

EAT MORE PULSES

DRY PEAS | BEANS | LENTILS | CHICKPEAS



VOLUME XVI

ISSUE 17

Pulse Pipeline

Your Pulse Connection

CELEBRATING 2016 INTERNATIONAL YEAR OF PULSES OCTOBER 21, 2016

Plant-Based, Clean-Label

WORD FROM THE GLOBAL FOOD FORUM

THE WALL STREET JOURNAL.
**GLOBAL
FOOD
FORUM**

Contents

- Global Food Forum 1, 2 & 5
- Pulse Market News 3
- Specialty crop block grants 4



Last week, October 6 to be exact, The Wall Street Journal (WSJ) hosted a Global Food Forum (GFF), bringing together leading executives in agribusiness, food production, consumer products and government to explore the trends, challenges and opportunities present in the food business. CEO of the American Pulse Association / USA Dry Pea & Lentil Council Tim McGreevy attended the New York City forum by invitation, with the intention of gaging future food trends and educate food industry leaders regarding the importance of pulses to the future of food. The format of the sessions included an opportunity for round-table discussion and questions for the forum speakers, which included representatives from Pepsico, Campbell soups and Goya foods, to name a few. These are heavy hitters in the food manufacturing industry.

The news from the Forum is great for the pulse industry. Food trends

are changing to plant-based and clean-label foods. The industry is reacting to this change in trends, in fact General Mills recently announced its line of Progresso Good Natured Soups using dry navy bean and dry black bean powder to thicken their lentil soup. It's a new line of soups targeting vegans who want a plant-based replacement for dairy products to make their soup thick and creamy. "We know that consumers are more interested in plant-based diets," said Roger Galloway, marketing manager for Progresso. "With Good Natured soups, we're celebrating vegetables and showing that beans are not boring and lentils can be fun." Speaking of fun, McGreevy says the joke of the conference was that "Fruit Loops are going the way of the dodo bird." I guess you had to be there, but the point is that the days of long complicated chemical laden ingredients are in decline while the demand for plant-based proteins and food items is increasing.

The first panel of the forum focused on changing consumer tastes and priorities. Speakers included Denise Morrison, CEO of Campbell Soup Company; Ronald Shaich, CEO of Panera Bread Co.; Ilene Gordon, CEO of Ingredion; and, Frank Yiannas, VP of Food Safety for Walmart. The speakers seemed to agree that millennials were shaking up the food industry and food companies were scrambling to catch up. Companies are committing significant resources to meet changing consumer preferences led by the millennials. The following is a few highlights of the conversation:

- Millennials are demanding simple, healthy foods with clean labels.
- Campbell's Soup recently purchased Bolthaus Foods and Nature's Way Organic to meet consumer demand for healthy and organic product lines.
- Ingredion reported that 60% of U.S. consumers are looking for food items that are simple and

Continued Pg. 2>>

WORD FROM THE GLOBAL FOOD FORUM **CONTINUED**

Ronald Shaich, founder and CEO of Panera Bread (far left) and Campbell Soup CEO Denise Morrison (center) discuss how millennial consumers are creating a shift toward healthier, fresh and organic products, in a conversation at the WSJ Global Food Forum in New York.

clean label.

- Countries around the world are starting to have an influence on food trends in the United States. Mexico has introduced a tax on obesity and soft drink sales went down. Europe has been pushing clean label, GMO free foods for twenty years. The U.S. is beginning to adopt that trend.
- GMO- When asked about the future of GMO's the food companies responded by stating that their consumers were demanding "Transparency" in their labels. Consumers want to know where their ingredients come, how they were grown and if they included GMO's. Demand is increasing for non-GMO foods in the United States. 70% of U.S. consumers want GMO labeling. Big shake ups in the biotech world with Bayer purchasing Monsanto and ChemChina purchasing Syngenta. Biotech is still good science and new technologies are being developed to increase productivity. How those new technologies are rolled out will be key to consumer acceptance.
- Gluten Free- The food companies reported that texture is the new taste. Consumers want more gluten free products and they want the texture of those products to match traditional foods. The companies that innovate and deliver this texture will reap the rewards.
- Future Pulse Demand- McGreevy reports that he had a number of food companies approach him at the conference. Every one of them is working to develop pulse based products. They were concerned that pulse production in North America would not be able to meet demand. "They joked with me, 'What if our breakfast cereal,

bread products or chips started using pulse crops as a major ingredient. Could you supply the demand?" said McGreevy. "I told them that farmers were no different than a food company. If there was demand and good prices they would increase production dramatically."

