



Soy Usage Grows with Indian Dairy Industry Modernization

As India's dairy industry continues to grow, USSEC works to ensure that soybean meal consumption increases too. Currently, India leads the world in milk production with 100 million metric tons per year, but the Indian dairy industry uses a meager six million metric tons of compound feed. As commercial dairies and specialized dairy cattle breeds gain popularity, the Indian dairy industry moves toward a better nutritional model that will increase cow productivity and product quality.

After attending USSEC's new program titled "Commodity Animal Feed Industry Visits" Bharat Kataria of Trimurti Feeds, a prominent dairy feed miller in Nagpur, Central India, expanded his feed milling capacity from 100 MT/day to 300 MT/day by investing in modern feed milling equipment. This program facilitates visits of selected potential dairy entrepreneurs to relatively modern, large dairy feed manufacturing operations. The modern feed mill technology exposure showed the entrepreneur the advantages of increasing soybean meal inclusion in dairy feed rations.

Based on the return on investment calculations from USSEC's commercial feeding demonstrations, USSEC Animal Feed Consultant Dr. Ajay Bhojar demonstrated to Kataria the profitability of launching a premium brand of dairy feed. Kataria's new brand of dairy feed for the Indian market, "Milk Magic," is now available and includes 5% full fat soybean meal.

Milk Magic, a premium dairy feed in India, contains 5% full fat soybean meal

EU Approves Imports of Turkish Poultry Meat

The European Union granted Turkey's seven top poultry producers permission to begin selling meat into the European markets effective immediately.

Following a lengthy review process begun in 2003, the EU's Health Commission and Consumer Department, with input from the Food and Veterinary Office and the Turkish Ministry of Agriculture, decided that poultry products from these large producers are safe for import.

Turkey is 17th largest poultry meat producer worldwide. In 2008, the sector exported \$87 million worth of poultry products. Both production and exports are expected to grow substantially due to the new access to European markets. Turkey's soybean consumption is also expected to increase as poultry feed here contains approximately 30-35 percent soybean in the form of meal, full fat soy and soybean oil.

USSEC has worked aggressively with the Turkish poultry industry for well over a decade. The Turkish poultry sector consumes most of the U.S. soybean meal, as well as meal made with U.S. soybean, imported into the country currently. USSEC also mounts efforts here to increase consumption in the dairy and aquaculture sectors.



USSEC Deputy Director Zhang Xiaoping delivers a presentation on the global soy market outlook during the soybean meal session of the conference

China Feed Market Seminar Provides Insight into Changing Markets

USSEC China Country Director Phil Laney and Deputy Director Zhang Xiaoping participated in the 4th JCI Spring Conference on China's Feed Market in Guangzhou, Guangdong Province. U.S. Grains Council, USSEC and the International Fishmeal & Fish Oil Organization co-sponsored this important bi-annual event for feed millers, soybean crushers and soybean meal traders. Since 2005, USSEC has supported the meal session of the conference.

Of the 550 conference participants, 460 purchasing and sales managers attended the meal session. Laney served as one of four panelists in a discussion on 'Meal Market Trends Influenced by Volatile Crude Oil Price and U.S. Dollar Value.' Zhang Xiaoping delivered a presentation on 'Global Soy Market Outlook'. Speakers discussed the volatility of soy prices and risk management strategies using the Chicago Board of Trade and Dalian Commodity Exchange for support. Participants expressed special interest in the current global economic situation and its impact on demand for soy products worldwide, domestic farm policy and meal market price projections in the second quarter of 2009.

Quick Action Saves Organic Labeling Rights in Taiwan

As of January 29, 2009, Taiwan's government ceased to recognize the validity of USDA organic certification standards. Government policy as outlined in "Imported Organic Agricultural Product and Organic Agricultural Processed Products" stated that USDA organic certification standards would not be recognized as they were not equivalent to the national organic standard established by Taiwan's Council of Agriculture. USSEC took immediate action to ensure that this would not negatively impact the growing Taiwanese market for U.S. organic soybeans and soy products.

Working jointly with the FAS Ag Trade Office and importer representations, USSEC participated in hearings on the new regulations. USSEC stressed the point that USDA organic certification standards are equivalent to the Taiwanese standards. The Taiwan government recently reversed the policy and accepted USDA standards. With the certification from qualified agency approved by the USDA, importers can now import, sell, manufacture and distribute U.S. certified-organic produces with organic labeling in Taiwan market. This is a great breakthrough and also an opportunity for expanding exports of value-enhanced soybeans and products to Taiwan in the future.

IP Soy Opportunities Abound in Indonesia

USSEC Southeast Asia worked in tandem with the Iowa Agricultural Export Partnership (IAEP), a Des Moines based non-profit organization facilitating Iowa agribusiness exports, to help open the Indonesian market for new opportunities. During a recent IAEP led delegation to Indonesia, Iowa-based firm The Seed Company met with local customers to aid them in finding the best fit for their specific needs and personal objectives. During these meetings, representatives found increased opportunities for U.S. soy.

