Testimony of Lisa Woodke Sustainability Director, Star of the West Milling Company Field Hearing of the U.S. Senate Committee on Agriculture, Nutrition and Forestry April 29, 2022

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Good morning Chairwoman Stabenow, Ranking Member Boozman, and members of the Committee. My name is Lisa Woodke, and I am the Sustainability Director at Star of the West Milling Company, a flour miller, bean processor and agronomy services provider based in Frankenmuth, Michigan. I appreciate the opportunity to be with you at this important field hearing on the next Farm Bill. I am excited to discuss our efforts at Star of the West as we work in close partnership with growers to advance agricultural stewardship and climate solutions. I look forward to sharing my thoughts on how the next Farm Bill can bolster farmers' good work to deliver environmental solutions here in Michigan, and across America.

Today, I would like to share information about our 152-year-old company and our relationships that span all the way from the grower to global food companies. Second, I would like to provide some examples of stewardship being led by Michigan farmers, with the help of companies like ours and the assistance of innovative new technologies. Third, I hope to share some of what we have learned as we work with growers on carbon sequestration, climate solutions and environmental protection. I hope this will provide you with useful information as you craft our next Farm Bill.

Star of the West and Our Visibility Spanning the Food Value Chain

I joined Star of the West three years ago, but have spent my entire career in different segments of the agriculture industry. I grew up on a family dairy farm in Port Hope, Michigan, near the tip of the Thumb along the shores of Lake Huron. Post college at Michigan State University I joined the team at H.E.B. Grocery in San Antonio, Texas, where I learned about the food side of agriculture. After Texas, I moved back to Michigan and worked in crop protection and seed sales prior to joining Star of the West. One thing that has stood out for me during my time at Star of the West is the opportunity to be a part of so many pieces of the food puzzle. Our company brings a unique perspective to the food system, with visibility at all points on the value chain.

We were founded as a flour miller, a tradition we continue today by producing high-quality flour, cereal wheat, and food grade wheat flakes for some of the world's largest food producers. Over the years our operations have expanded to include the handling and processing of a wide range of Michigan-grown products – from dry beans and oats, to edible soybeans and beyond – and we also provide agronomy and farm supply services for customers across mid-Michigan, the Thumb and Saginaw Valley.

I love to share the story of how we work with growers to support them every step of the way: From planting to harvest, to delivery and processing – ultimately milling the wheat they produce into ingredients for some of the tasty treats we all know and love. From crackers that look like fish, to ice cream cones, to cream-based soups in a can, it's amazing the number of things that our flour goes into. Flour is as important today as it was when we were founded more than 150 years ago. As a company uniquely situated to sell inputs to the farmer, buy the grain from those same growers, mill or process grains and beans, then sell those food ingredients to consumer-packaged goods companies, Star of the West has been privy to many of the opportunities and challenges within the entire value chain.

Working Together to Advance Sustainability

Throughout our history as a company, we have worked together with Michigan farmers to stay on the cutting edge of production practices. This includes a long-standing commitment to sustainability, and I would like to give you a few examples of our journey. I share these examples because I believe it is important to showcase the cutting-edge innovation of Michigan's, and America's, farmers.

Star has been thinking about sustainability for a long time. In fact, going back in time to the *July – August 1996* industry publication entitled *Dealer Progress For Fertilizer/Ag Chemical Retailers*, Star of the West was highlighted as a Regional Winner of the 1996 "Environmental Respect Awards." Our current CEO, Jim Howe, was then the Plant Food Division Manager and recognized how our early adoption of GPS helped drive both production success and environmental benefits. In that magazine published more than 25 years ago, Jim spoke about soil sampling and field mapping, and how "we are looking at the next step in technology – variable application rates for fertilizer and pesticides." Only applying what the soil or crop needs, in the space that it needs it, instead of applying a blanket rate across a whole field was an emerging concept in 1996. But as we know, the GPS soil sampling and grid sampling of today have become a hallmark of modern farming.

Technology has continued to drive sustainable production. Fast forward to today, our Plant Food Division is managed by Keith Martus, and we strive to find tools to help set our growers and ourselves up for success. One such tool we have implemented to help our Certified Crop Advisors and on-staff agronomists deliver top-notch recommendations that include both return on investment and environmental benefits is the Truterra system, the sustainability business at Land O'Lakes. With data provided by the grower and then input by the retailer, Truterra generates customized stewardship and profitability insights for each and every field, including establishing a stewardship score.

This technology gives farmers a deep understanding of the performance of their fields by giving them soil health indicators such as wind and water erosion rates, soil carbon and quality trends, and estimates of net greenhouse gas emissions. We are then able to work with farmers to determine stewardship practices that could maximize their return on investment while protecting natural resources. Just like Jim Howe and his team pioneered the use of GPS and precision agriculture in the 1990s, today we are proud to use advanced technology that offers a field-by-field analysis and balances profitability and sustainability. The acres in production can be more profitable overall, while less productive areas can be used more beneficially for native plant species and other environmental stewardship practices.

