



SHARING THOUGHTS AND IDEAS: Farm producer Sonny Scott of Lucama, N.C., (left) tells North Carolina Commissioner of Agriculture Steve Troxler about his problems with farm labor and low profitability in tobacco. A farmer himself, Troxler was on a fact-finding mission, listening to farmers discuss agricultural problems and possible solutions. In turn, Troxler shared his strategies for dealing with challenges at the North Carolina Department of Agriculture and Consumer Services. Troxler toured several Wilson County farm operations prior to the NCDA-hosted Agricultural Development Forum at the Southern Farm Show the following week. For more, see Pages 12-13.

Troxler: rugged road for tobacco

By RICHARD DAVIS

POLITICIANS often talk about “hearing from the people,” but North Carolina Commissioner of Agriculture Steve Troxler took action recently by touring a number of Wilson County farms to hear the wishes and concerns of farmers. Although he’s a farmer himself, Troxler spends much of his time in Raleigh. He wants to stay in touch with the needs and concerns of farmers across the state as they undergo market changes and other challenges.

One of his stops was at the Scott Farm operation in Lucama, N.C.

“Our tobacco industry is getting very small,” said Sonny Scott from behind his desk in his farm office. “The tobacco industry looks like it is leaving other states and being consolidated to eastern North Carolina. What is your take on the future of our tobacco industry?”

Troxler and a number of people traveling with him, including Extension agents and a *Carolina-Virginia Farmer* reporter, had crowded into Scott’s office. A few had spilled out into the hallway.

“We’ll probably go from 10,000 people being involved in the production of tobacco down to somewhere around 2,500,” Troxler said. “And I think it is headed that way right now. ... It looks like they are going to have to be large operations that are very good at growing tobacco. Those are the ones that will stay in it.”

Scott noted that U.S. tobacco farmers saw a significant reduction in terms of

Key Points

- The flue-cured tobacco industry is consolidating, mostly to North Carolina.
- Troxler says growers must make enough profit to modernize equipment.
- With political change, FDA regulation may now be back on the table.

prices for U.S. tobacco following the buyout, and yet they’ve seen production costs increase rapidly in the past two or three years. Growers feel they’re far from reaching a balance.

“What we seem to be looking at coming up is about a 3-cent increase for tobacco in 2007 versus 2006 and a 5- to 7-cent increase in production costs,” Scott said.

Troxler agreed that to remain viable into the future, tobacco farmers need to make enough for their product that they can modernize their old equipment and invest in new mechanization as it comes onto the market.

“If you are a tobacco farmer, you have to be able not just to survive but to thrive if you are efficient,” Troxler said. “If it doesn’t happen, then over time people will quit or retire out of tobacco. It looks to me like we are going through another year where we are going to lose some more farmers who’ve decided they have just had enough.”

Troxler said he believes the tobacco companies really do continue to need U.S. tobacco. The companies have been successful with certain brands and will not want to take chances with the blends that have been successful.

“Part of it is going to remain a quality question,” he said. “Can we maintain the quality edge, especially in flavor and usability, that we have always had? As long as we maintain that, I think, yes, they do need American tobacco.”

“Remember, the rest of the world is not without its problems,” he added. “Brazil has had some weather problems over the past couple or three crops. When that happens [the companies] wouldn’t want to have all their eggs in one basket and then have that basket get dropped.”

FDA pressure returns

Troxler said the companies are currently under political pressures that may explain why they are so tight-fisted in their contract prices this year — and why farmers’ profit margins are under pressure.

“There is talk that in Washington they may go back to trying to get FDA [Food and Drug Administration] regulation,” Troxler said. “What would that do to U.S. consumption? And we’ve had a change in the Congress from a Republican Congress that was not willing to raise taxes in a lot of instances.”

“Also, in the past we’ve heard some of these people who are now in power in Washington talk about tremendous excise taxes on cigarettes,” he added. “So I think the companies are in a flux right now, too, trying to adjust to what may be coming and how it is going to effect both their market share and their business model.”

Read more about Troxler’s road trip on Pages 12 and 13.

Soybean, corn yield winners named for '06

By RICHARD DAVIS

YIELD contest winners were recently announced at the Annual Joint Conference of the North Carolina corn, small grain and soybean associations in New Bern.

McLain Farms of Iredell County took home the award for the highest yield in soybeans for the state in 2006. They had a yield of 92.9 bushels per acre using the AG4903 variety from Asgrow. They planted 40 pounds of seed per acre in 7.7-inch rows.

C&H Farms of Rowan County took second place with 81.6 bushels per acre using the Deltapine DP 4690 RR variety. They planted 50 pounds of seed per acre using a 7.5-inch row width.

McLain Farms also took home the first and second place awards in the 2006 Soybean Production and Most Efficient Yield contests. They raised 92.9 bushels of soybeans and 80.8 bushels of soybeans for costs of \$2.62 per bushel and \$2.71 per bushel, respectively. Both fields were produced using the AG4903 variety at 40 pounds of seed per acre in 7.5-inch rows.

Ray Rogerson of Pasquotank County followed in third place with 58 bushels at a cost of just \$2.79 per bushel. Rogerson used Pioneer’s 95M50 variety at 40 pounds of seed per acre in 20-inch rows.

In the tall corn

Jeff and Darrell Daub of Yadkin County are the winners of the 2006 North Carolina Corn Yield Contest. They grew 283.71 bushels per acre. Their entry was no-till and was the No-till Division winner as well.

Hardy Farms of Greene County with 281.46 bushels per acre was the runner-up.

Hardy Farms was also the statewide winner of the Irrigated Division with 337.75 bushels per acre.

The first runner-up in this division was Douglas Maxwell with 249 bushels per acre. Second runner-up was Newsome Farms of Hertford County with 242.5 bushels per acre.

The Irrigated Division No-Till winner was Travis Outland of Gates County at 235.11 bushels per acre.



TOP PRODUCER: Phil McLain of McLain Farms, Statesville, N.C., had the highest soybean yield in the state this year with 92.9 bushels per acre. The farm took first place in Most Efficient Yields Contest.