SORGHUM CHECKOFF

NEWSLETTER

sorghumcheckoff.com | Spring 2022

United Sorghum Checkoff Program Welcomes Adam York as New Sustainability Director

The United Sorghum Checkoff Program (USCP) recently named Adam York as its new Sustainability Director to continue efforts in increasing market value for growers, promoting conservation practices through strategic partnerships and positioning sorghum as The Resource Conserving Crop™.

York will be responsible for developing and leading the sorghum industry's sustainability initiatives and will continually assess opportunities for investment and collaboration to increase the value of sorghum for farmers and industry stakeholders.

"We are thrilled for Adam to join Team Sorghum," USCP Executive Director Norma Ritz Johnson said, "After seeing the pathways paved and tremendous work he has put into Kansas Grain Sorghum, we have no doubt he will make incredible strides here at the Sorghum Checkoff."

York is a Clark County, Kansas, native with a farm and ranch upbringing, and he is a Kansas State University graduate with a bachelor's degree in history. Prior to working in the sorghum industry, York served as senior staff for multiple Members of Congress in the U.S. House of Representatives, advising on federal agricultural, environmental and nutritional policies, among others. He returned to Kansas in 2019 to join Kansas Grain Sorghum as the organization's first program director with a focus on expanding the organization's footprint across the state.

"I am thrilled to begin this new opportunity on team sorghum to continue positioning the crop as a serious tool that confronts challenges head-on with sustainable and collaborative solutions," York said. "Working closely with producers over the past three years at Kansas Grain Sorghum, and from the prior six years in Washington, D.C., I know firsthand how sorghum farmers are moving the needle to advance positive outcomes for rural and urban communities alike."

York replaces Kira Everhart-Valentin, who was the organization's first sustainability director. Everhart-Valentin pioneered awareness for sorghum in the regenerative agriculture space and put a spotlight on the crop's

WHAT'S INSIDE

SORGHUM THE SMART CHOICE

versatility and the importance of why it is a reliable and smart choice for farmers and consumers alike.

Two years after the board's intentional and strategic investment in a dedicated sustainability director position, Kira has led several major and successful projects that made sustainability a central consideration and priority across its program areas. Successes include key messaging and branding being reshaped to highlight sorghum's unique position as a resource-conserving crop, partnerships to further promote sorghum as a quality sustainable ingredient for a variety of food and end products and collecting data to quantify sorghum's positive impact on farms and ecosystems.

"Kira has played a pivotal role in positioning sorghum as a sustainable solution for food, feed and energy sectors. Our sustainable future has been paved with her tremendous work while still respecting the importance of maintaining economic stability for sorghum producers," Sorghum Checkoff CEO Tim Lust said. "I thank her for her dedicated work and service to our industry and wish her well in her future endeavors."

More information about sorghum and its sustainable benefits can be found at *sorghumcheckoff.com/sorghum-sustains*.

Back to the Basics of Basis

WHAT IS BASIS?

Basis is calculated by subtracting the nearby futures price from the cash price, where nearby is defined as the futures contract closest to the expiration without going into the delivery month. Basis captures the effects of local supply and demand, as well as transportation costs on commodity prices.

WHAT IS YOUR BASIS?

Kansas State University's AgManager.info site has an interactive crop basis tool that can be used to examine the historical weekly nearby basis for sorghum, corn, soybeans and wheat for various locations in Kansas, Nebraska, Missouri, Oklahoma and parts of Colorado and Texas. Use the AgManager Interactive Basis Tool at www.agmanager.info/grain-marketing/interactive-crop-basis-tool

HOW DOES BASIS WORK FOR SORGHUM?

Sorghum basis is priced off of the corn futures contract. Elevators and other grain buyers will use the corn contract to hedge their inventory if they are holding sorghum. So, it is the difference between the cash price at that location versus the board price.

HOW DOES BASIS VARY ACROSS THE SORGHUM BELT?

