



2780 W. Pullman Road
Moscow, Idaho 83843
Phone : 208-882-3023
E-Mail : info@usapulses.com
Web: www.usapulses.org



USADPLC MISSION

The USA Dry Pea and Lentil Council's mission is to support the economic, scientific, and political well being of the United States dry pea, lentil and chickpea industry. We achieve this by developing international markets; establishing footholds in domestic consumer markets and food manufacturing; providing a world-class pulse research infrastructure; and by communicating our industry's goals to potential political allies, partners and stakeholders.

2018/19

ANNUAL REPORT

USADPLC



USA Dry Pea
& Lentil Council

Table of Contents



ABOUT THE COVER:

Young Asher Anderson is the son of Chippewa Valley Bean grower, Grant, the owner and operator of Anderson Farms in Belgrade, Minnesota. Tessa Rose of CVB remarks, “They have been a trusted growing partner with us for many years.”

Photo courtesy of Grant Anderson.

3-7

- 03. Staff and Board Roster
- 04. CEO Letter

8-13

- 08. International Marketing
- 10. Idaho Commission Financials
- 12. Domestic Marketing

14-17

- 16. Washington Commission Financials
- 18. Pulse Crop Research
- 20. WPGA Financials

22-28

- 22. Information & Government
- 24. APA Financials
- 26. USPLTA Financials

THE USA DRY PEA & LENTIL COUNCIL RECEIVES FUNDING FROM THE FOLLOWING PULSE CROP ORGANIZATIONS:



2018/19 USADPLC / APA STAFF

CHIEF EXECUTIVE OFFICER
Tim McGreevy
tmcgreevy@usapulses.org

DIRECTOR OF MEMBERSHIP SERVICES
Kim Monk
kmonk@usapulses.org

**USA DRY PEA & LENTIL COUNCIL
EXECUTIVE BOARD OFFICERS
AS OF JANUARY, 2019**

VICE PRESIDENT OF MARKETING
Jeff Rumney
jrumney@usapulses.org

DIRECTOR OF RESEARCH
Evy Jaconis
ejaconis@usapulses.org

BEAU ANDERSON, NORTH DAKOTA
Chairman

**VICE PRESIDENT OF RESEARCH &
MEMBERSHIP SERVICES**
Todd Scholz
tscholz@usapulses.org

STRATEGIC OPERATIONS MANAGER
Sandra Rumney
srumney@usapulses.org

ANDREW FONTAINE, WASHINGTON
Vice Chairman

DIRECTOR OF COMMUNICATIONS
Drex Rhoades
drhoades@usapulses.org

ASST. MARKETING MGR - GRANTS
Kara Russell
krussell@usapulses.org

AARON FLANSBURG, WASHINGTON
Secretary / Treasurer

DIRECTOR OF DOMESTIC MARKETING
Becky Garrison
bgarrison@usapulses.org

ASST. MARKETING MGR - PR
Madison Jacobson
mjacobson@usapulses.org

CONTACT INFORMATION
USA Dry Pea and Lentil Council
2780 W. Pullman Road
Moscow, Idaho 83843

Phone (208) 882-3023

WEBSITE
www.usapulses.org

INTERNATIONAL MARKETING REPRESENTATIVES

Latin America	North Asia / China	India	Mediterranean / Spain	Europe	Indo-Pacific Region
Raul Caballero	Lucy Dai	Shakun Dalal	David McClellan	Johanna Stobbs	Tim Welsh

2018/19 USADPLC NATIONAL BOARD VOTING MEMBERS

Beau Anderson, Chair (ND)	Bert Brocke (USPLTA)	Brad Karlen (SD)	Brian Silflow (ID)
Andrew Fontaine, Vice Chair (USPLTA)	Don Driscoll (USPLTA)	Howard Nelson (USPLTA)	Gordon Stoner (MT)
Aaron Flansburg, Sec/Treas. (WA)	Nate Hahner (WA)	Kim Saueressig (ND)	Ron Williams (USPLTA)
Jay Anderson (ID)	Paul Kanning (MT)		

2018/19 AMERICAN PULSE ASSOCIATION (APA) NATIONAL BOARD

Voting Members:	Alternates/Advisors:
Greg Johnson, Chair	Beau Anderson
Dave Kirsten	Marty Anderson
Kim Murray	Cindy Brown
Chad Nickels	Scot Cocking
Pat Smith	John McDermott

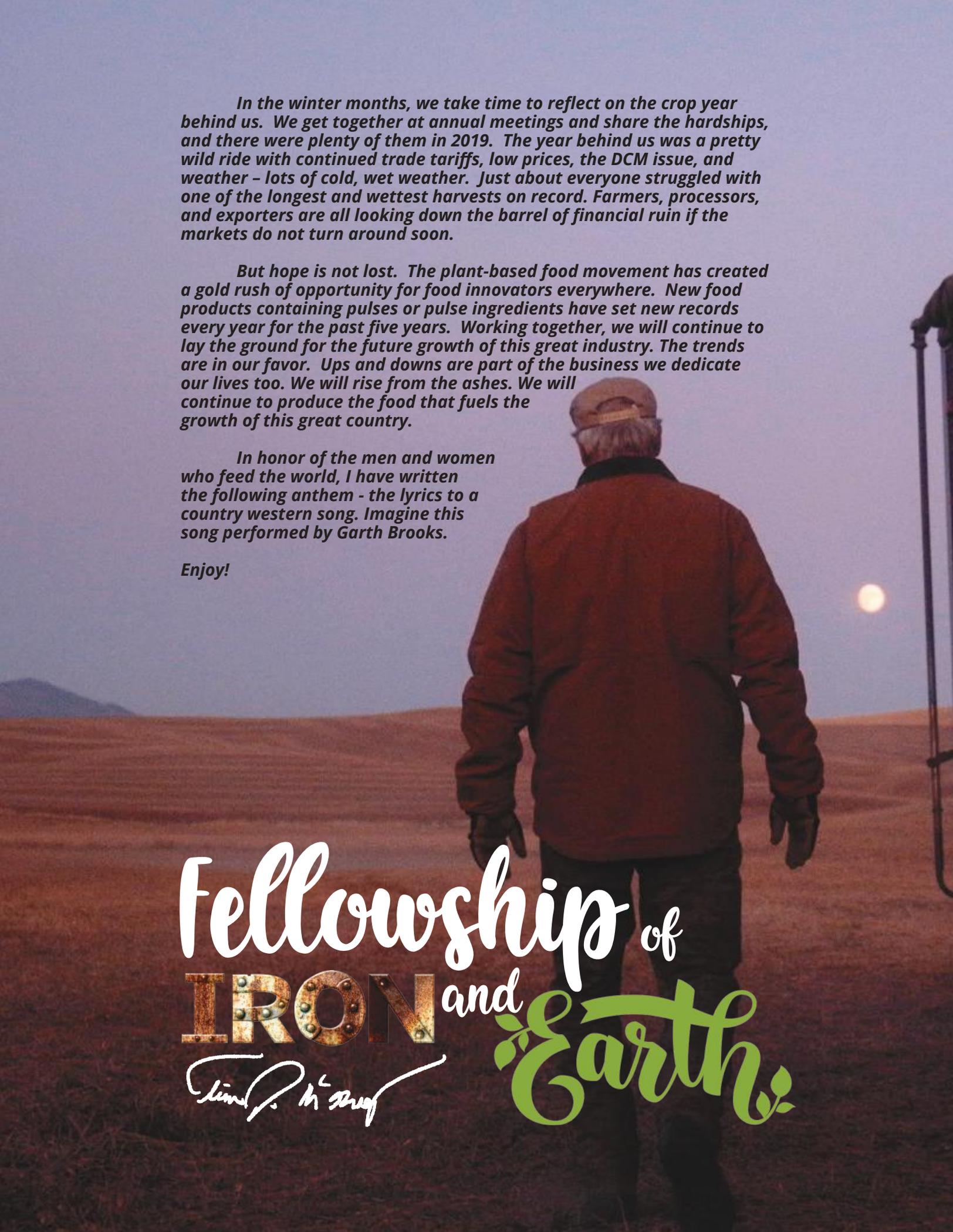


In the winter months, we take time to reflect on the crop year behind us. We get together at annual meetings and share the hardships, and there were plenty of them in 2019. The year behind us was a pretty wild ride with continued trade tariffs, low prices, the DCM issue, and weather - lots of cold, wet weather. Just about everyone struggled with one of the longest and wettest harvests on record. Farmers, processors, and exporters are all looking down the barrel of financial ruin if the markets do not turn around soon.

But hope is not lost. The plant-based food movement has created a gold rush of opportunity for food innovators everywhere. New food products containing pulses or pulse ingredients have set new records every year for the past five years. Working together, we will continue to lay the ground for the future growth of this great industry. The trends are in our favor. Ups and downs are part of the business we dedicate our lives too. We will rise from the ashes. We will continue to produce the food that fuels the growth of this great country.

In honor of the men and women who feed the world, I have written the following anthem - the lyrics to a country western song. Imagine this song performed by Garth Brooks.

Enjoy!



