



PROMOTING IP AND U.S. PREMIUM FIELD CROPS

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Alyson Segawa, SSGA North Asia IP Technical Advisor

SPECIALTY SOYA AND GRAINS ALLIANCE

Agenda

SSGA Introduction

- Who we are
- Role of IP Technical Advisor (IPTA)
- USSEC/SSGA collaboration

North Asia IP Activities

- Branded project
- Technical manuals
- Transportation update
- Global container shipping update

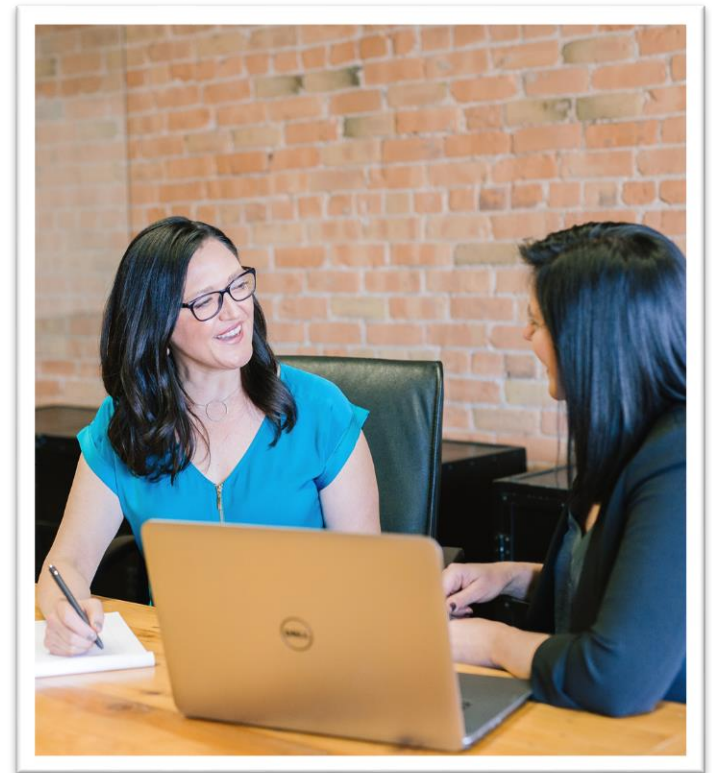
Looking Ahead

SSGA Introduction: Who We Are

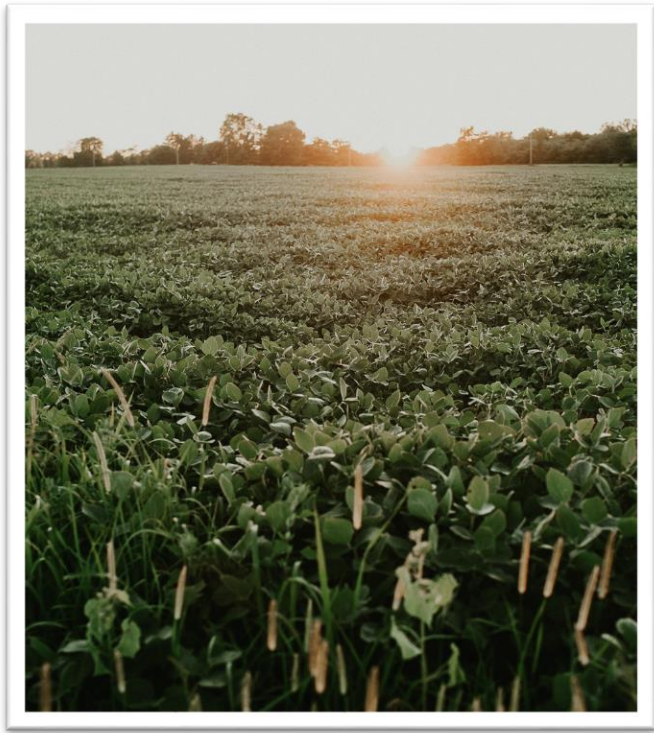
- Specialty Soya and Grains Alliance (SSGA)
- Founded in February 2019
- Premier business alliance of U.S. companies focused on production, processing, and shipping of identity-preserved soya and specialty grains worldwide
- Mission: to provide resources that communicate the quality, diversity, and availability of IP soya and specialty grain products
- 51 active members: producers, processors, genetic/seed providers, export traders, and international export companies
- Regions of focus: North Asia, Southeast Asia, and Europe

Role of IP Technical Advisor (IPTA)

- Promote IP practices
- Create connections between international trade audiences and U.S. suppliers
- Develop activities that promote value add of U.S. IP soya and specialty grains
- Identify gaps in value-chain
- Monitor market access issues
- Liaison with other industry organizations



