

SORGHUM E-Notes

NATIONAL SORGHUM PRODUCERS Ensuring Sorghum's Profitability

May 29, 2008

Mexico Lifts Import Tariffs from all Nations

In January of 2008, remaining NAFTA tariffs on products exported from the U.S. to Mexico, which is always one of the top two importers of U.S. sorghum, were completely phased out. This week, Mexican president Felipe Calderon announced that Mexico will eliminate tariffs on staple food imports from all countries in order to ease high food prices in the country.

"We want to be able to bring these basic products to Mexico from any part of the world at the best price for Mexican consumers," said Calderon.

The measure applies to sorghum, wheat, rice, corn and other products. While the elimination of tariffs on grain from countries other than the U.S. could affect sorghum commerce between the U.S. and Mexico, the weak U.S. dollar makes it unlikely that other South American countries can supply Mexico as high quality a product at a better price than U.S. farmers.

Grocery Manufacturers Launch Campaign Against Ethanol

The Grocery Manufacturers Association (GMA) has hired a major public relations firm to attack the ethanol industry and eliminate all incentives for ethanol production at the state and federal levels. As part of this PR campaign, GMA has made disparaging comments about farmers and their environmental stewardship.

To counter these attacks, NSP officers wrote letters to GMA's officers and board of directors this week, pointing out the mistake in alienating farmers through the spread of negative misinformation while reinforcing the importance of ethanol in the U.S. fuel supply. If you want to help counter this misinformation campaign, please call the NSP office at (800) 658-9808.

NSP Participates in Food vs. Fuel Conference Call

NSP CEO Tim Lust participated in a media conference call yesterday to answer questions about and shed light on the food vs. fuel debate. Each of several participating commodity groups handled one or more of the many factors to blame in rising food costs. Lust talked about rising farm input costs.

"One of our farmer members told me just this week that he bought farm diesel for \$4.19 per gallon, up 200 percent over the past year," said Lust. "Several herbicides have tripled and urea fertilizer was quoted at over \$1000 per ton, up 300 percent from last year. It's no wonder that commodity prices have gone up; it costs much more for farmers to get a crop out of the field. At the same time, other commodity prices around the world have skyrocketed too. Steele, aluminum and copper have gone up significantly more than farm commodities."

Also participating in the call were the National Corn Growers Association, the National Association of Wheat Growers, the Renewable Fuels Association, the National Farmers Union, and the American Farm Bureau Federation.

Agri-Energy Solutions Joins NSP as Industry Partner

Agri-Energy Solutions, a company that aids in the development of renewable energy solutions, has joined NSP at the Contributor Level as an Industry Partner. Agri-Energy Solutions, based in Lubbock, Texas, is owned and operated by Tim Snyder. As an Industry Partner, Agri-Energy Solutions will receive a complimentary advertisement in Sorghum Grower magazine, their company logo and link on the NSP Industry Partner webpage, partnership in the 2009 Sorghum Industry

Conference in conjunction with Commodity Classic, and all benefits of membership including subscription to all NSP publications. You can visit their webpage at www.agri-energysolutions.com. NSP thanks Agri-Energy Solutions for their support and looks forward to a long partnership. If you are interested in learning more about the Industry Partner program, please contact Christi Stulp at (719) 688-4521.

Congressman Randy Neugebauer Discusses Farm Bill with NSP

Congressman Randy Neugebauer of the 19th Congressional District of Texas held a meeting with agricultural commodity groups in the NSP board room on Thursday, May 29. The meeting gave both state and national commodity groups the opportunity to interact with the Congressman about the recently passed Farm Bill and its implications for the future of sorghum and other crop production.

“Looking back at the 2002 bill, in some ways this one is better and in some ways it’s not,” Neugebauer said. “I was always a proponent of a five- or ten-year bill (rather than renewing the 2002 Farm Bill) because this process is getting harder, not easier.”

In addition to the Farm Bill, Neugebauer discussed energy legislation, the price of inputs and America’s weak dollar in relation to agriculture. The meeting was followed by an afternoon press conference.

Planting Almost Up to Normal Pace

As of Wednesday, producers had planted 46 percent of the intended sorghum acreage, slightly behind last year’s pace and the 5-year average. Planting slowly advanced in all states but gained 11 percent or more in Arkansas, Kansas, Nebraska, and South Dakota, during the week. While producers in Illinois were just getting planting underway, nearly all intended acreage was planted in Louisiana. Although planting was behind normal in all states except Louisiana, New Mexico, and Texas, the crop was only 3 percent behind the normal U.S. planting pace, as significant delays were only evident in states that produce smaller amounts of the crop.

From: <http://usda.mannlib.cornell.edu/usda/current/WWNatSumm/WWNatSumm-05-28-2008.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. 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. Copy and paste "Unsubscribe to Sorghum Notes" into the subject line.

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Quote of the week:

It's so much easier to suggest solutions when you don't know too much about the problem.

– *Malcolm Forbes*

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