



SORGHUM CHECKOFF STRATEGIC PLAN

ADOPTED DECEMBER 2018

HISTORY

The Sorghum Promotion, Research and Information Program, commonly known as the United Sorghum Check-off Program, was established under the Commodity Promotion, Research and Information Act of 1996 (Act). The Act authorizes generic promotion, research and information orders aimed at advancing the demand for agricultural commodities to benefit U.S. producers and consumers. On May 6, 2008, the Agricultural Marketing Service published a final Sorghum Promotion, Research and Information Order after public notice and comment. The Order became effective May 7, 2008. The collection of assessments began on July 1, 2008.

The program is funded by an assessment of 0.6 percent of the net market value of grain sorghum and 0.35 percent of the net market value of sorghum forage, silage, hay, haylage and billets. All producers marketing sorghum in any form must pay the assessment. First purchasers of grain and forage sorghum collect and remit assessments. Imports of sorghum are also assessed.

The Sorghum Promotion, Research and Information Board, also known as the Sorghum Checkoff board of directors, is comprised of 13 sorghum producers. Membership includes five seats for the largest production state, three seats for the second largest, and one seat for the third largest state. The board also consists of four at-large national positions.

USCP as well as state organizations utilizing producer dollars work within and according to the USDA AMS Guidelines and oversight. USCP undergoes multiple internal and external audits in order to insure compliance with the Act and Order as well as any USDA requirements.

The board seeks to partner with public, private and governmental organizations to maximize its effectiveness. The national organizations along with nine state organizations receiving national funds strive to help U.S. sorghum producers.

Since the beginning, the 13 member board of producers has worked to develop a strategic plan that incorporates the needs of producers and the industry. With each iteration of the strategic plan the board has focused on bringing change to the industry. This most recent strategic plan was adopted by the board in December of 2018. The board will continue to review and adjust the strategic plan as needed to enhance producer value.

