

4201 N Interstate 27  
Lubbock, Texas 79403  
Telephone: (806) 749-3478  
Fax: (806) 749-9002  
www.sorghumgrowers.com

## **SORGHUM E-Notes**

### **NATIONAL SORGHUM PRODUCERS Ensuring Sorghum's Profitability**

June 26, 2008

#### **RFS Waiver Comment Period Closed**

The comment period for Texas Governor Rick Perry's request for a nationwide 50 percent waiver of the Renewable Fuels Standard (RFS) closed on Monday. Over 15,000 comments were submitted to the Environmental Protection Agency during the comment period. EPA has until July 25 to sift through the comments and make a ruling on the request.

This waiver request has far-reaching implications for the entire nation. If the RFS is repealed, little incentive for investing in renewable fuels remains because oil companies will not be required to mix ethanol into their fuels anymore. Not only will this increase already astronomical fuel prices and oil company profits, but could stymie the opportunity for all kinds of renewable fuels – including alternatives made from cellulosic and sweet sorghum – from becoming full-scale realities in today's market.

#### **National Sorghum Checkoff to Begin Collections Next Week**

The newly-approved Sorghum Promotion, Research and Information Order will begin collections next Tuesday, July 1. The assessment on grain sorghum is .6 percent. The assessment on forage sorghum is .35 percent. Funds collected through the checkoff will be placed in a lock-box until a checkoff board is appointed by the Secretary of Agriculture sometime in the fall of this year. Once a board is appointed, checkoff funds will be used to promote sorghum research and education but *not* for lobbying or regulatory advocacy efforts. If you have any questions about collection procedures for the checkoff, contact NSP at (800) 658-9808.

#### **Details on Disaster Rulings Still Not Official**

NSP sent a letter to Secretary of Agriculture Ed Schafer this week urging USDA to make quick decisions on disaster rules so that farmers can replant failed crops. However, despite urging by NSP and other industry stakeholders, USDA has not yet published rules on the implementation of the new disaster component of the 2008 Farm Bill. From visits with officials within USDA, it seems likely that rules will not come very quickly. While this is very unfortunate, it is important for farmers to realize that disaster payments will be based on the whole farm, so failure of just a portion of the crop on a farm may not (and probably won't) guarantee a disaster payment.

That said, high sorghum prices and available moisture can help farmers recover some income from lost first crops. There are approximately one million acres in Eastern New Mexico and the Texas Panhandle/South Plains where cotton has failed, either because it was blown out with high winds or hailed out in recent storms.

While USDA rules may eventually affect the disaster calculation, farmers have a golden opportunity to look to the marketplace and plant a crop, like sorghum, that is in high demand and is bringing a high price. If you have questions about planting sorghum behind failed first crops, please call NSP. It is not too late to put sorghum in the ground in most areas of the country.

#### **Washington, D.C. Begins Process to Implement New Farm Programs**

Agriculture industry groups including NSP met with Congressional sponsors of the 2008 Farm Bill ACRE program and the disaster program this week and will meet with USDA next week. Agencies are beginning to implement these programs and educating industry groups on new farm program policy. NSP will keep you updated as we receive more details on implementation.

## **Rio Grande Valley Sees Record Prices as Grain Sorghum Acres Prevail**

Producers began harvesting over a half million acres of grain sorghum in the Lower Rio Grande Valley this week with market prices near \$11 per hundredweight. That's easily more than double the prices producers have more commonly received for sorghum crops in the past. In the Valley, grain sorghum is replacing cotton acres this year as cotton acreage nationwide declines. Farmers are favoring high-priced grain over cotton. The high prices will keep many producers afloat this season as they struggle to keep up with ever-rising input costs including fuel, fertilizer and herbicides and pesticides.

## **NSP Working to Ensure Strong Sorghum Export Markets**

NSP is working with Federal Grain Inspection Service in Washington, D.C. and Kansas City to define certain subjective portions of sorghum grading standards as they relate to odor in sorghum. NSP will continue to work with the grain industry and producers to ensure that sorghum growers maintain strong export market opportunities for their product.

## **NSP Staff Making the Rounds in Kansas**

NSP CEO Tim Lust and Member Services Director Christ Stulp are in Kansas this week visiting Kansas producers, elevators and partners.

## **Planting in the North, Harvest in the South**

Planting advanced to 83 percent complete, 7 percentage points behind last year and 6 percent behind the 5-year average. Planting was active in the nation's mid-section, where Illinois producers planted 39 percent of their crop during the week. Missouri and Oklahoma planting progress remained significantly behind normal, while elsewhere progress was within 15 percent of the 5-year average pace. Planting was complete in the Delta. Nineteen percent of the acreage was heading, slightly behind last year but slightly ahead of normal. Heading was evident in the Delta and in Texas, but had not begun elsewhere. Heading progress in Louisiana was 24 points ahead of the 5-year average. Harvest is well underway in the Rio Grande Valley of Texas and began just this week on the Coastal Bend of Texas.

From: <http://usda.mannlib.cornell.edu/usda/current/WWNatSumm/WWNatSumm-06-24-2008.pdf>

## **About Sorghum Notes**

SORGHUM Notes is a publication of the National Sorghum Producers. NSP represents U.S. sorghum producers and works to ensure the profitability of sorghum production through market development, research, education and legislative representation. Visit our website at [www.sorghumgrowers.com](http://www.sorghumgrowers.com). Write to us at National Sorghum Producers, 4201 N Interstate 27, Lubbock, TX 79403. To unsubscribe to Sorghum Notes, please reply to [hannah@sorghumgrowers.com](mailto:hannah@sorghumgrowers.com). Copy and paste "Unsubscribe to Sorghum Notes" into the subject line.

## **SORGHUM Notes is sponsored by:**

Sorghum Partners, Inc.

P.O. Box 189, New Deal, TX 79350

Phone: (800) 645-7478 Fax: (806) 746-5305

Website: [www.sorghum-partners.com](http://www.sorghum-partners.com)

E-mail: [information@sorghum-partners.com](mailto:information@sorghum-partners.com)

## **Interested in Sponsorship Opportunities?**

Call NSP at (800) 658-9808 to learn more.