Fellowship of
IRON and Earth
Tim McSwain

***Fellowship of Iron & Earth - Tim McGreevy, CEO
December, 2019 (copyright pending)***

We do not seek fortune or fame
We work the land until we need a cane
We understand the face of pain
We feel the sting of judgement and shame
We do our best to hide the strain.
Of too much water or to little rain

Chorus

*We are the people who plant and seed.
We feed the world and those in need.
The unsung hero's of death and birth.
We are the fellowship of Iron and Earth*

We are the medics of our soil's health
The stewards of our planet's wealth
On the frontlines of drought and flood
Battling the elements with flesh and blood
We are the first to feel the rising temperature range
Because we are the first responders to climate change

Chorus

*We are the people who plant and seed.
We feed the world and those in need.
The unsung hero's of death and birth.
We are the fellowship of Iron and Earth*

Our job is to put food on the table
When people eat the world is stable
We feed everyone who comes ashore.
Black, White, Brown and more.
So we take an oath to feed the poor.
For if we don't, there will be war

Chorus

*We are the people who plant and seed.
We feed the world and those in need.
The unsung hero's of death and birth.
We are the fellowship of Iron and Earth.*



FINANCIAL PROFILE: USADPLC

USA Dry Pea & Lentil Council Statement of Activities July 1, 2018- June 30, 2019

Income

APA Programming Services	125,000
USPLTA Programming Services	306,723
WPGA Programming Services	36,777
IDDPCL Programming Services	365,557
WAPCC Programming Services	797,812
NDDPLC Programming Service	475,000
MPCC Programming Services	1,900,000
SDPCC Programming Services	10,000
NPGA Programming Services	10,000
MAP/FMD/EMP/ATP Grants	1,424,526
Misc Income/ RMA Grant	183,645
Retail Sales	2,444
Total Income	\$ 5,637,484
Gross Profit	\$ 5,637,484

Expenses

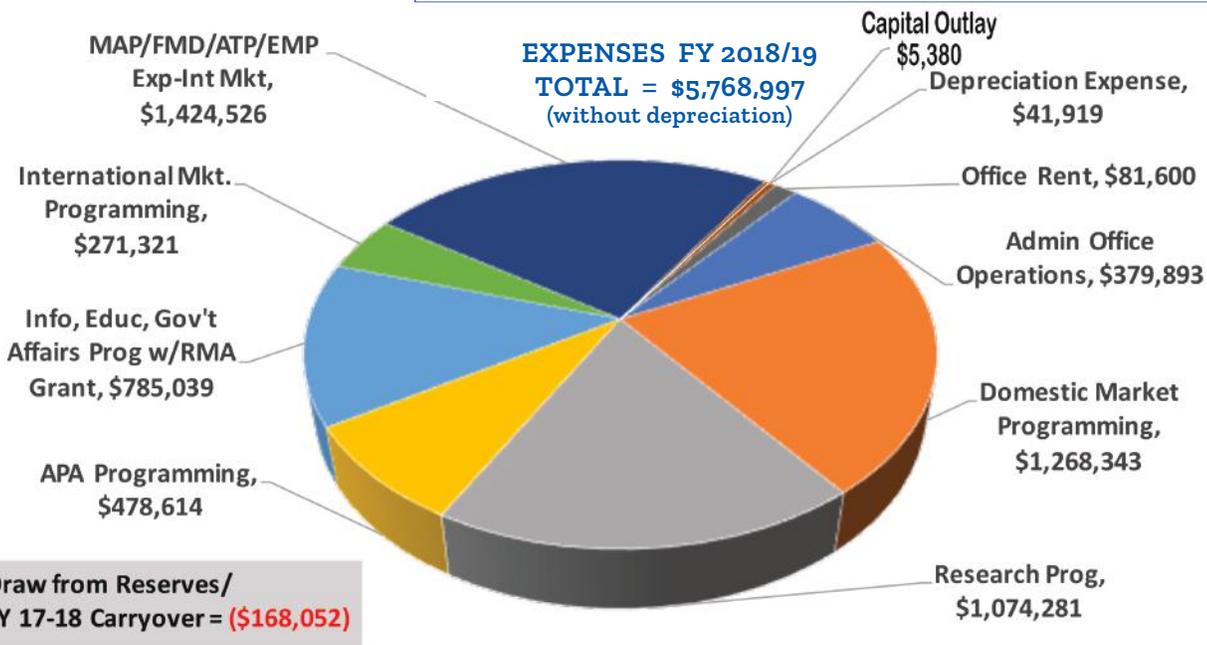
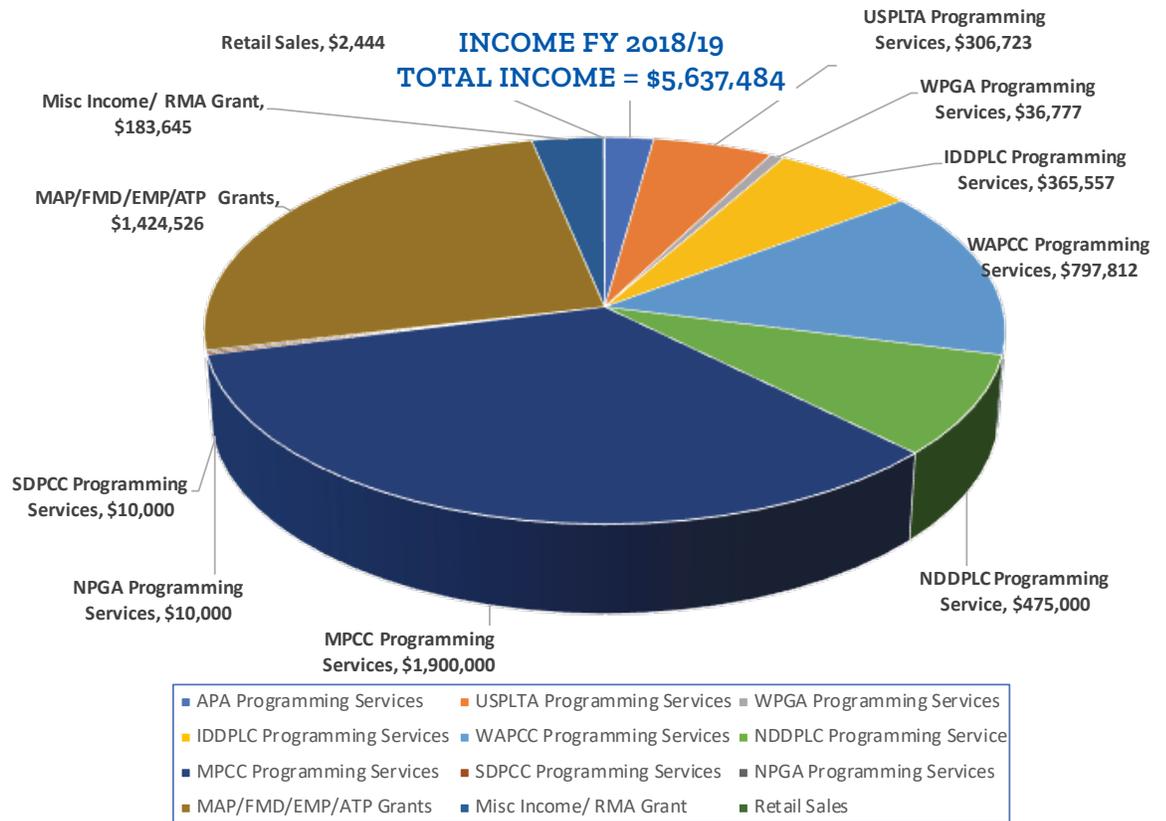
Admin Office Operations	379,893
Domestic Market Programming	1,268,343
Research Prog	1,074,281
APA Programming	478,614
Info, Educ, Gov't Affairs Prog w/RMA Grant	785,039
International Mkt. Programming	271,321
MAP/FMD/ATP/EMP Exp-Int Mkt	1,424,526
Office Rent	81,600
Capital Outlay	5,380
Total Expenses	\$ 5,768,997
Change in Net Assets	(131,513)
Capital Assets Additions	5,380
Depreciation	(41,919)
Draw from Reserves/ FY 17-18	\$ (168,052)

USADPLC BOARD VOTING MEMBERS (1/2019):

Beau Anderson, Chair
 Andrew Fontaine, Vice Chair
 Aaron Flansburg, Sec/Treas.
 Jay Anderson
 Bert Brocke

Don Driscoll
 Nate Hahner
 Paul Kanning
 Brad Karlan
 Howard Nelson

Kim Saueressig
 Brian Silflow
 Gordon Stoner
 Ron Williams



**Draw from Reserves/
 FY 17-18 Carryover = (\$168,052)**

- Admin Office Operations
- Research Prog
- Info, Educ, Gov't Affairs Prog w/RMA Grant
- MAP/FMD/ATP/EMP Exp-Int Mkt
- Office Rent
- Domestic Market Programming
- APA Programming
- International Mkt. Programming
- Depreciation Expense



International Market Development

2018/19 HIGHLIGHTS

The Challenge

The past year marks one of the most challenging on record as evidenced by great declines in export sales for pulse producers and aligned industries. India, the largest US export market, dropped steadily since the tariffs were enacted. Prior to the tariffs, the 5-year export average (2011 to 2016) was 263,517 MT. However, from 2017-18, the

average export declined by about 75 percent—to just 67,210 MT. Similarly, the 5-year export average to China (2011 to 2016) was 46,974 MT; after entering the US-China Trade War, the 2018 average export was down more than 50 percent, to 20,647 MT. Lentil exports have increased but dry pea exports continues to decline.

Globally, US exports of US cool season pulses (US CSP), have been reduced by 41%. Root causes for losses in export volumes vary by market—including tariffs, import quotas, trade barriers, and strained trade relations. The overall impact has brought farm gate prices to a 10 to 15-year low.



The Pakistan Trade Team tours Glendive, Montana pulse processing facility. Below: The India Trade Team.

The Work

The USADPLC has doubled efforts to overcome the current challenges. Foreign marketing activities are funded primarily through grants from the USDA Foreign Marketing Service. Over the past year this funding has increased to \$3.8 million, resulting in a greater presence and more activities to advance sales.

Following are examples of activities organized by the USADPLC staff on behalf of the producers and industry for cool season pulses. Overall, our strategy is to increase the demand for CSP by educating foreign buyers of the value of purchasing high-quality US origin dry peas, lentils and chickpeas.

Trade Missions

Outbound trade missions take our products and US industry partners directly to buyers of our products. There is no substitute for face-to-face meetings when it comes to building relations and listening to the needs of our customers. Lessons learned include the need for the US to produce the highest quality, clean products. The foreign markets are increasingly concerned about residue and contamination.

Reverse Trade Missions

Bringing foreign buyers to the US for personal visits to producers, processors and exporters is a very effective way to increase sales of US pulses. This year, the USADPLC hosted buyers from Pakistan and India—both key trading partners. The direct sales from these missions included \$12 million and \$1 million for India and Pakistan; respectively. These tours visited entire production areas including Idaho, Washington, Montana and North Dakota. Additionally, buyers from all the represented states traveled to meet these international buyers.



International Market Development

CONTINUED

Government & Industry Relations

The USADPLC international program has been engaged on multiple policy fronts to enhance foreign market exports. An important success included opening Pakistan's market by easing export requirements. This was accomplished by obtaining a permanent waiver for methyl bromide fumigation and recognition of the non-GMO status of US produced pulses. In India, meetings with the Government of India Ministry of Agriculture and NAFED (National Agricultural Cooperative Marketing Federation of India Ltd) led to better understanding of the India tariffs and how US pulse exports may increase in the future. In Europe, along with the GPC (Global Pulse Confederation), the USADPLC continued to keep dry peas, lentils and chickpeas off the EU tariff list.