In addition, we are using Syngenta's AgriEdge program and farm management software to track farm production data, giving both growers and end-users greater visibility into a product's footprint. Our growers have been both open and patient while working with food company requests, and AgriEdge has played an important role in supporting that work. For example, we have used AgriEdge to track soft white winter wheat for the past six years for a key food customer. The ability to track every single pass of a tractor, application and rate, fertilizer used, and other key data has provided value for the food company and helped our growers to be well-positioned at a time when new carbon programs and many private-sector sustainability requirements mandate multiple years of in-field data and analysis. The capacity to house this data in one easily-accessible system, instead of paging through notebooks or finding paper records from every machine that went across the field has saved time in the long run – and will continue to do so.

In-field technology and the ability to track multiple years of data has also sparked innovative new ways to translate our work to the store shelf. We were proud to help launch Airly, a new cracker from Bright Future Foods. Airly crackers are the first of what we hope becomes a much larger sector of climate smart snacks. Star of the West was able to work with several growers in the Thumb and Saginaw Bay area to obtain soft winter wheat, and just as importantly, the records associated with that wheat, including total farm information along with field specific data over the last five years. For the Airly wheat, technology in the form of Comet Farms and other life cycle assessments were used, along with many hours of data input. The result was wheat with a carbon negative score, which means the wheat sequestered more carbon than it took to produce it. Michigan wheat helped create this climate smart cracker!

We also partner with Kellogg Company and The Nature Conservancy on programs regarding wheat, improving sustainability metrics, and the data needed to accomplish these goals. The hours of data input needed cannot happen easily without two additional elements. First, high speed broadband in all geographies is essential, and I'd to thank Senator Stabenow for her work to secure funding in this area. Second, the interaction between the grower, the retailer and the data system is critical. Data often needs to be entered in different ways or onto other platforms to produce various scores. Technology cannot adapt for colloquial terms, abbreviated names, farmer terms, and other items. Thus, shaping, or editing of the data by a person who understands agriculture, like a CCA, is one of the most underrated – and essential – components of sustainability today.

It is also important to note that technology alone will not solve the challenges that our agricultural system faces today. As I mentioned above, human capital is critical to the future of agriculture. Human capital spans the breadth of the industry, from Certified Crop Advisers, to farmers, to rural communities and those working alongside and supporting the farming communities. We are proud to have deep, long-lasting relationships with growers and buyers across the Thumb and the lower mitten, but we cannot possibly provide the needed interaction to each and every grower across the state. Investing in social networks for farmers in Michigan – and other agricultural regions of the country – is key to a successful Farm Bill, especially as we look to recruit the next generation of farmers and agribusiness professionals. These networks would cover a variety of needs, including peer-to-peer knowledge exchange, rural development, overall wellbeing, and mental health awareness.

Building on Past Farm Bills

Growers across the region have had strong support from past Farm Bills to implement conservation practices on their land. Thanks to bipartisan support for a strong Conservation Title of the Farm Bill — and thanks to your leadership, Senator Stabenow and Senator Boozman — growers have had a partner in the federal government as they look to advance innovative practices.

For example, in the Saginaw Bay region that Star of the West calls home, a successful Regional Conservation Partnership Program made possible by the 2014 Farm Bill has resulted in bringing together farmers, local agribusinesses, food companies and non-profit partners such as The Nature Conservancy to help advance stewardship across the watershed.

The 2018 Farm Bill took new steps to open the door for innovative, out of the box practices to be funded by NRCS, a trend I encourage the Committee to continue. It streamlined opportunities for external entities to become Technical Service Providers and help farmers work together with NRCS, something we hope to see USDA advance. It also delivered new opportunities to use cover crops via the Federal Crop Insurance Program, among other changes to support soil health and carbon sequestration.

For many years, the Farm Bill has invested in programs to provide wildlife and recreational habitat on conserved or retired farmland. Today's technology equips us to have a much clearer view, more so than ever before, of the return on investment, production value and stewardship benefits of specific practices on specific farmland. I urge the Committee to use this Farm Bill as an opportunity to focus on working lands conservation programs, such as the Conservation Stewardship Program and Environmental Quality Incentives Program, that allow practices to be targeted and achieve the best value for farmers, and taxpayers.

Overall, the past two Farm Bills have prioritized innovation, new thinking and public-private partnership to support conservation. I urge you to consider how we can continue to grow these new partnerships, while breaking down barriers for growers to participate in USDA programs.