MISSION

REVEAL THE
POTENTIAL AND
VERSATILITY OF
SORGHUM THROUGH
INCREASED SHARED
VALUE

PURPOSE

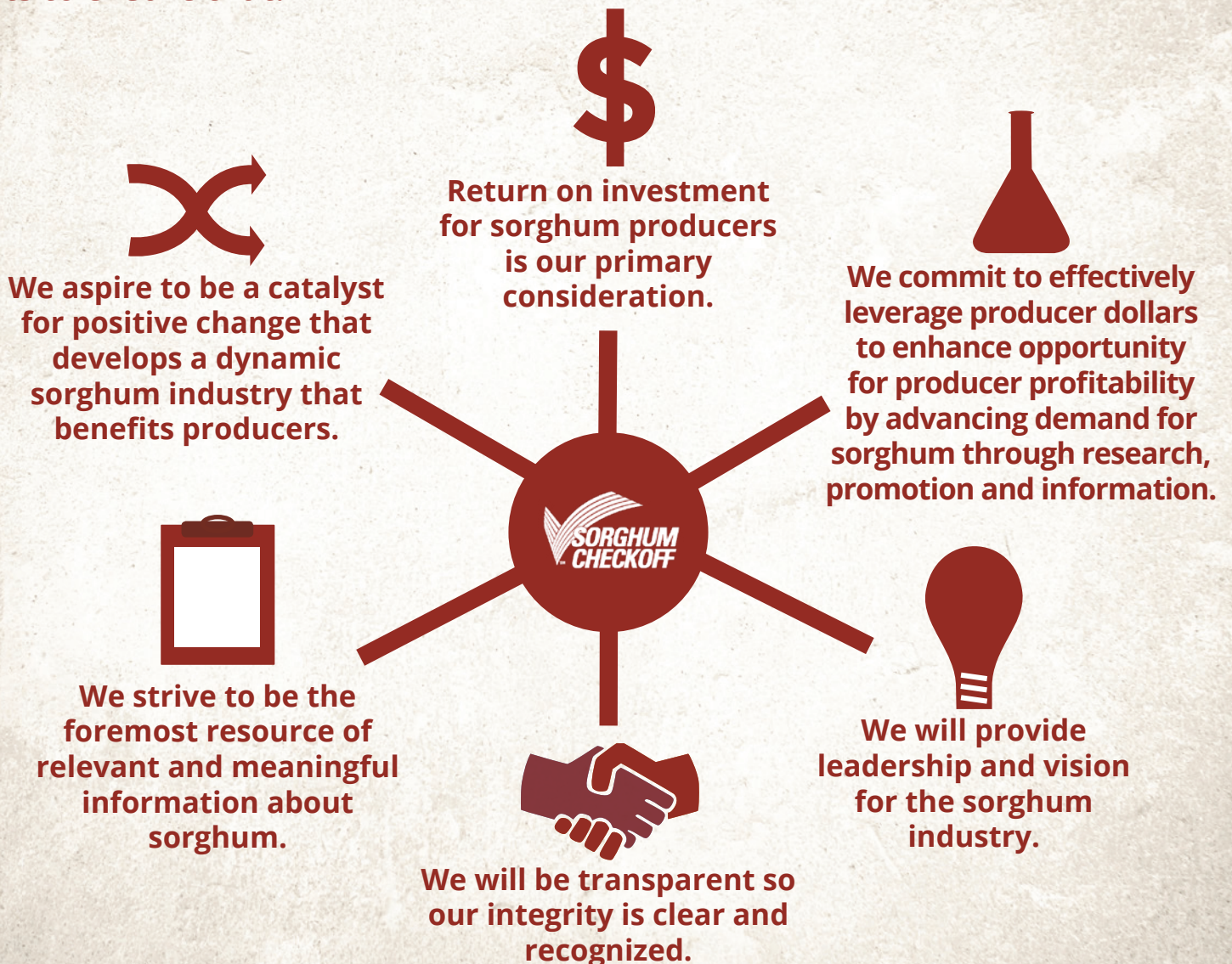
WE EXIST TO DO
AS A GROUP WHAT
WE CANNOT DO
INDIVIDUALLY

VISION

SORGHUM PRODUCERS
BENEFIT FROM
AN INNOVATIVE
AND COMPETITIVE
INDUSTRY

CORE VALUES

Core values shape and energize the efforts of USCP. The Sorghum Checkoff commits to ensure that:



STRATEGIC GOALS

The United Sorghum Checkoff Program finds the following strategic goals critical to meet the objectives of the mission, purpose and vision and true to the core values of the organization.

INCREASE VALUE RECOGNITION OF U.S. SORGHUM BY ALL CUSTOMERS WITH PREFERRED QUALITIES & QUANTITIES

FRAMEWORK

Going forward, USCP will seek to target work toward the qualities desired by end-users of sorghum, both commodity and specialty markets, in the desired quantities to advance the reputation as a reliable supplier while delivering a sustainable price point for the producer.

MEASUREMENT

- Inventory of possible quality traits is conducted and surveyed by current and potential customers for desirability.
- New hybrids are in the pipeline or commercialized which at least maintain or grow yield potential as well as include up to five select qualities desired by customers.

MAXIMIZE POTENTIAL FOR ADDED PRODUCER PROFITABILITY BY STEWARDSHIP U.S. SORGHUM PRODUCERS TO BE INFORMED ABOUT MARKET OPPORTUNITIES AND RISK MANAGEMENT TOOLS AND PRACTICES.

FRAMEWORK

Over past years, USCP has focused on agronomic practices to help build yield and profitability. USCP will endeavor to create a new outreach program that will help equip sorghum producers to understand market opportunities as well as ways to best manage potential risk. These skills are needed as agriculture evolves and producers market sorghum in the 21st Century and into the future.

MEASUREMENT

- A "Market Education Program" with new curriculum is created and deployed.
- Sorghum producers become more comfortable with more complex marketing schemes supported by their participation in direct marketing or vertical integration (commodity or specialty).

IDENTIFY AND CHAMPION TECHNOLOGY IMPROVEMENTS AND SHARED EXPERTISE THAT IMPROVE PRODUCTIVITY.

FRAMEWORK

This goal continues to build on the efforts of USCP investments and partnerships to develop new tools for producers, such as seed innovation and crop protection products, as well as providing educational management expertise that helps improve yield potential.

MEASUREMENT

- Tools are developed to convey technology options for farmers, which provide both general information as well as address possible regional specific production challenges.
- The above tools are a first-stop resource for producers of sorghum and those considering adding sorghum into their operation.
- A feedback loop is created to survey challenges or production needs of producers, which is then fed into priorities to public and private sectors for research and development and, ultimately, the delivery of solutions for on the farm.

DEVELOP A MECHANISM FOR U.S. SORGHUM PRODUCERS THAT FOSTERS THE KNOWLEDGE NECESSARY TO CAPTURE THE POTENTIAL VALUE OF MARKETING DIRECTLY BETWEEN BUYERS AND SELLERS.

FRAMEWORK

The saying, "If you build it, they will come," applies here. USCP knows producers have the ability to supply both commodity markets as well as customers looking for specialty products. USCP will design a platform that will virtually assist in the matchmaking process between segments of supply and demand. Although virtual in nature, the design and maintenance will require human capital, ongoing communication, education and continued improvements.