USSEC/SSGA Collaboration



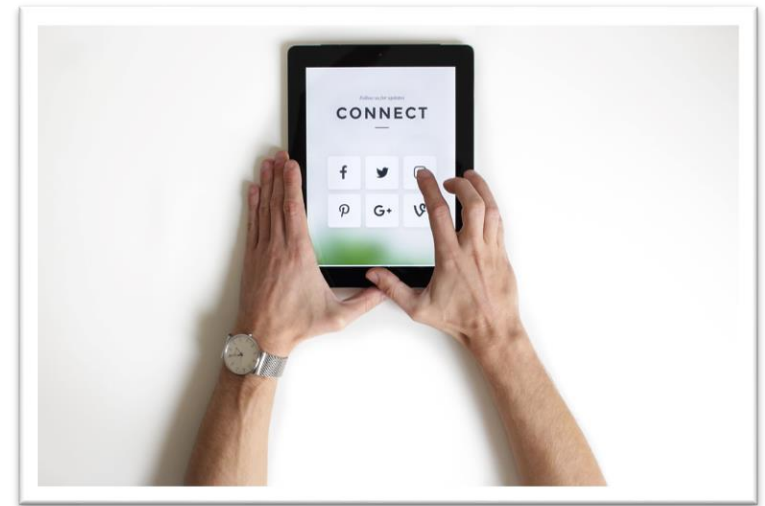
- SSGA is proud to work with industry partner USSEC in international efforts
- Many joint SSGA/USSEC industry members
- SSGA/USSEC in regular communication to ensure aligned messaging and promotions
- SSGA collaborates with USSEC Northeast Asia and Greater China offices

North Asia IP Activities: Branded Project

- SSGA hired digital marketing agency to research, identify, and develop U.S. IP branding recommendations to promote IP field crops' unique and premium value across international markets
- U.S. IP branding project will also help define IP segregated ahead of Japanese labelling law changes
- Recommendations will be guided by previous market intelligence, qualitative interviews, quantitative surveys, stakeholder feedback, and extensive desk research including audits of commodity and consumer-facing logos and trademarks
- Thank you to those who have provided feedback

Next Steps

- SSGA will be conducting another industry feedback session through mid-November 2020
- The final report including strategic recommendations will be presented at SSGA Board meeting in December 2020
- Next steps on global execution will then be determined

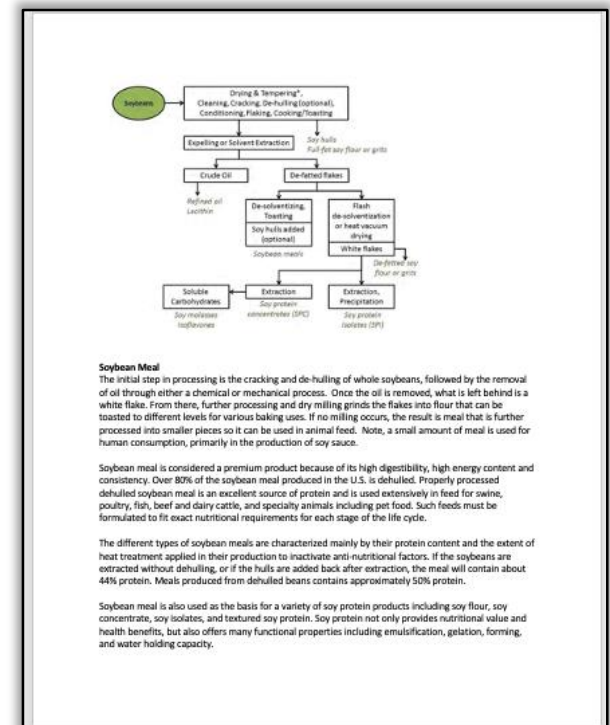


Technical Manuals

- SSGA developing six (6) new IP-focused manuals that highlight the production process and how IP field crops can benefit food manufacturers
- The manuals are separated into various topics, including:
 - Getting on the IP Highway – an overview of how to select an IP product
 - Tofu and soymilk
 - Tempeh
 - Miso and natto
 - Soy additives (SPC/SPI, Soy Flour)
 - Specialty grains

Technical Manuals cont.

- Manuals will discuss topics such as the following:
 - What is IP and why it matters
 - Features and characteristics of the relevant product for processing
 - Packaging, preservation, and serving options
 - Economic benefits to be derived from selection of higher quality inputs in the production process



Transportation Update

New challenges facing U.S. exporters and customers – temporary through January/February 2021

- Since August, unprecedented growing demand for imports to North America
 - *PPE, consumer goods shipped in containers*
- Ocean carriers facing high demand, shortages of containers in Asia. Big imbalance Asia exports to U.S. vs. exports from U.S.
- Carriers charging highest rates ever for shipping dry containers to U.S. West Coast
 - *Hit over \$3,850 per container to W.C. on Shanghai Shipping Exchange Avg. for freight moves. Roughly three times+ (inland) to six times (port-to-port) revenue compared to loaded export containers back to Asia*
- Ocean carriers now pushing to get containers back to Asia as fast as possible, to supply east bound demand and capture higher revenue