Trade Shows

Numerous trade shows around the world were on the agenda this year; these shows are vital to stay in the competitive market and maintain relations. Large traditional shows such as SIAL and ALIMENTARIA in Europe, and GULFOOD in Dubai are consistently attended and bring in good business. Newer markets present a greater challenge. Using Vietnam as an example, it has a rising middle class and a growing awareness and appreciation for US products. However, few traditional recipes featuring pulses create challenges. While the potential exists, goals for shows in Vietnam and other South East Asia countries are to build awareness of dry peas, lentils, and chickpeas.

Technical Training & Innovation

The USADPLC continues a long history of growing demand by introducing new pulse recipes and uses for pulse ingredients. This work includes snack and bakery training in Mexico and South America, chef training in Europe, and product innovation across all of South East Asia. 🌱



Discussing the use of Yellow split pea as a substitute for mung bean in mooncake at a Vietnam trade show; Jeff van Pevanage, Brett Melvin, Andrew Fountain, Joe Cramer, Jeff Rumney.



The USADPLC six international marketing representatives meet foreign pulse buyers (like these in Poland) at trade shows across the globe.



India Reverse Trade Mission - Jeff Winkler of Mountain View Coop, Dutton Montana discuss pea and lentil price and availability with an eager group of India buyers.

Statement of Activities July 2018 - June 2019

Income

A - Green Pea Income	13,582
B - Yellow Pea Income	1,104
C - AWP Income	1,229
E - Lentil Income	70,413
F - Chickpea Income	268,478
O - Other Income	8,846
Total Income	\$ 363,652
Gross Profit	\$ 363,652

Expenses

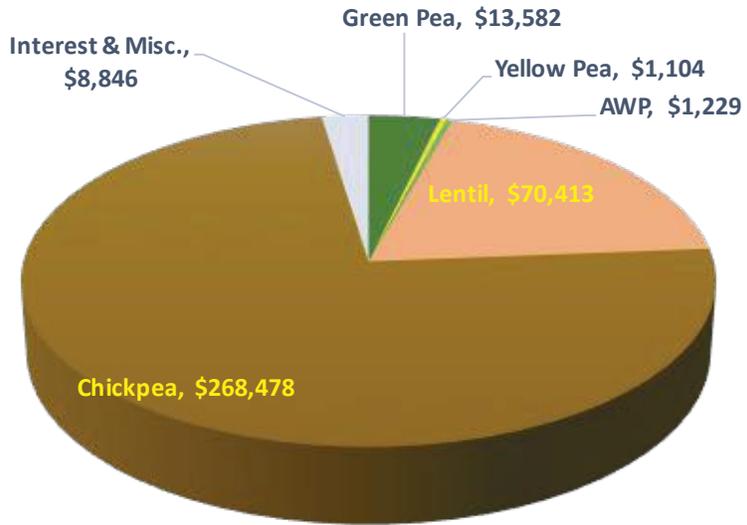
Outreach & Education	3,690
Administration	13,967
USADPLC Contracted Services	
5610 Administrative Services	32,820
5620 Domestic Programming	97,184
5630 International Programming	32,500
5640 Research Programming	80,836
5645 APA/PHI	51,847
5650 Info/Gov Programming	70,370
Total USADPLC Contracted Services	365,557
Total Expenses	\$ 383,214
Net Income (Draw from Reserves)	\$ (19,562)
Reserves, July 1, 2018	\$ 502,113
Net Income (Draw from Reserves)	\$ (19,562)
Reserves, June 30, 2019	\$ 482,551



2018/19 ID COMMISSION (12/18):

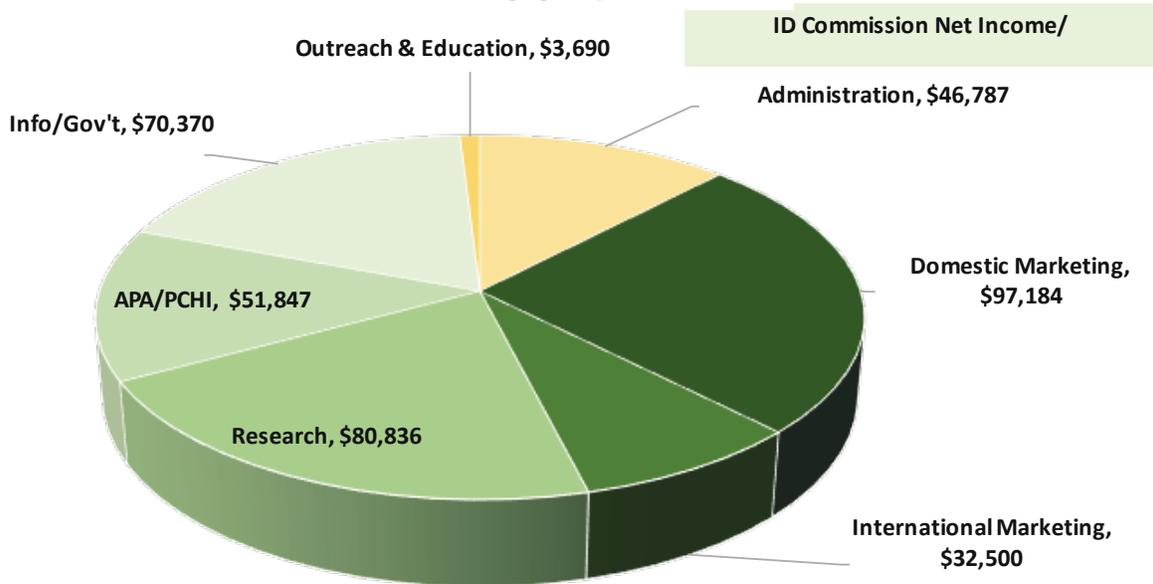
Pat Smith, Chair
 Jay Anderson
 Dennis Dau
 Dirk Hammond, Handler
 Richard Grant
 Kevin Meyer
 Michael Parrella, Ex Officio

**INCOME FY 2018/19
 TOTAL GROSS INCOME = \$363,652**



■ Green Pea ■ Yellow Pea ■ AWP ■ Lentil ■ Chickpea ■ Interest & Misc. ■ Retail

**EXPENSES FY 2018/19
 TOTAL = \$383,214**



■ Administration ■ Domestic Marketing ■ International Marketing ■ Research
 ■ APA/PCHI ■ Info/Gov't ■ Outreach & Education ■ Contingency /Misc

ID Commission Net Income/

Domestic Marketing

2018/19 HIGHLIGHTS

Overview

Despite this year's set-backs and market shifts from global tariffs and trade wars, the USADPLC and APA Domestic Marketing Program harnessed opportunities for expansion and growth on the home front for the U.S. pulse crop industry. From a successful U.S. social media campaign, to specially

targeted programming for school foodservice, to gaining momentum within the Dietary Guidelines for Americans, it was a powerful year of pulse promotion. At the end of 2018, total social media campaign reach exceeded 2.6 billion, and more than 250 articles referencing pulses and their health benefits were published during this fiscal year. The

Domestic Marketing team received successful feedback with the launch of new materials for the Section 32 program, maintained prominence in the media, and made promising connections while representing the U.S. pulse industry at this year's many tradeshow, seminars, and conferences.



ATTENDEES OF THE CIA WORLD PULSES DAY IMMERSION EVENT

ACCOMPLISHMENTS, PROGRAMS, AND CAMPAIGNS

Dietary Guidelines for Americans

The 2020-2025 Dietary Guidelines for Americans (DGA) review process has been underway the past year and the U.S. pulse industry has been there every step of the way! The USADPLC/APA have been actively submitting written and oral comments to the DGA review committee and meeting with USDA and HHS staff in Washington D.C. to discuss the importance of pulses. The pulse industry's goals are to increase the recommendation from 1.5 cups/week to 3 cups/week and for pulses to be clearly defined in the new 2020 Dietary Guidelines. The DGA report will be released in early 2020.

Section 32 Programming

In support of Section 32 purchases of dry and canned pulses, the Domestic Marketing team, in partnership with the Northern Pulse Growers Association, launched a campaign targeting foodbanks across the U.S. Over 700 outreach boxes containing recipes, posters, preparation handouts, and crack-&-peel stickers with cooking directions for dry product were sent to all 50 states. Additionally, the website www.usapulses.org/TIPS was launched as a new resource to serve limited income households who are looking for ways to get more pulses on their plates.

School Nutrition Programming

2019 presented a big opportunity to increase the sales volume of pulses in school foodservice, and in response, the U.S. pulse industry launched a multi-year campaign



Marketing team members, Madison Jacobson and Becky Garrison at one of the many food industry trade shows the USADPLC attends.

to generate awareness and educate school foodservice operators and students about the uses and health benefits of pulses and pulse products in school meals. To kick off the campaign, the USADPLC/APA developed unique resources and recipes designed for school foodservice and promoted these new tools through school influencer partnerships, trade publications, and at events such as the CIA Healthy Kids Collaborative, the School Nutrition Association Annual Conference, and the Child Nutrition Conference.

Domestic Marketing

CONTINUED

TRADE SHOWS & EVENTS

American Culinary Federation 2018

The American Culinary Federation (ACF) is a qualified organization for cooks and chefs with the mission of advancing and promoting professionalism, leadership, and collaboration within foodservice and hospitality. At the 2019 ACF National Convention, the USADPLC/ APA was an event sponsor and featured James Beard, Emmy, and IACP award-winning author and spokesperson Chef Raghavan Iyer as guest chef. Attendees raved about Chef Raghavan's Southeast Indian-style Garlicky Black-Eyed Peas with Gingered Spinach and the aromatic and simple Roasted Yellow Split Pea Tapenade which were sampled throughout the event. Additionally, the USADPLC/ APA and Chef Raghavan hosted a demonstration session titled "The Pulse of a Plant-Based Diet" on the ACF Demo Stage, highlighting the versatility of pulses and how to maximize their flavor and functionalities. The presentation was well-received and event attendees were engaged and intrigued with learning more about pulses and their many benefits.

Good Food Conference 2018

The USADPLC/ APA marketing staff attended the first-ever Good Food Conference in September 2018, hosted by the Good Food Institute (GFI). The two-day event focused on the acceleration of plant-based proteins and the expansion of technology and collaboration to meet the global demand for protein for the world's growing population. Pulses are of great value in this industry, which harnesses the applications of pea protein and other pulse-derived ingredients to manufacture plant-based products by brands such as Beyond Meat, Impossible Foods, JUST, and more. Event attendees included media, scientists, investors, policymakers, innovation experts, food manufacturers, health professionals, academia, and entrepreneurs. Pulses were a constant conversation topic throughout the event, and were highlighted during panel discussions on the event stage as



Chefs plating food at the Pulses of Change Immersion event.

the next big protein source. With this audience, pulses are currently regarded as an area of opportunity for increased research, investment, and development. Academia and R&D professionals consistently stated that pulses hold a large margin for growth as the global population increases, and pea protein was of high interest with attending investors.