Basis is going to vary for a number of reasons. It depends on how close you are to markets. For example, with significant demand from China over the past couple of years, basis has been very strong in many areas but particularly in areas close to terminals where rail cars can be loaded prior to shipping directly to ports.

Learn more how basis works with Sorghum Smart Talk podcast, Back to the Basics of Basis.

HOW IS BASIS RELATED TO SUPPLY AND DEMAND?

In effect, your cash price represents local supply and demand, and the CME is more of a national and international price. For example, if you are in an area where there has been a lot of demand from exporters, feedlots, or ethanol plants relative to supply, those operations either have to stop buying or truck in grain. The grain merchandiser then has to pay the transportation cost, and as a result of that low grain supply and high demand, the basis shrinks. The cash becomes very high relative to the futures at that point because you have to pay enough in cash to pay for what it costs to truck it to the buyer. So, it's more of a local cash supply situation.

HOW DO CHANGES IN THE MARKET IMPACT BASIS?

Short crops in the Corn Belt are supply issues that support a strong sorghum basis. The shipping of sorghum to China is an example of a stronger basis that was demand driven. So, any of those factors, especially local conditions, are going to drive that number more than anything else. If you have a really big crop and the elevators are stacking grain out on the ground, you don't even have to ask what the bid is for grain—you know the basis is going to be really wide. They'll buy it, but only at a really reduced cash price, which means a weak basis.

HOW DOES BASIS CHANGE THROUGHOUT THE YEAR?

In general, basis is typically weaker at harvest time when farmers are selling grain off the

combine. Then it tends to get stronger toward the end of the crop year. It also depends on what is going on in the Corn Belt and in the rest of the world. For example, in years where the crop in the Corn Belt is short relative to demand, the Sorghum Belt tends to see a strong sorghum basis. In years like these, it is particularly important to look at contracting to lock profit opportunities.

HOW DOES ON-FARM STORAGE BENEFIT A PRODUCER IN RELATION TO BASIS?

In the case of harvest time, elevators typically are buying grain at its weakest basis—the lowest cash relative to futures. If you have on-farm storage, you don't have to deliver your grain at harvest time. You can retain it and wait for the basis to get stronger before you make the cash sale. That is where on-farm storage pays for itself. And, depending on your setup, you could potentially eliminate your wait time at the elevator if you have got your own facilities, and you can keep the combines moving.

HOW BASIS CAN AFFECT PRODUCER PROFITABILITY?

The stronger the basis, the higher your cash price is relative to the board. So, if you can pick up an additional $0.30/bu, those additional dollars can add up just off of managing basis. There are many farmers who sell grain this way. For example, because of on-farm storage and a farmer's ability to manage basis, their decision to sell is often driven by how strong the basis is. When the basis is strong, the local market is telling the farmer it needs grain, and it is bidding the cash price up to get it.

IS THERE A RELATIONSHIP BETWEEN BASIS AND CROP INSURANCE?

The short answer is no. Both corn and sorghum crop insurance set their price elections based on the CME. The farmer's actual selling price does affect his insurance indemnity calculation. However, since sorghum is not traded on the CME, RMA uses an average basis from multiple locations to arrive at a percentage of the corn price election for sorghum. Sorghum leaders helped develop this calculation methodology, which has considerably increased the sorghum price election over the past decade.

Consider Silage Sorghum *By Sorghum Checkoff Agronomy Director Brent Bean, Ph.D.*

Throughout the High Plains and other dairy and feedyard regions of the U.S., silage sorghum is gaining in popularity. This is largely due to the low water requirement for silage sorghum and the continued introduction of new and improved hybrids. In many regions, the decrease in the amount of irrigation water available is causing growers to consider silage sorghum for the first time.

For new growers, there are many management decisions to consider including hybrid selection, seeding rate, row spacing, weed control and fertilizer needs.

Silage sorghums come in different categories and three main types are described below:

• Conventional – these are basically tall leafy grain sorghum hybrids.