Global Container Shipping Update

New challenges facing U.S. exporters and customers – temporary through January/February 2021

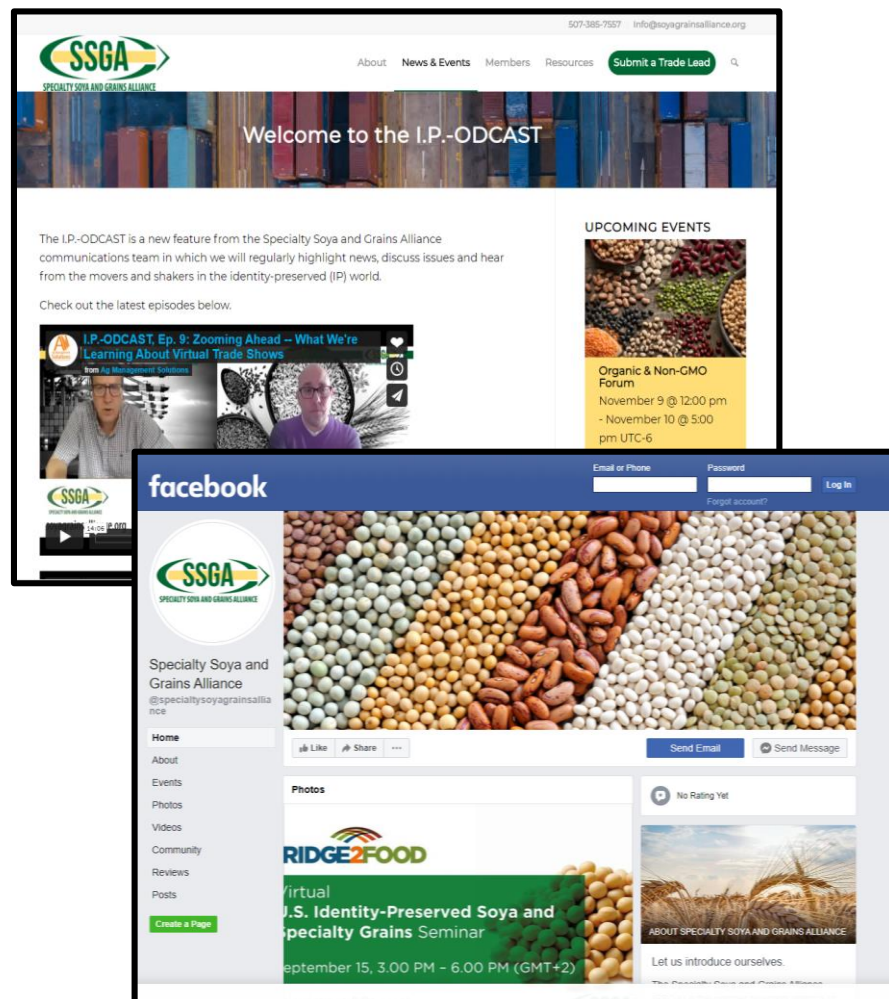
- SSGA learned late October **some** carriers have temporarily stopped accepting ag container export shipments – preferring to send empty containers back to Asia to avoid time delays
- U.S. suppliers report some bookings recently have been cancelled
 - Some export shipments have been held at ports until later vessel, as ocean carriers loading vessels prioritize empty containers
- Some suppliers report unable to make new export bookings until January 2021
- Experts say, container shortage could last through China's New Year Observance (February 12, 2021)

What To Know

- Rate increases announced by all carriers by December 1, 2020 – wide range. But some carriers still say - limited containers available for exports anyway
- Carriers starting to reduce or eliminate all extended “free time” on containers arriving in Asia to get equipment back in circulation faster
- Customers likely to experience some delays in receiving shipments
- U.S. suppliers & freight forwarders are doing all they can to locate available export containers
- SSGA is pushing ocean carriers, public officials to serve export needs. Customers can help by contacting ocean carriers to push for continued service on your end
- **Temporary situation - should start to return to normal early Jan. to mid-1st quarter 2021. *We’re pushing carriers for improvement before then***

Looking Ahead

- SSGA continues to adapt to global trade changes in the wake of COVID-19 and evolving market conditions
- SSGA developing digital IP marketplace to connect trade with U.S. exporters
- Please feel free to reach out and connect with us directly; we appreciate your feedback



THANK YOU

151 Saint Andrews Court, Suite 710,
Mankato, MN 56001 USA

 +1-206-851-7414

 asegawa@soyagrainsalliance.org

 soyagrainsalliance.org

 <https://www.facebook.com/specialtysoyagrainsalliance>

 <https://twitter.com/SoyaGrains>

 www.linkedin.com/in/soyagrainsalliance

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