Better Buying Lab Annual Meeting 2018

The USADPLC/ APA teamed up with Pulse Canada to embark on a joint membership of the World Resources Institute's Better Buying Lab (BBL) at the start of 2018 and attended the BBL's annual planning meeting in September. The BBL annual meeting invites members to review research topics and discuss areas of opportunity through interactive and intimate workshops with major companies such as Google, Sodexo, and Hilton. Event takeaways included leveraging the blended burger into the foodservice industry and diving into plant-based protein markets. The BBL provides phenomenal opportunities to educate leading global foodservice corporations on the benefits and uses of pulses and to direct action and research toward the pulse crop industry.

Food & Nutrition Conference and Expo 2018

The Academy of Nutrition and Dietetics' annual Food and Nutrition Conference and Expo (FNCE) 2018 attracted more than 11,000 attendees from food and nutrition industries. The USADPLC/ APA joined forces with Lentils.org to educate attending dietitians about advancements in the world of pulses and their many nutritional benefits. Becky Garrison, Director of Domestic Marketing, met directly with 33 high-profile food and nutrition influencers to discuss opportunities for future collaboration and partnerships. The pulses booth attracted 1,500 attendees and distributed 850 Half-Cup-Habit measuring cups, as well as thousands of educational print materials while sampling lentil lettuce wraps, lentil and white bean sloppy joes, and pumpkin hummus. Main event takeaways included the increasing momentum around flexitarian and plant-forward diets and the positive reception of educational materials about pulses by attending dietitians and student groups.

Domestic Marketing

CONTINUED

Hearst Media Culinary Event & Deskside Meetings 2018

To support ongoing media relations and education activities for writers, editors, and content developers, the USADPLC/APA hosted an interactive media event at the Good Housekeeping Kitchen of the Future in Hearst Tower in New York City. The event included cooking demonstrations showcasing the versatility, sustainability, and nutritional benefits of pulses with the aim to increase awareness of the superfood category as a whole. Additionally, the team conducted one-on-one meetings with editors from Good Housekeeping, Southern Living, Greatist, MindBodyGreen, MSN Health, and more to initiate new media relations and establish the USADPLC/APA team as a resource on all things pulses. The event attracted more than 80 media attendees and generated immediate media coverage, articles, and stories highlighting pulses as superfoods, with additional coverage planned for the following weeks and months.

"Pulses of Change: Menus for a Plant-Forward Future" World Pulses Day Immersion Event 2019

The U.S. pulse industry celebrated the newly designated World Pulses Day by hosting a pulse immersion event at the Culinary Institute of America (CIA) in Napa, California. The event, entitled "Pulses of Change: Menus for a Plant-Forward Future" invited leading R&D chefs from companies such as Google, Aramark, Marriott, and more, to dive into the world of pulses through plant-forward cooking challenges and demonstrations. The theme of the event was blends – incorporating pulses into mainstay protein dishes and moving pulses to the center of the plate. The outstanding creativity and innovation of the attending chefs as they worked with pulses to construct unique and crave-worthy dishes was a great success, and chefs reported their excitement over the new possibilities to influence the health of their customers and



Aaron Flansburg, Garrison, Cindy Brown, and CEO Tim McGreevy attending the Hearst Media Event.

the planet through the benefits of pulses.

Pulse Innovation Summit: Sprouting & Fermentation 2019

Each year, the USADPLC/APA hosts an innovation event targeting emerging trends and areas of opportunity for the U.S. pulse industry. This year's event, which was held in Austin, Texas, centered around the sprouting and fermentation of pulses. The event brought together industry members, academia, R&D professionals, entrepreneurs, and food and manufacturing business operators. Sprouting and fermentation, age-old processes that enhance the nutritional and digestive composition of foods, are on trend among consumers seeking health-conscious food products. The summit included presentations from Mintel, academic researchers, industry entrepreneurs, legal representatives, and the USDA in addition to interactive workshop sessions for attendees. The event generated innovation strategies and ways to overcome current barriers for sprouting and fermentation applications which were documented in a post-event webinar and an official summary report.

CACFP's Annual Child Nutrition Conference 2019

The Child Nutrition Conference is the national conference hosted by the Child and Adult Care Food Program (CACFP). CACFP provides daily meals to more than 4.5 million children and 130,000 adults. This year's conference, held in Chicago, attracted over 1,700 attendees who represent 1 million employees nationwide. The USADPLC/APA sponsored a 10x20 foot booth distributing educational information about pulses, which were on high demand as attendees are looking to serve more plant-forward meal options. The versatility and affordability of pulses were exciting highlights for attendees, and the industry website proved to be a valuable resource for CACFP employees. Several of the event's breakout sessions focused on plant-forward menus and ways to incorporate pulses into meals. As a result of attending this event, the USADPLC/APA has secured a spot to host a breakout session during next year's conference.

Today's Dietitian Annual Symposium 2019

The USADPLC/APA hosted a breakout session and exhibit booth at the annual Today's Dietitian

Domestic Marketing

CONTINUED

Symposium. *Today's Dietitian* is the top trade publication for registered dietitians and nutrition professionals, with their annual event drawing more than 700 attendees from across the country. The USADPLC/APA's popular lunch session, titled "Dietitians Transform the Plate with Pulses," filled the room beyond capacity, and many attendees stated that the session was one of the best presentations of the entire event. Director of Domestic Marketing, Becky Garrison, and Sharon Palmer, RDN, MS in Sustainable Food Systems, co-presented during the session, which featured a chickpea tabbouleh demo, a pulse-powered lunch, and offered continuing education credits to all attendees.

Institute of Food Technology Annual Expo 2019

In early June, the US pulse industry headed to New Orleans to represent pulses and pulse-derived ingredients at the Institute of Food Technology (IFT) Annual Conference and Food Expo. The IFT Annual Event is one of the largest of its kind, bringing together food science professionals from all around the globe. This year's event hosted more than 17,000 attendees. The USADPLC/



Jacobson holding a cocktail demonstration utilizing aquafaba at the Culinary Institute of America.

APA exhibited in a 10x20 foot booth, distributing literature on pulse nutrition and ingredient applications as well as information on sourcing U.S. pulse products. It was estimated that around 30% of all exhibiting companies were working with pulses – an exciting increase compared to the last several years! The team collected more than 400 leads who were interested in membership, research collaborations, and product partnerships, and information on sourcing product was on high demand.

American Society for Nutrition Annual Meeting 2019

Thousands of nutrition scientists, global health specialists, and public policy experts gathered for Nutrition 2019, the annual flagship meeting of the American Society for Nutrition (ASN). This is a key event for the U.S. pulse industry, bringing together domestic programming, research, and policy initiatives all under one roof. In addition to being a front-line exhibitor on the tradeshow floor, the USADPLC/APA hosted a popular and engaging session entitled "Plant-Based Proteins in the Dietary Guidelines for Americans 2020: Positioning Pulses for Success." The panel presentation included a robust lineup of expertise and drew in over 200 attendees to discuss positioning pulse crops for success in government programs in the short and long term and to address gaps in current research and programming for pulses. This event was a great opportunity to connect with new researchers about the Pulse Crop Health Initiative as well as discuss domestic marketing programs and tools with top health professionals. 🌱



Some of the pulses showcased at the Pulses of Change Immersion event.

FINANCIAL PROFILE: WASHINGTON

Statement of Activities

July 1, 2018 - June 30, 2019

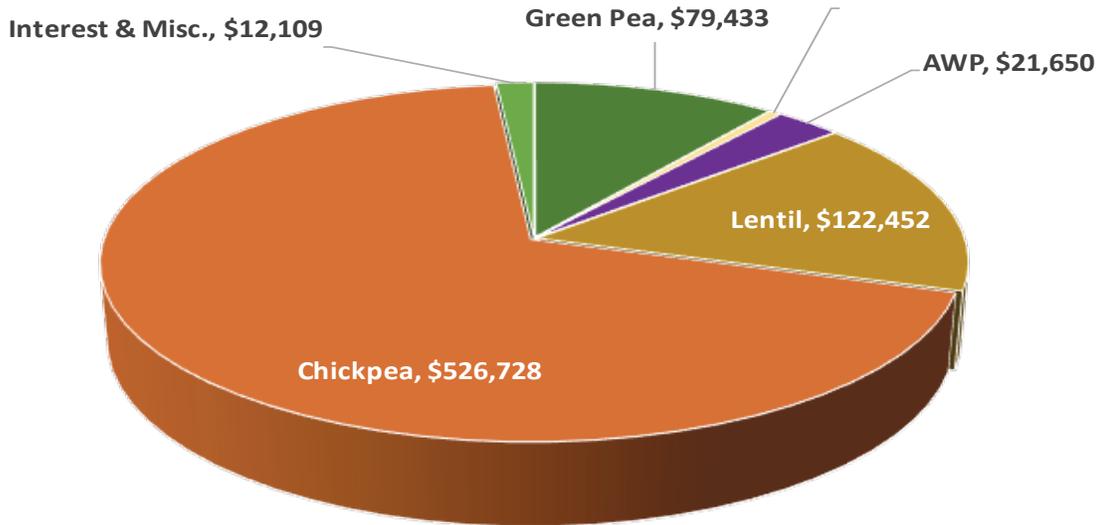
	<u>Total</u>
	<u>Actual</u>
Income	
A - Green Pea Assessments	79,433
B - Yellow Pea Assessments	3,982
C - AWP Assessments	21,650
D - Lentil Assessments	122,452
E - Chickpea Assessments	526,728
O - Other Income	12,109
Total Income	\$ 766,354
Gross Profit	\$ 766,354
Expenses	
Administration	17,183
USADPLC Programming Services	
5610 Administrative Services	36,800
5620 Domestic Marketing	224,093
5630 International Marketing	73,146
5640 Research	187,098
5645 APA/PHI	117,585
5650 Info/Gov Programming	
Services	159,090
Total USADPLC Programming	
Services	\$ 797,812
Outreach & Education	4,621
Z - Other Expenses	
Total Expenses	\$ 819,616
Net Operating Income	\$ (53,262)
Reserves, July 1, 2018	\$ 1,102,093
Income/(Change in Fund Balance)	\$ (53,262)
Reserves, June 30, 2019	\$ 1,048,831

2018/19 WA COMMISSION (12/18):

Allen Druffel, Chair
 Dan Bruce, Handler
 Dave Carlton
 Braidy Haden
 Kirk Hansen, Vice Chair
 Nate Hahner
 Kevin Mader
 Scott Steinbacher, WSDA
 Mike Tee

