



**SOY TRANSPORTATION
COALITION**

NEWS RELEASE

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Soy Transportation Coalition and Panama Canal Authority extend partnership

Ankeny, Iowa – The Soy Transportation Coalition and the Panama Canal Authority recently extended the memorandum of understanding (MOU) between the two organizations. The agreement, signed by Pat Knouff, chairman of the Soy Transportation Coalition, and Jorge L. Quijano, CEO of the Panama Canal Authority, extends the partnership between the two organizations to perform joint promotional events and exchange information in the effort to raise awareness of the Panama Canal expansion and its potential impact on U.S. agriculture.

The original MOU was signed in May of 2011. At the time, while the Panama Canal Authority had signed MOUs with numerous port authorities – both U.S. and international – the agreement with the Soy Transportation Coalition was the first signed with an organization representing a commodity or product that utilizes the canal.

"Last year approximately 600 million bushels of U.S. soybeans transited the Panama Canal en route to our international customers," explains Pat Knouff, a soybean farmer from Minster, Ohio. "We anticipate that this important link in our logistics chain will become even more significant following the completion of the canal expansion. It is in the interest of both the Soy Transportation Coalition and the Panama Canal Authority to work together to ensure that we fully take advantage of the future efficiency gains from the expansion. If we don't, it will be a missed opportunity. Extending this memorandum of understanding between our two organizations helps ensure our collaboration toward this end will continue."

"We welcome partnerships with organizations that benefit from the services offered by the Panama Canal," Panama Canal Administrator Jorge L. Quijano said. "This MOU will enable us to keep the Soy Transportation Coalition informed about the progress of the Panama Canal Expansion and its impact for the transportation of this commodity through the waterway."

In the fall of 2011, the Soy Transportation Coalition released a white paper, examining the impact of the Panama Canal expansion on U.S. agriculture. The Panama Canal Authority assisted the research by supplying information. According to the study, "Panama Canal Expansion: Impact on U.S. Agriculture," the canal expansion will allow ocean vessels to be loaded with an additional 500,000 bushels of soybeans for the export market, which will equate to an additional \$6-7

million in additional value per vessel. This increased efficiency of transportation will allow U.S. agriculture to remain competitive in the international marketplace.

The full study can be accessed at:

<http://www.soytransportation.org/newsroom/PanamaCanalExpansionImpactOnUSAg.pdf>.

Established in 2007, the Soy Transportation Coalition is comprised of 12 state soybean boards, the American Soybean Association, and the United Soybean Board. The goal of the organization is to position the soybean industry to benefit from a transportation system that delivers cost effective, reliable, and competitive service.

The Panama Canal Authority is in charge of managing, operating and maintaining the Panama Canal, one of the main arteries of world commerce. The Panama Canal Authority is currently engaged in a \$5.25 billion expansion project that will double the waterway's capacity and allow for the transit of larger and wider vessels, which will result in economies of scale in shipping and an improved transportation link through Panama. The expansion is scheduled to be completed in 2015.

To learn more about the Soy Transportation Coalition, visit its website at www.soytransportation.org.

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