



**SOY TRANSPORTATION  
COALITION**

# **NEWS RELEASE**

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## **Update: Gulf Oil Spill and Impact on Agriculture**

Ankeny, Iowa – To date, the oil spill occurring in the Gulf of Mexico has not disrupted traffic into or out of the Mississippi River or Mobile, Alabama. All scheduled freight deliveries have been made. No ship calls have been cancelled due to the spill. This is expected to continue for the foreseeable future.

Cleaning stations - utilizing high pressure hoses - have been established. On May 25th, a tanker ship requested to be cleaned after encountering some oil en route to the entrance to the Mississippi River. The cleaning process took 30 minutes to complete. The tanker ship was inspected further after entering the Southwest Pass - the main shipping channel for entering or exiting the Mississippi River system. No oil was detected, and the vessel proceeded upriver. This has been the only ship to be cleaned following the oil spill.

Congressmen Bruce Braley (D-Iowa) and Phil Hare (D-Ill.) sent a letter on June 10<sup>th</sup> to President Barack Obama and Coast Guard Admiral Thad Allen, urging them to fully evaluate the impact of the oil spill on Mississippi River shipping lanes. As oil continues to drift closer to the Southwest Pass, a critical shipping lane for farmers who rely on barge traffic to ship their crops overseas, Braley and Hare are concerned about the impact a slowdown in Mississippi River traffic could have on prices for farmers, producers and distributors.

Braley and Hare requested that the Obama Administration perform a full analysis on the potential economic impact that the Gulf oil spill could have on barge traffic along the Mississippi River, and the further effect on commerce and local economies along the Mississippi. Braley and Hare hope that an efficient and thorough study of the impact

could help mitigate the cost of the spill for the agricultural industry throughout the Midwest.

The Soy Transportation Coalition applauds Congressmen Braley and Hare for being engaged in this issue and making sure the potential impact of the oil spill on agriculture will not be ignored. In 2009, 21.8 million metric tons of soybeans (800 million bushels) of soybeans were exported from the Mississippi Gulf region. This amounts to 61% of the total soybean exports by port region. Among port regions, the Pacific Northwest ranked 2nd with 9.7 million metric tons (356 million bushels) of soybeans exported in 2009 - 27% of total soybean exports by port region.

A disruption of shipping from the Mississippi Gulf region would have a detrimental impact on agriculture, in general, and the soybean industry, in particular. Our ability to meet customer demand would be compromised. In addition, farmer incomes would be reduced due to a likely widening basis.

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*Established in 2007, the Soy Transportation Coalition is comprised of eight 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.*