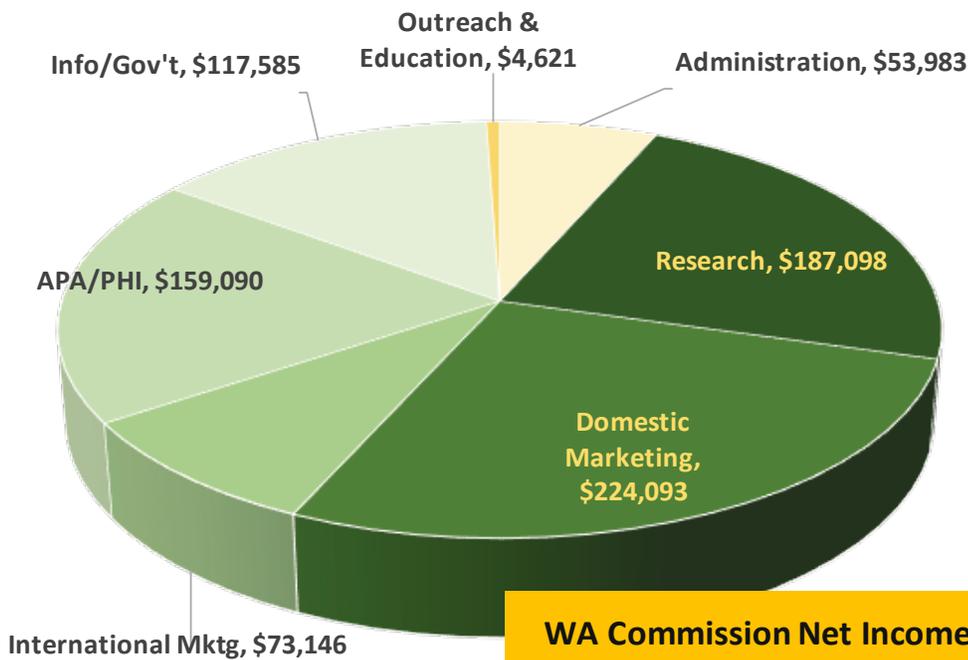


INCOME FY 2018/19
TOTAL GROSS INCOME = \$766,354



■ Green Pea ■ Yellow Pea ■ AWP ■ Lentil ■ Chickpea ■ Interest & Misc. ■ Retail

EXPENSES FY 2018/19
TOTAL = \$819,616



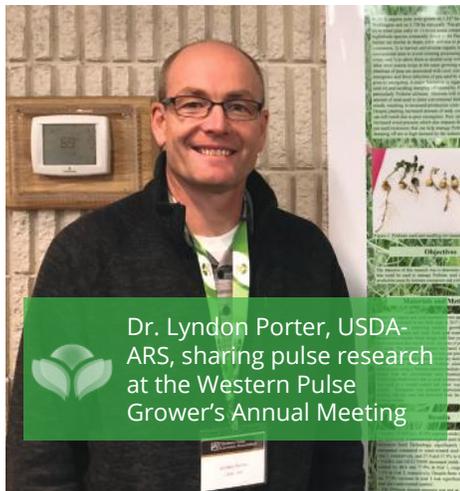
WA Commission Net Income = (\$53,262)

■ Administration ■ Research ■ Domestic Marketing ■ International Marketing
 ■ APA/PHI ■ Info/Gov't ■ Outreach & Education

Pulse Research Program

2018/19 FUNDING

Human and planetary health chatter has been buzzing across the globe and with it, we have seen a rise in interest for pulse research. Scientific organizations are taking note of this and emphasizing pulses in their current and future investigations. The Cereals & Grains Association (formerly the American Association of Cereal Chemists International) has created a new Pulse Division, devoted to research for these crops. The Foundation for Food and Agriculture Research (FFAR) even launched a grant opportunity for



Dr. Lyndon Porter, USDA-ARS, sharing pulse research at the Western Pulse Grower's Annual Meeting

plant based proteins emphasizing the desire for pulse based proposals to enhance the supply chain for plant based proteins in a profitable and sustainable manner. The Pulse Crop Health Initiative (PCHI) has seen increasing financial support in the Farm Bill and in 2019, \$3 million was appropriated for pulse research! EAT, the science-based global platform for food system transformation, released the EAT-Lancet Report focused on healthy diets from sustainable food systems. They explain that "transformation to healthy diets by 2050 will require substantial dietary shifts" and of no surprise, legumes were a part of the emphasized foods.

PEA GENOME

It is with great excitement that the *Pisum sativum* (pea plant) genome (the complete set of DNA or genetic code for an organism) has been published! Even though Gregor Mendel, father of modern genetics,

used the pea plant as the model for how genetics work in the 1800s, it has taken until 2019 to unleash the pea genome. Six years and a huge international collaboration of scientists have delivered this information. The USADPLC was acknowledged for their support in this endeavor. Why is it important to publish a genome? Knowing a plant's genome gives access to understanding which genes control important or desirable traits in a plant which could range from in-field characteristics to end-use quality characteristics for product innovation. Next to come will be the lentil genome!

PET FOOD & DCM

Pet food has been a big topic over the last year. While it was previously identified as a huge opportunity for the pulse industry, statements by the Food & Drug Administration (FDA) beginning in July of 2018 alerting pet owners to cases of a heart condition called dilated cardiomyopathy (DCM) in dogs eating certain pet foods, especially of the "grain-free" label containing peas, lentils, and other legume seeds, has put this opportunity on pause. Our team has been engaged in this issue with multiple trips to meet with the FDA and our champions in Congress to mitigate the effects because there is no clear proof linking pulses to DCM. The pulse industry encourages research to shed light on understanding if there is a concern with using pulses in pet food but at this time it is premature for pulse ingredients to be identified as a cause. Partnerships and collaborations have been made and efforts in the pet food industry will continue.

BENTAZONE IN PEAS

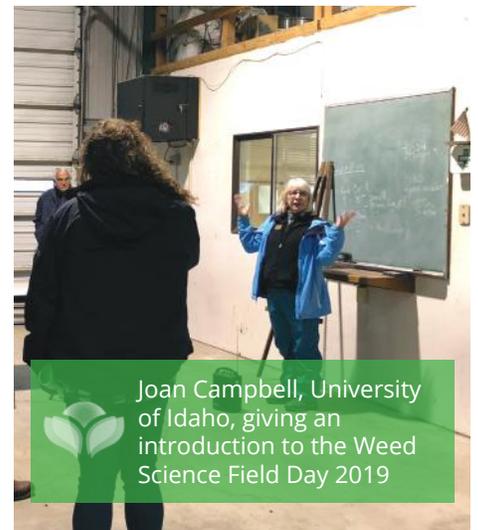
In the crop management sphere, the Codex committee on Pesticide Residues has established an international maximum residue limit (MRL) for bentazon, the active ingredient in Basagran®, which is used for weed control in pea management. This establishment is important because many countries recognize the MRL standards and

since bentazon is used in the USA, it allows for free trade across the globe for USA product at the MRL.

American Pulse Association

The American Pulse Association is pleased to say the continuing research project with Dr. David Baer, USDA, investigating the true caloric value of some pulses (chickpeas and lentils) is progressing. The research team has received the product needed for the human dietary intervention and has begun the cooking. Thank you to our members that donated their pulses! To best represent USA pulse product, the team is mixing cultivars to represent the diversity of crop produced.

This year, we are seeing some APA research come to completion. Dr. Henry Thompson's project on pulse effects on gut, intestinal function, and adiposity (Colorado State University) has been completed and his team is working toward publishing the results in a scientific journal. Their main findings support recommendations to increase pulse consumption, however, they did find that all pulses are not created equal in terms of health effects. Diane Mitchell has been working towards publishing the Crème Global pulse intake study, co-funded with PepsiCo, to better understand pulse consumption among pulse consumers and non-consumers. The process can be long but the article is in review!



Joan Campbell, University of Idaho, giving an introduction to the Weed Science Field Day 2019

Pulse Research Program

USA Dry Pea & Lentil Council

The USADPLC funded 23 projects ranging among breeding, genetics, variety trials, human health and nutrition, and food innovation. We continue to support the public breeders and variety trial programs as pulse varietal development spans many years and it is important to investigate performance and characteristics across multiple environments. Royalties for public pulse varieties continue to support the USDA-ARS Variety Development Program and the 2018 crop year provided \$163,615 of support. For example, Breeder Dr. Rebecca McGee, USDA-ARS, is able to send her pea and lentil material to New Zealand for a second season through royalty support, speeding up the breeding process. To help with crop management, researchers from the University of Idaho, Washington State University, and Montana State University are tackling weed management across the growing regions. This year, we also say goodbye to plant pathologist, Dr. Julie Pasche from North Dakota State University, who has been instrumental in our understanding of pulse pathogens. Her last project with us on assessing interactions among *Fusarium* root rot pathogens of pea was finalized before her transition to potato research. The USADPLC also coordinated an Idaho Specialty Crop Block grant led by Dr. Alexander Karasev, University of Idaho. This is

a multi-institutional, interdisciplinary study focused on Pea seed-borne mosaic virus.

Dr. Clifford Hall III, South Dakota State University, continues to develop the industry annual Pulse Quality Survey that helps connect the harvested product to end-use. Dr. Girish Ganjyal, Washington State University focused on evaluating the nutritional and processing qualities of dry pulses and finding specific applications based on the processing qualities. This connection has become increasingly important as pulses are an integral part of plant forward consumption and visionary research in all aspects from field to end-use is critical. In the human health realm, a Montana State University team led by Dr. Mary Miles finalized a project investigating the incorporation of lentils to improve metabolic health in individuals at risk for disease. We are excited that this research supported by the USADPLC helped make Dr. Miles a competitive applicant for the PCHI and her team has been awarded the support to continue and expand this work!