Also imperative to the next Farm Bill is support of both food grade crops and regional food systems. At Star, we have been involved in the food chain since 1870, and we clearly see the potential for Michigan to have a climate smart, sustainable foodshed. The pandemic showed us vulnerabilities in our food system, and we know Michigan can do better. While Star's focus is on grains, dry edible beans and food grade soybeans, we know that our colleagues in vegetable, fruit, dairy, beef and other food commodities have much to offer to the Michigan foodshed, as well. A resilient agricultural system across the U.S. would be well-served by local and regional producers and processors providing their neighbors and neighboring communities with food. This could include support for more regional food processors and markets, creative ways to help institutional buyers access locally grown grains and legumes, as well as other food items. Imagine the resiliency and vibrancy of a foodshed that supplies locally grown, sustainable, nutrient-dense food to some of our most vulnerable populations: hospitals, prisons, schools and inner-city areas like Detroit and Flint. Star of the West knows this can be achieved and we are excited to see how the next Farm Bill can help us nourish our families, communities, and states through a climate smart foodshed.

There is no doubt in my mind that consumer-driven demand for environmental sustainability and progress in the fight against climate change will keep this issue front-and-center for agriculture. I am proud that our company and our grower-customers are helping to make progress in this area. New technology and innovation have helped growers continue to enhance their generations-long commitment to the health of their soil, which in turn helps our environment, and we are excited about what the coming years will hold. We must always remember though, to consider farmers' economic success as well as the health of the soil and water as crucial for climate smart food systems. The economics of a farm business must work to support sustainable practices and environmental solutions. When looking at economics, one specific item near and dear to us at Star of the West is understanding the benefit of winter wheat, as it provides both winter cover on the land and food. Wheat's value of feeding the world, while also acting as an important input in a sustainable crop rotation should be recognized, and farmers should not have to choose between harvesting their crop for food or collecting a cover crop payment. In instances like this, we continue to see how economic sustainability and environmental stewardship could work together on the farm – and could even result in new markets and production opportunities for our farmers.

Barriers

It's easy to provide a list of climate smart practices for growers to implement, and simply recommend that they go ahead and do so at their earliest convenience, or tomorrow, whichever comes first. But, as was stated by Dwight D. Eisenhower, "Farming looks mighty easy when your plow is a pencil and you're

a thousand miles from the corn field." Actual farming isn't easy, and when looking to incorporate new stewardship practices, practices that may or may not be traditional or accepted by NRCS, the process is further complicated. Farmers need support, in various forms, to be able to provide climate smart food or feed.

This support can include social networks for growers to reach out to and ask questions ranging from how and when to plant a new cover crop and termination of that cover to how to market their products so they can sell food items including oats, beans, or carbon negative wheat to a local restaurant or grocery store.

Capital, both up front and operating, is also important to continue farming in today's unpredictable market conditions. A modern farm business is complex and involves a range of equipment, technology and tools – all designed to work together to deliver a successful growing season. Changing one of these systems can require changes or updates to other parts of the business. In this sense, a farmer is really an "orchestra conductor" who brings together a huge array of technologies to achieve success. Operating capital helps ensure that when they try something new, they are positioned to make relevant updates and improvements across their entire business.

Conclusion

We have learned much in this area, but reserve the right to learn more. Technology on the farm is both ever changing and evolving. While technology creates new work, it also creates new challenges and new decisions. For growers and companies like Star of the West, it's an exciting time to be in our industry. We know from 150 years of experience that our Michigan growers bring something special to the table. Whether it be the proximity of the Great Lakes, the diversity of Michigan cropping systems, or the longevity of farming families today, Michigan is blessed with farmers that truly care and want to make a difference.

Our farmers are proud of their role in the food system and want to strengthen agriculture – and our environment – for future generations, just as previous generations did for them. They are part of an industry that has always embraced modern technology to enhance production. Actual horses became horsepower, corn is now a hybrid, and wheat can become a carbon sponge. We are at an exciting crossroads where farmers are using technology to deliver quantifiable environmental benefits and strengthening the fabric of rural life as they do so. All while nourishing that which we treasure most: our families and communities.

When defined, sustainability often includes a three-tiered approach of people, planet and profit. The next Farm Bill is also essentially a three-fold bill: a climate bill, an innovation bill and a technology bill. But we should take a page from sustainability's handbook, and make sure the **people element** is supported when we craft this Farm Bill. We can't forget the rural communities, the farm families, and the independent spirit of these growers. At its core, the Farm Bill needs to be an investment in people; the social networks and human capital that are imperative to making lasting change. It's an opportunity to fuel agricultural innovation, enrich rural communities, nourish our population, ensure the tools are available for those who want to try new methods and technologies, and break down barriers of adoption for new and non-traditional production methods. All of these goals can help equip farmers and companies like Star of the West to build and enhance new economic opportunities for generations to come. It is an exciting time to be in agriculture, and the next Farm Bill will be well-timed to serve as a springboard for the continued success — and vibrancy - of our industry.