With assistance from the U.S. Commercial Service, USSEC Indonesia Country Manager Ali Basry and Food Program Manager Dady Maskar Seed Company President Harrison Cooper met with some of country's largest importers of soybeans for food as well as processors of soy-based products. Indonesia imports over 36 million bushels of U.S. soybeans annually for food use, mostly for traditional tempe and tofu. However, these are all generic commodity beans cleaned to US #1 or less standards. The market potential for value-added variety specific identity preserved soybeans has yet to be developed. IP soybeans could benefit Indonesian customers and provide increased revenue for U.S. exporters. By establishing key relationships, USSEC helps businesses explore new ways to increase and improve their existing products.

Influencing the Korean Aquafeeds Industry through Data and Persistence

USSEC Korea Technical Director In Soo Shin met with Chang Hoon Shin at Aqua Feed Marketer of Cargill Agri Purina Inc., one of the leading feed mills in Korea's aquaculture sector. Dr. Shin shared information on the most suitable types and optimum inclusion rates of soy protein concentrate for marine aquaculture feeds using USSEC's databases. He highlighted sea bream tolerate up to 12% soy inclusion rates. Cargill Agri Purina is considering replacing portions of fishmeal with soy protein concentrate but has not moved forward. USSEC Korea continues to share new information on the utilization of soy protein concentrate in aqua feeds as well as dehulled soybean meal with Cargill Agri Purina. USSEC research demonstrates that soy protein concentrate can serve as a sustainable protein source in aquafeeds for marine fish.

Tofu Making Event Highlights New Soy Products

USSEC Japan Country Director LaVerne Brabant and Food Marketing Manager Masi Tateishi participated in a tofu making event organized by the Taiki Bussan Company, a major tofu ingredients wholesaler. The Japanese food industry media, including *Food Industry News* and *Food Chemical News*, covered the day long experience which included soaking, grinding and cooking soybeans then pulling off the soy milk prior to add coagulants, cooling and pouring into molds to set up prior to cutting and packaging. Brabant was instructed by Taiki Bussan President Kenzo Kanai in the science of tofu production and by Master Tofu Maker Toshiharu Ochiai in the art of tofu making. The group produced fresh tofu, curdled tofu, fried tofu and a dairy-soy based tofu dessert.



Following the demonstration, Masi Tateishi (left and LaVern Brabant show off the heart and star shaped fried tofu that they made with Taiki Bussan staffers

Taiki Bussan President Kanai demonstrated use of a new tofu coagulant called ‘magnesine’ and made comparisons with traditional coagulants using both U.S. food grade soybeans and domestic Japanese “blue (green) soybeans.” According to Kanai, traditional coagulants work much faster but require a higher skill levels and have a lower success rate. Kanai also introduced tofu desserts including chocolate, cheesecake and green tea dairy-soy based tofu desserts.

Brabant pointed out that the introduction of tofu based desserts, a small cup of which sells for 200 Yen or \$2.15, and other new-to-market tofu based products can increase revenue for local tofu producing operations that often also retail tofu products from small shops. New technologies such as improved coagulants and new tofu product innovations are crucial to sustaining both Japan’s tofu industry and the market for U.S. food grade soy.



Soybean Oil Exports to Latin America Help Make Healthier Breads

U.S. Soybean Export Council Consultants Pedro Gonzalez, Alejandro Cota and Jorge Martínez helped sales representatives of Team Foods understand the health benefits of its new brand, Oliosoya, and other soy-based baking shortenings. Oliosoya is a mixture of 80% soybean oil and 20% Olive oil. The consultants also provided marketing ideas designed to help increase end user sales.

To clearly demonstrate the usefulness of soybean oil shortenings and margarines, the consultants participated in a bread making session that highlighted the role of soy products in many common types of bread. The USSEC sponsored consultants explained and answered questions on the differences and applications of these products.

Team Foods processes 560 metric tons per month of crude soybean oil from U.S. and Mexican refineries to produce margarines, shortenings and bottled soybean oil. With the introduction in the market of the “Oliosoya” brand, they expect to increase their consumption of crude soybean oil by an additional 30 metric tons per month.

USSEC Soy Bits

- Brent Babb and Cathryn Dixson participated in a QSSB Communications conference call, organized by Osborn & Barr, discussing opportunities for state coordination in export related communications. The call already led to several requests for additional information.
- USSEC is accepting resumes for a Global Technical Director Animal Nutrition. The Global Technical Director is responsible for coordinating the strategic direction of USSEC’s international programs related to animal nutrition in poultry, livestock, and feed industries with the purpose of increasing the use of U.S. soy products.

For more information visit: www.ussec.org/about/careers.html



The activities of the U.S. Soybean Export Council to expand international markets for U.S. soybeans and soy products are made possible by producer checkoff dollars invested by the United Soybean Board and various State Soybean Councils, support from cooperating industry, and through the USDA's Foreign Agricultural Service investments provided through the American Soybean Association.