Pulse Crop Health Initiative

The goal of the PCHI is to use cooperative research on pulse crops to provide solutions to the critical health and sustainability challenges facing Americans and the global community. Inaugurated in 2018 and administered by the USDA-



Diane Mitchell (right) sharing results from the pulse intake study at the American Society of Nutrition meeting

ARS, the PCHI has seen continued and increasing financial support with \$2.4 million distributed to 24 cooperative projects in 2019. This increased from the \$1.6 million distributed to 13 cooperative projects in 2018. In 2019, 22 institutions in 19 states across the USA received PCHI support. Here is a taste of the project goals for the 2019 round:

- Determine the role of pulse food consumption on key health endpoints
- Compare the anti-obesogenic activity of low and high dietary fiber cultivars of dry bean
- Characterize the flavor, functionality, and nutritional quality properties of pea protein
- Understand how storage practices affect pulse functionality and nutritional composition
- Improve nodulation and nitrogen fixation in chickpea using diverse rhizobia
- Increase seed protein concentrations in yellow pea cultivars
- Develop efficient methods for transformation and gene-editing in bean and chickpea



The USA Dry Pea & Lentil Council and Northern Pulse Growers Association Research Committees at the 2019 Joint Research Review. (left to right (Marvin Tarum, Jason Miller, Matthew McCabe, Chris Westergard, Ryan Brook, John Riser, Todd Wittman, Howard Nelson, and Ken Fuchs)



FINANCIAL PROFILE: WPGA

2018 WPGA BOARD

Western Pulse Growers' Association

Statement of Activity

July 2017 - June 2018

WPGA Revenue

Membership Income

Idaho Membership	\$	12,378
Washington Membership	\$	27,478
Associate Membership	\$	3,000
Other State Membership	\$	1,575
Convention Income	\$	18,080
Building Rent-USADPLC	\$	54,427
Combine Rent-ARS	\$	10,000
Other Income	\$	8,175

Total Revenue	\$	135,113
----------------------	-----------	----------------

WPGA Expenditures

Convention/Project Exp	\$	20,708
Loan /Interest /Fees	\$	151,842
Depreciation	\$	56,748
Admin/Legal/ Ins/ Bldg Maint	\$	18,871

USADPLC Contracted Services

Admin Services	\$	21,316
Domestic Marketing	\$	4,552
International Marketing	\$	1,486
Research	\$	3,804
APA/PHI	\$	2,388
Info/Gov Affairs	\$	3,231

Total Contracted Services	\$	36,777
----------------------------------	-----------	---------------

Total Expenditures	\$	284,946
---------------------------	-----------	----------------

Change in Assets with Depreciation	\$	(149,833)
---	-----------	------------------

Loan Principal Payments	\$	145,914
--------------------------------	-----------	----------------

Change in Net Assets (GAAP Basis)	\$	(3,919)
--	-----------	----------------

Fund Balances, July 1, 2018 (Cash Reserves)	\$	184,174
--	-----------	----------------

Net Chg in Bal (Change in Assets w/o Dep)	\$	(93,085)
--	-----------	-----------------

Net Fund Balance, June 30, 2019 (Cash Res)	\$	91,089
---	-----------	---------------

WPGA 2019 Board (12/18) :

Washington Division:

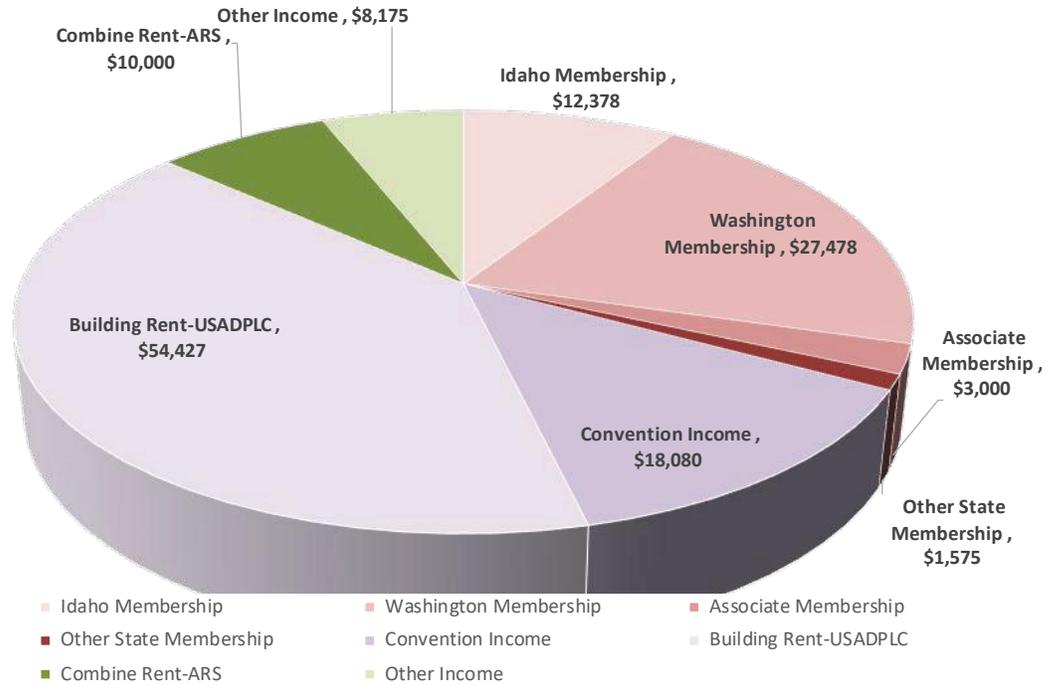
Dan McKinley, Co-Chair
 Scot Cocking
 Greg Ferrel
 Aaron Flansburg
 Chase Janson
 Doug Morgan
 Jon Olson
 Tim Schultz
 Matt Weber
 Dan Westacott

Idaho Division:

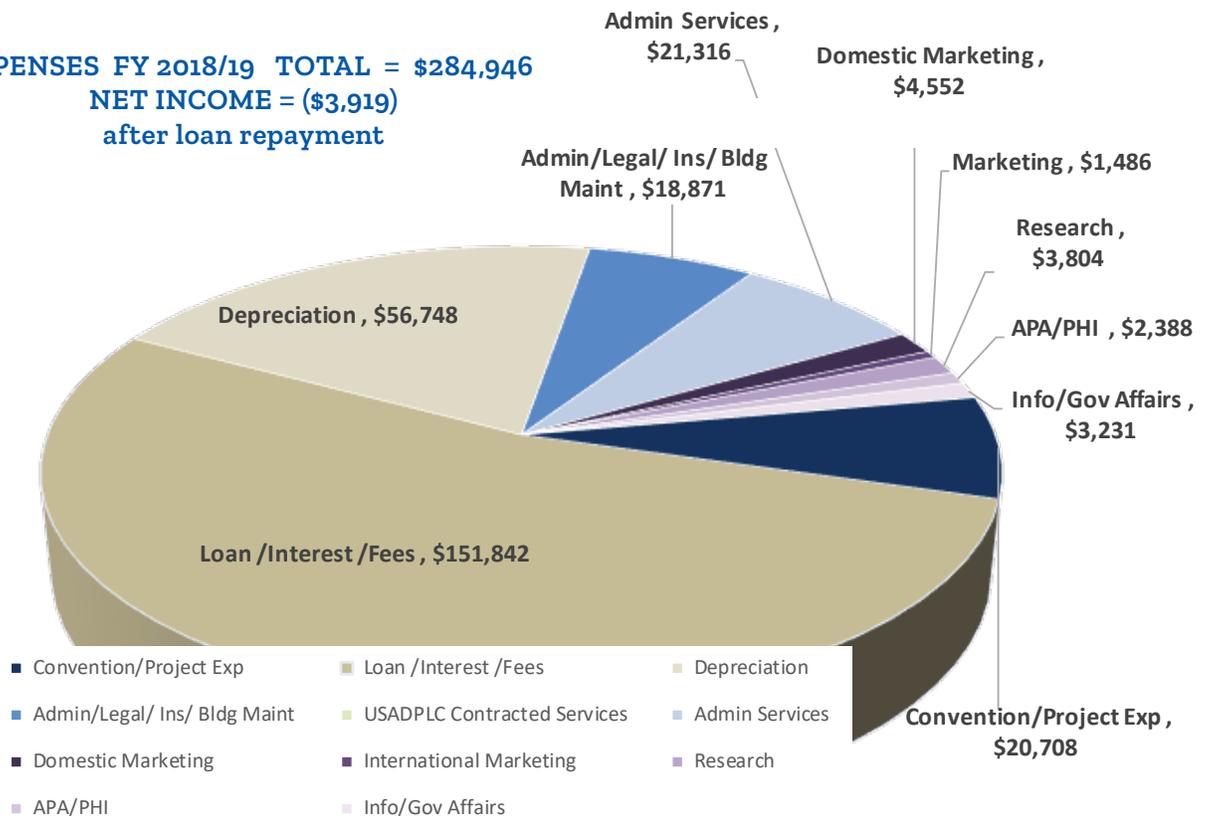
Todd Wittman, Co-Chair
 Randy Duncan
 Neil Heitstuman
 Jim Hermann
 Howard Jones
 Kyle Osborn
 Cole Riggers
 Brian Silflow
 Kendrick Webb



INCOME FY 2018/19
TOTAL GROSS INCOME = \$135,113



EXPENSES FY 2018/19 TOTAL = \$284,946
NET INCOME = (\$3,919)
after loan repayment



Information / Government Affairs

2018/19 HIGHLIGHTS



The 2019 Washington, D.C. Mission Team, representing the USA Pulse Industry, including USADPLC and APA.

Running the Gauntlet

The USA Dry Pea & Lentil Council (USADPLC) manages programming for the U.S. pulse industry through Information and Government programming. This programming covers industry policy positions, crisis communications, membership services, assessment data collection, grower education, and other communications outreach to internal and external audiences. These activities are managed by the Info/Gov Committee, comprised of a cross-section of members representing state check off organizations, regional grower groups, the national trade association, the American Pulse Association, and international and national coalitions that support the overarching goals of ensuring policy to promote and protect the pulse industry and increasing membership in the pulse crop coalition. The Committee works with all members of the USADPLC throughout the year to develop policies that support increased pulse crop research, ensure equal support in Farm Program policy for pulse growers, increase access to school nutrition programs, and increase opportunities for trade. These policies create the framework upon which the U.S. pulse industry interacts with government officials and agencies throughout the year.

Much of the work performed within

the Information/Government education programming area in 2018/19 involved crisis management in Washington, D.C., ranging from applying for tariff relief funds, Section 32 purchases, Marketing Facilitation Program (MFP) payments to farmers, and responding to several decisions made by various policy makers that ran counter to U.S. pulse industry policy. The crisis is far from over, but in times of adversity, the planning and work a commodity group does on behalf of their industry can often be the difference between survival and ruin, and much of that work is done within the Information/Government arm of the USADPLC.

Policy Programming

The USADPLC information and policy efforts emphasize relationship building, partnerships, and fostering efforts that increase advocacy among policy and decision makers in government.

