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The economic feasibility of producing biodiesel from soybean oil in Missouri

Missouri soybean farmers have recently taken an interest in producing biodiesel from their commodity product. Two successful corn ethanol plants in Missouri have enticed soybean producers to find a value added product to increase their profits. If soybean farmers could successfully create a profitable producer-owned biodiesel plant, then not only could they increase their own income per bushel of soybeans but also increase local soybean price through the additional demand for the commodity in the area. This would provide supplemental income to a historically small-margined industry. But, is biodiesel production economically feasible in Missouri? The objective of this research is to investigate whether biodiesel production is an economically feasible investment and to determine the amount of government subsidies required to make producer investment in biodiesel production profitable.