- Pulse Processing- The food companies were concerned about the lack of pulse flour and fraction manufacturers in the U.S. McGreevy mentioned, "The companies I spoke to said there needed to be more pulse ingredient suppliers (in the U.S.)."
- Composition Data- Several food companies that McGreevy spoke with wanted more information on the composition of pulses. These companies are finding that variance within pulse varieties and growing locations is highly variable. They requested quality data like the data being produced annually at the USDA/ARS wheat quality labs. Our quality data is limited.
- Food Safety and Sustainability- Walmart reported that their company was committed to delivering food products that were sustainable and clean label. Food safety is the number one concern in the retail space. Retailers are demanding that suppliers increase their farm to fork I.D. programs. Retailers are demanding more traceability and certifications because it makes the consumers more confident when they buy the product.

The meat industry was well represented at this forum as well, with representatives from the Humane Society's Farm Animal Protection discussing lab cultured meats and the new flexitarian trend, and even

Continued Pg. 5>>



Copyright
2016

2780 W. Pullman Road, Moscow, ID 83843 • www.usapulses.org • Ph: 208.882.3023 • Fax: 208.882.6406

PULSE MARKET NEWS

Today's Exchange Rate:
1 Canadian dollar = 0.75 U.S. Bank of Canada

PULSE PRICE CHART (Grower Prices in U.S. \$/cwt. on #1 Grade)

Pacific Northwest	October 21, 2016	October 14, 2016	LAST YEAR
Green Peas (whole)	\$ 9.00-9.50	\$ 9.00-9.50	\$ 10.00-12.00
Yellow Peas (whole)	\$ 10.00	\$ 10.00	\$ 12.00
Lentils (Brewer)	\$ 25.00-26.00	\$ 25.00-26.00	\$ 38.00
Lentils (Pardina)	\$ 20.00-25.00	\$ 20.00-25.00	\$ 37.00-42.00
Chickpeas (Large Kabuli)	\$ 34.00-40.00	\$ 34.00-40.00	\$ 30.00
Northern Plains			
Green Peas	\$ 8.33-10.00	\$ 8.33-10.00	\$ 8.33-10.00
Yellow Peas	\$ 7.92-10.83	\$ 8.33-10.83	\$ 10.00-11.67
Lentils (Richlea)	\$ 24.00-30.00	\$ 24.00-25.00	\$ 32.00
Chickpeas (Large Kabuli)	\$ 38.00-40.00	\$ 38.00-40.00	\$ 24.00
Canada	(Prices in U.S. \$/cwt.) As of October 12, 2016		
Green Peas	\$ 9.01	\$ 8.94	\$ 10.21
Yellow Peas	\$ 8.79	\$ 8.70	\$ 9.79
Feed Peas	\$ 7.95	\$ 7.95	\$ 6.05
Lentils (Laird)	\$ 38.89	\$ 38.55	\$ 33.87
Lentils (Red)	\$ 21.58	\$ 20.76	\$ 25.65
Lentils (Richlea)	\$ 32.63	\$ 30.73	\$ 30.35
Chickpeas (Desi)	\$ 23.18	\$ 23.18	\$ 20.19
Chickpeas (Kabuli 9mm)	\$ 37.81	\$ 37.15	\$ 22.23

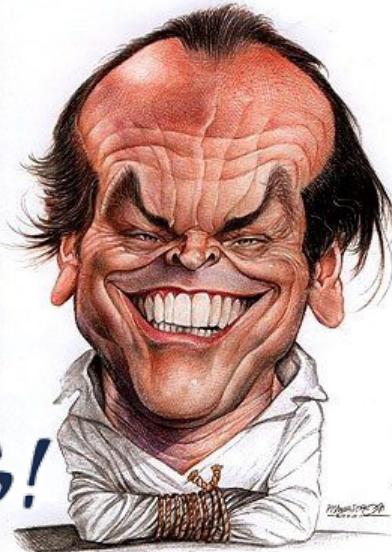
✓ **COMPARED TO LAST WEEK:** Trading activity was steady with moderate demand.

PNW: Prices reported on a cwt basis, Del warehouse, thresher run and U.S. No. 1's.

Northern Tier: Prices reported on a cwt basis, Del warehouse, thresher run and U.S. No. 2's or better.

