn belt and don't think it ever will be.

Even though many of us disdain politics, it is important to know how legislation at the state level is going to impact us. We as farmers are getting fewer and fewer, and the larger towns are getting further away from agriculture, whether we like it or not, it's a fact. Being politically active allows you to monitor new legislation and being a member of SD Wheat, Inc. allows you to take an active role. I am proud to be volunteering my time to an industry I'm passionate about.



**Tanner Handcock
District 3**

Tanner Handcock currently lives in Wall, SD. He spent most of his childhood on a farm and ranch operation outside of Long Valley, SD. He graduated from high school in Kadoka, SD, and received a Bachelor's Degree in Business Administration from Black Hills State University. He and his wife, Kimberly have been married for 12 years and they have four children, Dawson 7, Hallie 4, and twins Reese and Davis who are 8 months old.

I am excited to work with South Dakota Wheat so that I can share the benefits of wheat within our operation to other producers while learning about and assisting with the creation of policies that promote market access and value.

He started his career in the crop insurance industry in 2008, and in 2009 relocated to Wall, SD. Crew Agency is a crop insurance agency located in Cactus Flat, SD and we specialize in crop insurance. As an owner/agent of Crew Agency, LTD., I am very interested in being part of the SD Wheat Inc. Board. Being a new Director, I am still learning the ropes but hope to represent the wheat farmers in our area, at the Capitol in Pierre and in Washington, DC.

"Being part of this organization keeps me up to date on many aspects of the farming industry. I see the Farm Bill continuing to help make crop insurance a good safety net for our producers and lenders who are part of our farming industry."



**Paul Hetland
District 7**

Paul farms with his brother near Mitchell in Davison and Aurora Counties. He grew up on their farm, however he worked off the farm for 10 years

as an accountant before returning to agriculture in the late 90's.

Hetland Farms is a cash grain operation with a primary rotation of corn, soybeans, wheat and cover crops. Nutrients from two 2,400 head swine facilities are utilized in the operation as well. Their objective beyond year to year profitability is to promote soil health in all aspects of the operation from rotations to tillage practices.

Wheat is an important part of this process as it creates a viable cash crop which fits well into our rotation. It spreads our work load, creates diversity for weather risk and timing of precipitation, provides a window for incorporating cover crops and placement of the nutrients produced by the hog barns.

Agriculture is a dynamic place to be right now. Change occurs rapidly creating many opportunities. I am very optimistic about the advances that we are seeing within the wheat breeding programs and the emphasis that has been placed on bringing better varieties and traits to producers. I believe that wheat yield increases on our farm will increase at a faster pace than either corn or soybeans over the next 10 years.

I am excited to work with South Dakota Wheat so that I can share the benefits of wheat within our operation to other producers while learning about and assisting with the creation of policies that promote market access and value.

Yield projections increase on second day of Kansas Wheat Tour

Rolling waves of grain and tornadoes are the ultimate Kansas stereotypes, and mother nature was happy to provide both recently to some Hard Red Winter Wheat Tour participants. The tour, sponsored by the Wheat Quality Council, roamed through Kansas in early May, trekking on six different routes.

The convoy was comprised of 21 separate vehicles carrying 92 participants from all over the globe, including some who saw their very first tornado thanks to severe weather in the Wichita area. The scouts stopped at a total of 589 fields along their routes, an increase from the day before's 284 fields. The day two average estimated yield for the areas visited is 34.5 bushels an acre, an increase from last

year's 32.8 bushels an acre.

As the scouts traveled south of Colby, they quickly began to see some of the most drought stricken wheat in the state. The south western portion of the state showed an estimated range from 0-18 bushels per acre. However, when the participants turned east, they began to see some of the



Scouts estimated the yields of wheat fields from Colby to Wichita on May 6, including this field near Stafford, Kansas.

best looking wheat so far in the tour. The stretch from Dodge City to Wichita showed a stronger potential, with most fields averaging from 35-50 bushels per acre.

"A worrisome thing that I saw was the amount of stripe rust along these routes," said Romulo Pisa Lollato, the future wheat and forages extension specialist for Kansas State University. "We found stripe rust in five out of 16 samples between Dodge City and Kingman County, and it concerns me because of the area's good yield potentials."



A small and normal sized head comparison between two samples found in the same field. Drought was the primary cause of the small head.

While rain means good things for a wheat crop, one must remember that what is good for the wheat is good for disease as well. Other issues spotted along the way were wheat streak mosaic virus, wheat smut, winter kill, hail damage and the elephant in the room, drought stress.