MEASUREMENT

- An inventory of parameters for a virtual matchmaking platform is conducted as well as a review of existing systems utilized by other crops to identify how to best structure a similar platform for sorghum.
- A virtual matchmaking platform is developed and launched.
- Number of participants (both supply and demand side) increase in a stepwise fashion.

CREATE AND LEAD AN INDUSTRY-WIDE STRUCTURE TO ENGAGE COMMUNICATION BETWEEN VALUE-CHAIN SEGMENTS TO FACILITATE TIMELY AND CREDIBLE INFORMATION, BUILDING OPPORTUNITIES AND TRUST.

FRAMEWORK

This goal focuses on building the process to enhance value-chain relationships and overall communication. With investments into producer productivity underway and the foundation laid for increased demand, a more formalized and concerted effort must go into creating a regular communication flow between segments of the value chain. USCP can only wisely invest in upstream production assets and develop downstream market success through good communications that articulate clearly how the farmer can best leverage supply and demand.

MEASUREMENT

- Process established to bring all segments of the U.S. sorghum value-chain together (may include international as appropriate) on a regular basis and at minimum of one time per year.
- Informal channels of communication are improved as a result of a more formal process, increasing understanding, trust and working relationships.

IDENTIFY TRANSPORTATION AND LOGISTICAL CHALLENGES AND APPLY INNOVATIVE APPROACHES TO IMPROVE THE INFRASTRUCTURE DYNAMICS OF THE SORGHUM MARKET IN A WAY THAT BENEFITS SORGHUM PRODUCERS.

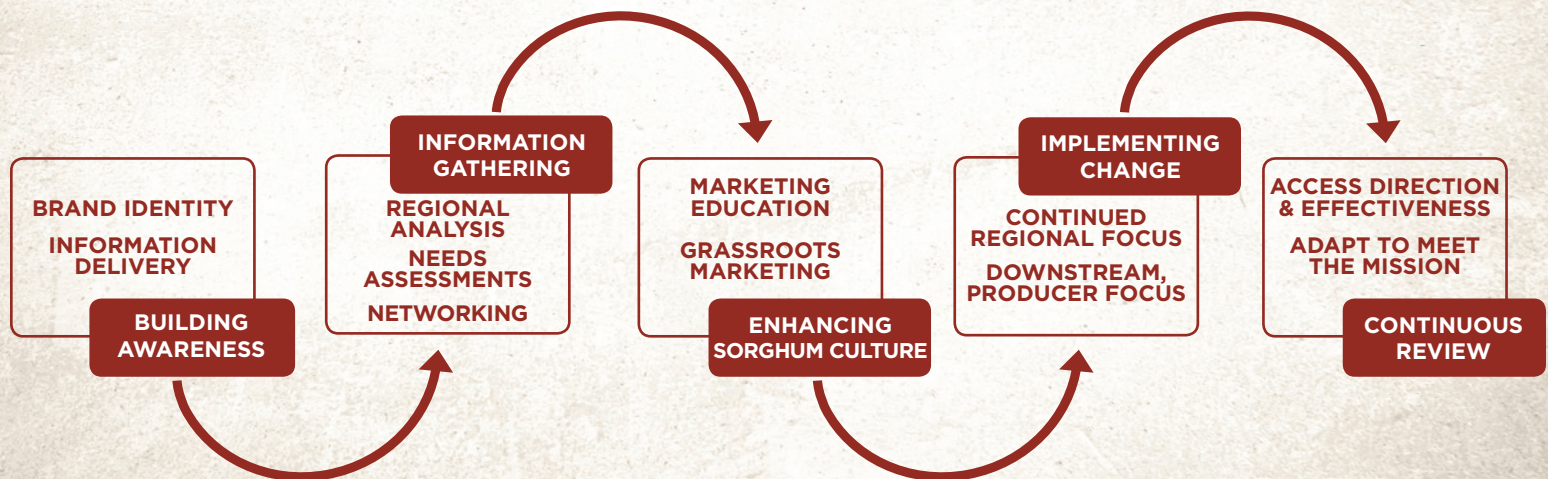
FRAMEWORK

Regional differences do exist when it comes to transportation and logistical challenges for sorghum producers to supply potential customers. USCP will venture to find creative ways to address these regional issues to the benefit of the whole industry's ability to be favored, credible, reliable and to the extent possible, a flexible supplier.

MEASUREMENT

- Transportation and logistical challenges are identified on a regional basis with potential options developed for consideration by the board of directors.
- USCP selects up to two (either easy or big "wins") to pursue as outlined above.
- If successful, more direct sales are seen for specialty products as well as for commodity or product streams.

ROADMAP TO CHANGE



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SORGHUMCHECKOFF.COM