- Market prices contained in this newsletter may or may not reflect actual market conditions at the time of sale.
- U.S. prices are gathered from [USDA Bean Market News](#) which uses averages based on U.S. #1 production from the date surveyed and are for thresher run, clean basis.
- Canadian prices are gathered from the [Saskatchewan government](#).

**CRAZY
FOR
PULSES!**



USDA 2015-16 National Posted Price and Loan Rate Summary

New Loan Rates Eff: May 1	Dry Peas				Lentils				Large Chickpeas		Small Chickpeas		
	West		Midwest		West		Midwest		All		All		
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	
<i>Pulse Loan Rate: #2 Grade</i>	\$5.97	\$5.81	\$5.29	\$5.31	\$13.86	\$14.04	\$10.59	\$10.40	\$11.28	\$11.28	\$7.43	\$7.43	
October 21, 2016	NPP	\$8.67	\$8.67	\$7.99	\$8.17	\$22.40	\$22.40	\$19.13	\$18.76	\$30.86	\$30.86	\$25.86	\$25.86
October 14, 2016	NPP	\$8.67	\$8.67	\$7.99	\$8.17	\$22.40	\$22.40	\$19.13	\$18.76	\$30.63	\$30.63	\$25.66	\$25.66

Midwest region: all counties in Montana and North Dakota, plus all counties in all other states not in the West Region.

Source: [USDA Farm Service Agency](#)

USDA AWARDS MILLIONS IN GRANTS TO PULSE GROWING STATES

Every year the USDA allocates grant money through the farm bill for the Specialty Crop Block Grant Program (SCBGP). The grants are part of USDA's continued effort to enhance the competitiveness of specialty crops and provide resources to strengthen American agriculture. The Specialty Crop Block Grant Program (SCBGP), administrated by AMS, awarded grant funds for 693 projects in all 50 States, the District of Columbia, and five U.S. Territories. Here's how the four primary dry pea, lentil and chickpea growing states fared this year.

IDAHO

The Idaho State Department of Agriculture received 18 applications for the specialty crop blog grant program, seeking a total of \$2.3 million in funding this year. Besides potato and wine industry projects, the American Pulse Association will use a \$132,900 grant to increase consumer knowledge and awareness of pulse crops as part of the International Year of Pulses activities.

MONTANA

The Montana Department of Agriculture today announced nearly \$1.2 million in sub-grants through the U.S. Department of Agriculture's Specialty Crop Block Grant Program (SCBG).

Montana State University received nine of the grants which include projects researching the impact of viruses on honey bee health, research and outreach to increase apple production and consumption in Montana, and a survey for pathogens of economic importance in field peas. Other projects include a cherry pest management program and a campaign to bring education and financial support to Montana's beginning specialty crop producers.

NORTH DAKOTA

The Agricultural Marketing Service of the U.S. Department of Agriculture approved \$2,375,085.11 in Specialty Crop Grants for 27 applicants to promote the development, cultivation, production and sales of specialty crops, including pulses in North Dakota. The grants are distributed based on a formula that takes into account specialty crop acreage and production value.

Organizations and agencies receiving grants for pulse specific activities include:

- North Dakota State University (NDSU) - \$34,221 for evaluation of Anthracnose tolerance in 16 partially resistant dry bean lines for germplasm enhancement.
- NDSU - \$115,133 for population structure and aggressiveness of *Aphanomyces euteiches* on field pea.
- NDSU - \$53,319 for optimizing fungicide application timing for control of white mold in pinto, black, and navy beans.
- Northern Pulse Growers Association - \$108,000 for the collection of glycemic data to support the marketing of pulse and pulse ingredients.
- NDSU - \$62,636 for optimizing agronomic practices for faba bean production.
- NDSU - \$56,739 for development of lentil cultivars with tolerance to sulfantrazole.
- NDSU - \$142,406 for characterization of a new pea seedborne mosaic virus variant affecting field peas.

WASHINGTON

The 2016 USDA Specialty Crop Block Grant will allocate \$4.3 million to fund 21 projects managed by the Washington State Department of Agriculture

This year, pears and apples, berries, nursery, lentils, potatoes, and projects to enhance food safety are among the funded projects. Some of the projects include those that will help educate growers on the new Food Safety Modernization Act, increase availability of water rights for Snoqualmie Valley specialty crop growers, enhance Latino and small farm growers' knowledge in food safety, and connect the public to Washington's specialty crops through the Washington Grown TV show. Another will survey acreage for tree fruits and grapes. Some of the pulse specific projects include a \$200,000 grant to Washington State University for Enhancing the Sustainability of Lentil Production in Washington.