The results of several visits to Washington, D.C. by pulse growers, trade members, and representatives of the USADPLC include two pulse specific research initiatives in the 2018 Farm Bill, continued support of the Pulse Crop Revenue Insurance Pilot Program, and farm program changes favorable to pulse farmers. In addition, follow up visits to policy makers, agricultural agencies, and other decision makers throughout

the fiscal year provided the relationship needed to tackle some of the issues plaguing the pulse industry these days; like retaliatory tariffs, trade wars and other barriers (and the low prices that have been the result), a decrease in PL480 purchases, lack of representation in the Market Facilitation Program (MFP), negative FDA reports implicating diet to a rare canine heart disease, and unfriendly food safety rules (i.e., FSMA expecting the same safety measures for dry peas as with fresh pea handling), to name a few issues that threaten the industry. The USADPLC has also been working hard to get pulse crops included in the Childhood Nutrition Act reauthorization.

Successive visits over the last 10 years paid off for the industry, as Congress approved \$3 million in funding for the Pulse Crops Health Initiative (PCHI) for FY2019/20. In addition, the appropriation is expected to increase in FY20/21 by an additional \$1 million, for a \$4 million total budget. The PCHI allows the pulse industry to provide health and nutrition research for the U.S. food industry and consumers and continues in the 2018 Farm Bill. These are great things accomplished on behalf of the U.S. pulse industry as a direct result of investment of time and funding in policy programming. The USADPLC continues to apply for tariff relief

Information / Government Affairs

CONTINUED

funding as it becomes available, and has a tally of over \$12 million in Section 32 purchases to date for dry peas, lentils, and chickpeas, and about \$10 million for light and dark red kidney beans.

In addition to getting PCHI in the 2018 Farm Bill, the DC team was successful in helping to achieve a fix for the Food Safety act, acquire appropriations funding for PCHI, get the School Pulse Crop Products Program in the House and Senate version of the new farm bill, apply for and receive Section 32 funding, receive tariff relief for dry peas, lentils, chickpeas, and kidney beans, and continue to provide data and support for the Pulse Crop Revenue Insurance Program, an insurance program fostered and owned by the USADPLC on behalf of pulse crop growers.

Safety Net & Crop Insurance

This year with low prices and production issues due to weather, growers relied a lot on farm programs and crop insurance. The Pulse Crop Revenue Insurance Program, managed by the USADPLC and the Risk Management Agency (RMA) provided revenue-based coverage to pulse growers exclusively based on projected prices versus harvest prices. This year, the USADPLC was proactive in helping to reform the federal

crop insurance program which paid dividends, literally, to U.S. pulse crop growers due to industry education and outreach efforts. This year, 79% of North Dakota growers lead the enrollment of the revenue pilot, while, 63% of Washington growers, 60% of South Dakota, 59% of Idaho, and 52% of Montana growers enrolled in the program with over 11 million U.S. dry pea, lentil, and chickpea acres having pulse crop revenue insurance coverage.

DC Policy Consultants

As part of the Information/Government programming, the USADPLC contracts with Gordley Associates in Washington, D.C. to represent the pulse industry and provide timely information on key issues, technical advice on policy and provide industry outreach to advance the industry priorities.

Social Media Grower Education

The USADPLC was awarded funding by the Risk Management Agency through a Risk Management Education (RME) grant to continue the grower education campaign, called *PulsED*, using social media interaction. The project is focused on building a virtual community of pulse growers and scientists to help educate producers and give everyone another resource for ideas and better production practices and innovation for pulse crops.

So far, over 170 growers belong to the Facebook PulsED community, and 265 people follow the PulsED Twitter feed.

Outreach

We produced 78 industry newsletters on pulse related topics; the weekly Pulse Pipeline, and the bi-weekly, Pulse Mill newsletter. The USADPLC alerts members of urgent matters through an e-blast called the Pulse Connection and send out member surveys through-out the year. In addition, we publish a bi-annual magazine entitled *Take Your Pulse*, the only pulse industry magazine in the nation; and several industry statistical reports, including pulse crop production statistics, stocks-on-hand, pulse production maps, and pulse seeding intentions and seeded acreage reports. 🌱

One of the hallmark projects of FY2018/19 was the social media grower education project. Below, the USADPLC posted a harvest video and promoted the post. See the video at <https://bit.ly/2ZGSsXt>

Social Media Ad Performance

This ad reached **3,006 people** in your audience.



46 Like	12 On Post	34 On Shares
1 🤔 Haha	0 On Post	1 On Shares
1 Comments	1 On Post	0 On Shares
12 Shares	12 On Post	0 On Shares
113 Post Clicks		



Relevance Score: A rating of 1 to 10 based on how your audience is responding to your ad. This score is calculated after your ad receives more than 500 impressions.

Your Ad Has a High Relevance Score

Great work! Your ad has an average relevance score of 6, which means it's getting more positive feedback and is costing less to deliver than most ads on Facebook.



FINANCIAL PROFILE: APA

2018/19 APA BOARD

American Pulse Association FY 17-18 Statement of Activities

July 1, 2018 - June 30, 2019

	Total FY 18-19
APA Income	
National Organization Mbrshp	\$300,000
Pulse Industry Individual Mbrshp	\$ 33,869
Pulse Food/ Feed Manufacturers	\$ 60,000
Ancillary/ Associate Members	\$ 4,550
Research Fund-Income	\$ 30,000
Other Income	
Total Income	<u>\$428,419</u>
APA Expenses	
Administration	\$ 153,001
WA DC Missions	\$ 15,563
Membership Services & Meetings	\$ 15,051
PCHI/ Pilot Projects/ Research	\$ 66,565
Scientific/ Advisory Meetings	\$ 5,438
Printing/ Marketing Materials	\$ 14,862
North American Promotions	\$ 234,023
Contingency	
Total Expenses	<u>\$504,503</u>
Change in Net Assets	<u>\$ (76,084)</u>
Without Restriction Net Assets, July 1, 2018	<u>\$496,608</u>
Change in Net Assets	<u>\$ (76,084)</u>
Without Restriction Net Assets, June 30, 2019	<u>\$420,524</u>



AMERICAN PULSE ASSOCIATION

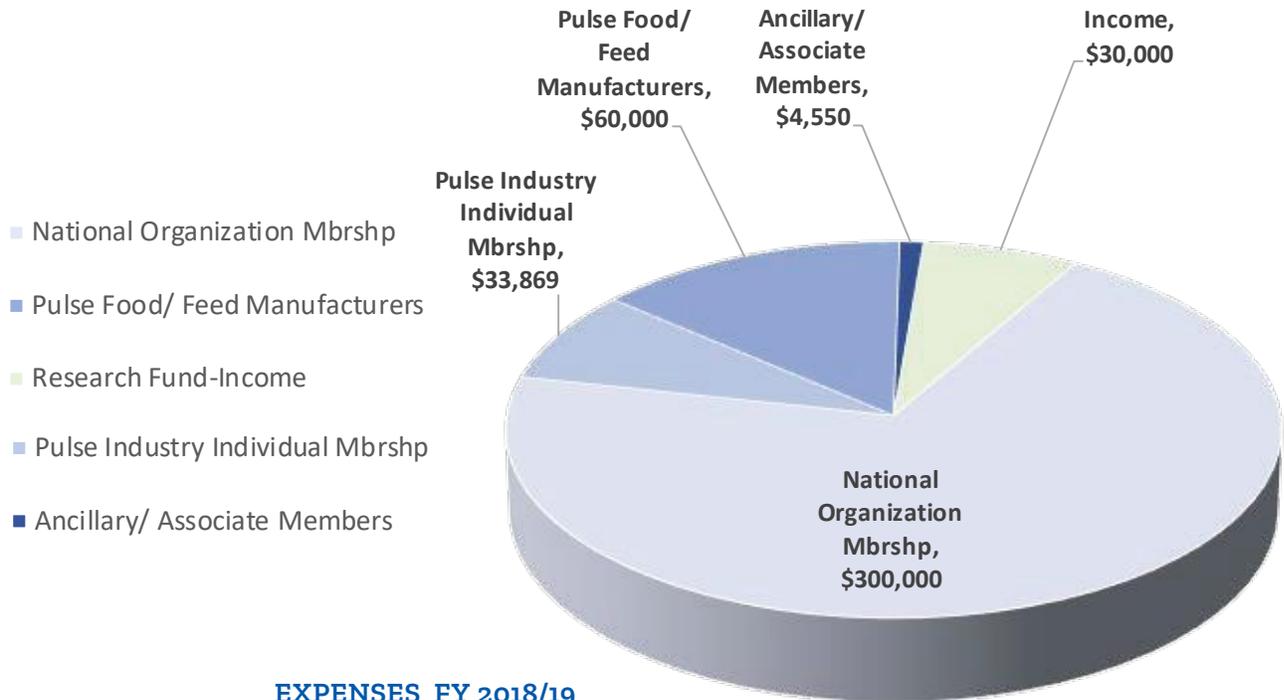
APA BOARD (1/19):

Voting Members:
 Greg Johnson, Chair
 Dave Kirsten
 Kim Murray
 Chad Nickels
 Pat Smith