"In my area double crop wheat acres will have low yields, if they haven't been taken out already," said Scott Van Allen, a farmer in Sumner County, the largest wheat producing county in the state. "There is some really nice looking wheat, but there is also some wheat that just couldn't make it with the lack of moisture. But what did hang on, the rain has helped 100 percent, so I am still optimistic.

**Wheat Yield Contest
for 2016**
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providing \$ cash prizes**
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qualifications available at**
www.sdwheat.org

Story and Photos by Jordan Hildebrand

South Dakota Wheat, Inc.

Saudi Arabia buys stake in Canadian grain handling company

A state-owned Saudi Arabian investment company and Bunge, the agricultural trading house, have taken control of Canada's former wheat monopoly, underscoring the oil exporting nation's quest for secure sources of food imports.

The sale of a 50.1 per cent stake in CWB, formerly the Canadian Wheat Board, comes three years after Ottawa ended its privileged position as the exclusive purchaser of wheat and barley from western Canada's farmers, opening up the market to competition for the first time in seven decades.

New York-listed Bunge and the Saudi Agricultural and Livestock Investment Company (Salic) will pay C\$250m (\$202m) for the stake in the company.

The venture, to be called G3 Global Grain Group, will vie with commodities trading houses such as Cargill and Glencore in bidding for Canada's grain.

Salic, wholly owned by the Saudi government, was formed in 2011 to meet the kingdom's growing food requirements and cut expenditures on food imports, according to its website.

Saudi Arabia is the world's leading barley importer and its wheat imports are growing. Canada is the world's second largest wheat exporter and also a large barley producer.

Karl Gerrand, G3's new chief executive, said of Salic: "This fits exactly with their vision. Canada produces some

of the best-quality grain in the world. We have surplus exportable grain that's available in Canada, and we will have it for the foreseeable future." Mr Gerrand, who ran Bunge's Canadian operations, said Bunge will own a majority of G3.

G3 will combine Bunge's grain export terminal in Quebec City and four silo complexes in Quebec province with CWB's seven silos across Canada. CWB is also building four more grain handling facilities in Manitoba and Saskatchewan provinces, the companies said.

"We didn't want a company that already had a significant Canadian footprint," she said, because CWB aimed to maintain competitive markets for farmers and keep its staff. The minority stake in CWB will be held in trust for the benefit of farmers, G3 said.

Saudi Arabia imported about half a million tonnes of grain from Canada in the crop year ended last July, according to the Canadian Grain Commission.

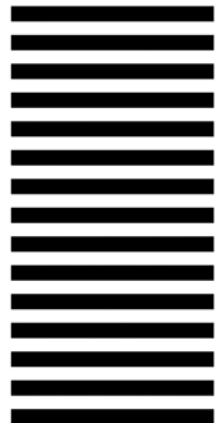
Mr Gerrand said: "Salic will have to be competitive with the rest of the market in acquiring our grain. We're an independent Canadian agribusiness run by Canadians and managed by Canadians."

Abdullah Al-Rubaian, Salic chairman, said the company is "committed to infrastructure investment in countries such as Canada, which are exporters of surplus supplies of high quality grain."

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Thanks to those who have already participated in the variety survey! If you have not - please take time today!

• SOUTH DAKOTA • 2015 WHEAT VARIETY SURVEY •

DIRECTIONS: Please list below the approximate number of acres of each variety planted on your entire operation in 2015. If the variety that you planted is not on the list, please enter the information in the blank spaces provided. Also please answer the questions below. *This information will remain anonymous.*

You can fill out this survey online at sdwheatvariety.com

Winter Wheat Variety	2015 Planted Acres	Spring Wheat Variety	2015 Planted Acres
AP503 CL2L		Advance	
Expedition		Barlow	
Ideal		Brick	
Lyman		Briggs	
Millennium		Faller	
Overland		Forefront	
Redfield		LCS Albany	
Settler CL		Prevail	
Sy Wolf		Prosper	
WB Grainfield		Select	
WB Matlock		Sy Rowyn	
Wesley		Sy Soren	
		Traverse	
		Please enter Name and Acreage of other varieties that you planted	

Zip Code: _____ (Used only to identify regional production trends)
 Are your 2015 wheat acres **Increased** or **Decreased** from 2014?
 Is the majority of your 2015 wheat seed **Certified** or **Bin Run**?
 Did you spray a fungicide in 2014? **Yes** or **No**
 Did you have DON/Vomitoxin price discounts in 2014? **Yes** or **No**
 Did you replant/abandon winter wheat acres in 2015? **Yes** or **No**