WORD FROM THE GLOBAL FOOD FORUM **CONTINUED**

an actual Perdue family member, CEO of Perdue Farms Jim Perdue, one of the largest poultry operations in the U.S. announcing that Perdue Farms will never sell another chicken treated with antibiotics. This was considered impossible 15 years ago.

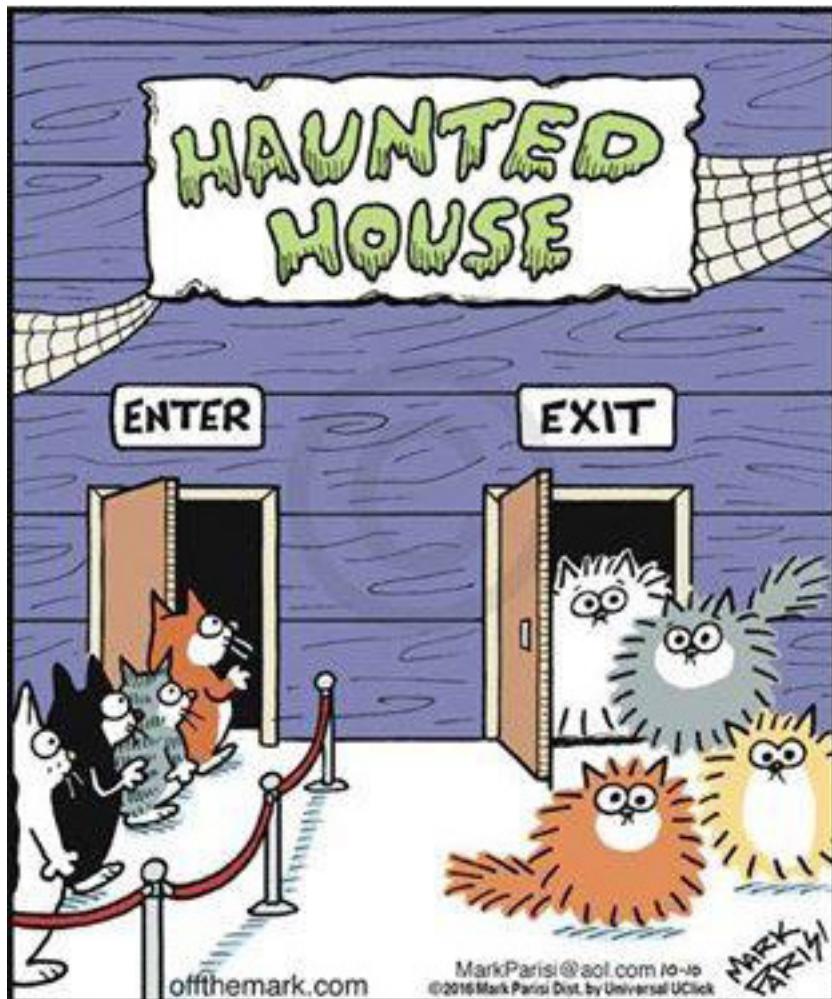
Patrick Westhoff, from the Food and Agricultural Policy Research Institute at the University of Missouri (FAPRI-MU), provided an outlook for agriculture. Westhoff stated that global consumption of cereal grains has remained flat since 1980. Biofuel use is responsible for an increase in consumption, even though interest in biofuels has declined due to the low price of oil. Westhoff projected that land values will decline 10%

in the next two years, and reports that farm income has dropped \$40 billion since 2013.

In summary, McGreevy reports that Ingredion's Gordon lauded International Year of Pulses as a key reason why there is more awareness of these great foods in the minds of consumers. She said food companies are paying attention, pulses are trending, and the opportunities for the pulse industry are great if we continue to build the momentum and infrastructure needed to become a major food ingredient in the next five years.



FRIDAY FUNNY



PULSES



DRY PEAS, BEANS, LENTILS & CHICKPEAS
THE FUTURE OF FOOD

U★S★A
Dry Peas, Lentils,
Chickpeas & Beans
The Standard for Quality

Pulse Pipeline
Your Pulse Connection

USA Dry Pea and Lentil Council

2780 W Pullman Road

Moscow, Idaho 83843

208-882-3023 www.usapulses.org

All rights reserved. 2016.

Tim, McGreevy, CEO

tmcgreevy@usapulses.org

Drex Rhoades, Editor

drhoades@usapulses.org

THE USADPLC IS AN EQUAL OPPORTUNITY EMPLOYER AND PROVIDER.