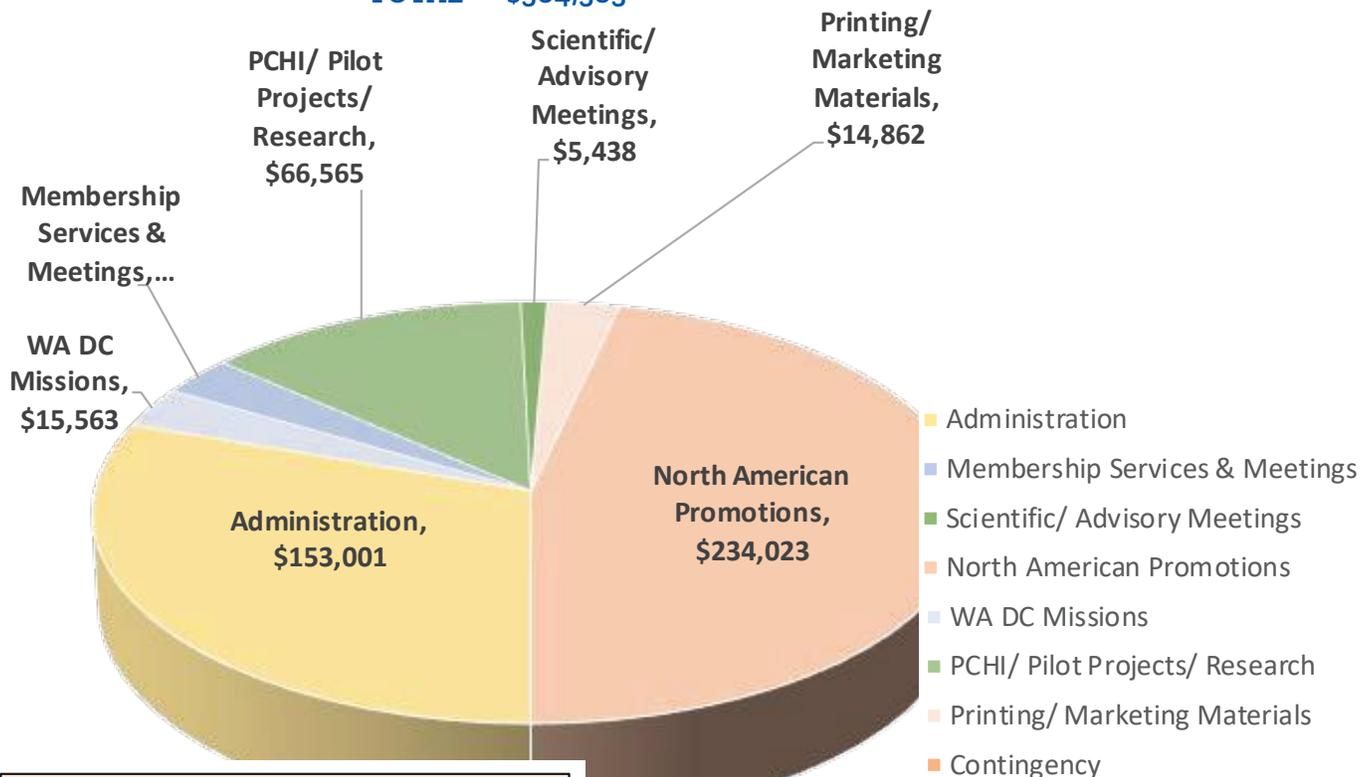
Alternates/Advisors:

Beau Anderson
 Marty Anderson
 Cindy Brown
 Scot Cocking
 John McDermott

INCOME FY 2018/19 TOTAL GROSS INCOME = \$428,419



EXPENSES FY 2018/19 TOTAL = \$504,503



Change in Net Assets/Income = **(\$76,084)**

FINANCIAL PROFILE: USPLTA

U.S. Pea & Lentil Trade Association Statement of Activities

July 1, 2018 - June 30, 2019

	Total
	Jul 2018 - Jun
	2019
Revenue	
Processor Dues	157,260
Warehouse Dues	2,275
First Purchaser Warehouse/Elev.	25,513
Exporter-Dealer Dues	28,100
Broker/Comm Dues	1,950
Finished Product Processor/Manu	32,342
Foreign Associate Dues	2,275
Associate Dues	12,725
Convention Income	150,511
Other Income	30,325
Total Revenue	\$ 443,276
Gross Profit	\$ 443,276
Expenditures	
USADPLC Contracted Services	
Admin Services	24,159
Domestic Mktg Programming	83,184
International Mktg Programming	27,152
Research	69,526
APA/PHI	43,647
Info/ Government Education	59,055
Total USADPLC Contracted Services	306,723
Legal/ Insurance/ Acctg	7,242
Building Maintenance	3,411
Meeting Expenses	12,361
Projects/ Conv Support	106,921
Loan Interest and Fees	2,865
Contingency	166
Total Expenditures	\$ 439,689
Net Operating Revenue	\$ 3,587
Other Expenditures	
Amortization Expense	643
Depreciation Expense	7,558
Total Other Expenditures	\$ 8,201
Net Other Revenue	\$ (8,201)
Net Revenue including Depreciation	\$ (4,614)
Net Assets, without Restriction, July 1, 2018	\$ 595,266
Change in Net Assets	\$ (4,614)
Net Assets, without Restriction, June 30, 2019	\$ 590,652

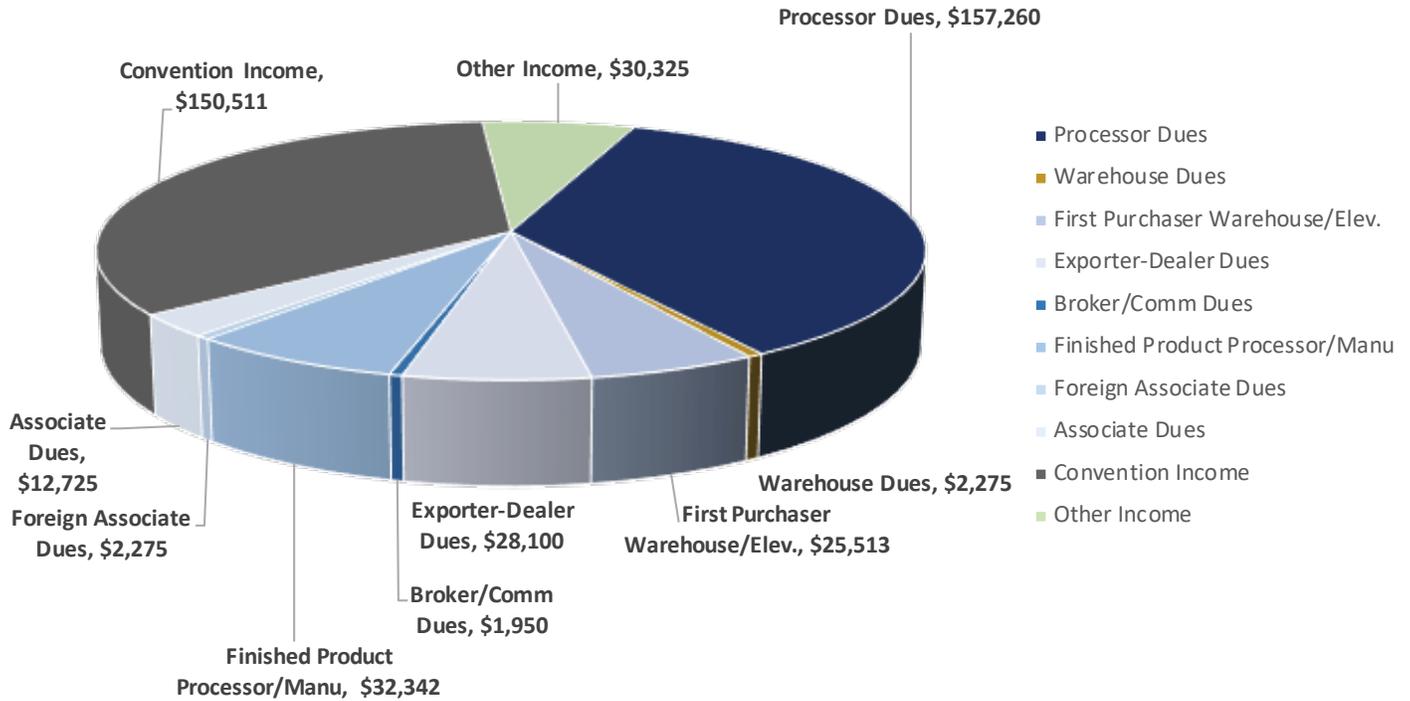
USPLTA 2018/19 BOARD:

Eric Bartsch, Chair
 Ron Williams, Vice Chair
 Tim Gustavson, Secretary
 Tim McGreevy, Treasurer
 Bert Brocke
 Don Driscoll

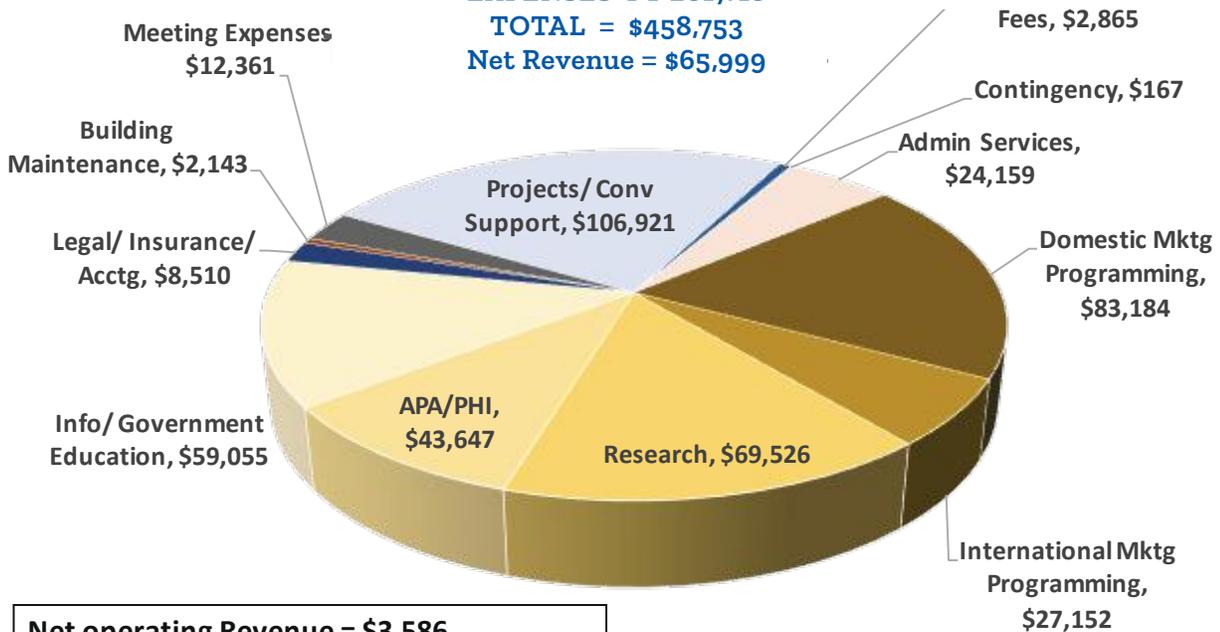
Justin Flaten
 Howard Nelson
 Shawn O'Connell
 Jeff Winkler



INCOME FY 2018/19
TOTAL GROSS INCOME = \$443,276



EXPENSES FY 2017/18
TOTAL = \$458,753
Net Revenue = \$65,999



Net operating Revenue = \$3,586

- Admin Services
- Domestic Mktg Programming
- International Mktg Programming
- Research
- APA/PHI
- Info/ Government Education
- Legal/ Insurance/ Acctg
- Building Maintenance
- Meeting Expenses
- Projects/ Conv Support
- Loan Interest and Fees
- Contingency

PULSES



USADPLC
2780 W. Pullman Rd.
Moscow, Idaho

Phone : 208 • 882 • 3023
Mail : info@usapulses.org
www.usapulses.org