• BMR or brown mid-rib – these hybrids do, in fact, have a brown mid-rib, but what makes them unique is that they have lower lignin content than conventional hybrids, resulting in increased digestibility.

• Brachytic dwarf – these hybrids have short internodes making the leaves close together, giving the plants a dense leaf appearance. The shortened height should also improve standability.

Once the type of silage sorghum has been chosen, it is important to pick the maturity that best fits the environment and end use. A full season hybrid will typically have a higher yield potential but requires more water, fertilizer and a longer growing season. Conversely, early maturing hybrids use less water and fertilizer and can be harvested earlier in the season, providing an opportunity for double cropping to winter forage, if desired.

Seeding rates have been declining the last few years. Historically, 120,000 seeds per acre were typically planted. Today's hybrids will yield well at a rate of 60,000-80,000 seeds per acre. The lower seeding rates improve standability late in the season without sacrificing yield.

Row spacing varies across the country and depends on a number of factors. In those areas where high yields are the goal and water is not limiting, a narrow row of 15-20 inches is often desired. In environments with limited water, 30-40 inch rows are more popular.

Nitrogen requirements are based on the expected yield. A good rule of thumb is 8-9 pounds of nitrogen will be needed for every fresh weight ton of silage produced. With this in mind, a 22-ton

silage yield will need approximately 185 pounds of nitrogen.

Weed control options are generally similar to those used in grain sorghum. A pre-emergence weed control program is essential with most growers relying on atrazine in combination with one of the group 15 herbicides s-metolachlor, acetochlor or dimethenamid. Controlling grass has long been an issue in silage sorghum. New in 2022 is the introduction of Advanta's igrowth® technology into silage sorghum. This technology allows for IMI-FLEX™ herbicide from UPL to be applied either pre-emergence or as an in-season post application to control a wide range of grasses.

Insects are normally not a big concern in silage sorghum. The one exception is sugarcane aphids in the southern High Plains, mid-South and mid-Atlantic regions. Three insecticides, Sivanto Prime, Transform and Sefina, will all effectively control sugarcane aphids. In addition, there are now several silage sorghum hybrids that are available with at least some degree of tolerance to sugarcane aphids. A list of these can be found on the United Sorghum Checkoff Program website *sorghumcheckoff.com*.

It is very important to harvest the crop when it is in the early soft dough stage. This occurs soon after the grain changes color and can still be mashed between the thumb and forefinger. Once the kernel becomes hard, it becomes much more difficult for the cattle to digest the grain. A properly set grain processor on the harvester is recommended.

Sorghum Checkoff Hosts Commodity Classic Learning Center Session

Commodity and conservation organizations, led by the Sorghum Checkoff, joined forces to co-host a Learning Session at the 2022 Commodity Classic in New Orleans entitled "Finding The 'Sweet Spot': Combining Precision Agriculture and Conservation to Build a Sustainable and Diverse Farming Landscape." The session included an expert panel of staff from the Sorghum Checkoff, Cotton Incorporated, Pheasants Forever & Quail Forever, as well as Kansas sorghum and cotton farmer, Andy Hineman. The panel discussed and answered audience questions on how farmers are building successful operations alongside healthy farming landscapes using precision agriculture to target conservation practices that increase their overall profitability. The session featured Cotton Incorporated's More Quail Per Bail Program as well as the Sorghum Checkoff's Sorghum for B.I.R.D.S. Program.

Scan the QR code to view the full Learning Session

SORGHUM INDUSTRY EVENTS

May 30	**Memorial Day** *Office Closed*
July 18-20	**Leadership Sorghum Program V** *TDB*
August 17-18	**Sorghum Checkoff Annual Board Meeting** *Wichita, KS*

For more events, visit sorghumcheckoff.com/calendar

USCP MISSION

The Sorghum Checkoff commits to reveal the potential and versatility of sorghum through increased shared value.

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