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## **SORGHUM E-Notes**

October 16, 2008

**NATIONAL SORGHUM PRODUCERS:**  
*the voice of the sorghum industry*

### **Sorghum Promotion, Research and Information Board Appointed**

Secretary of Agriculture Ed Schafer has appointed a Board of Directors for the national Sorghum Promotion, Research and Information Program, or national sorghum checkoff.

The Checkoff Board of Directors consists of 13 producer members. Term lengths in years are in parentheses. Representing Kansas are Jeff Casten of Quenemo (2); Bill Greving of Prairie View (4); Gary Kilgore of Chanute (3); Earl Roemer of Healy (2); and Greg Shelor of Minneola (4). Representing Texas are Bill Kubecka of Palacios (4); Dale Artho of Wildorado (2), and Billy Bob Brown of Panhandle (3). Representing Nebraska is James Vorderstrasse of Hebron (3). At-large seats are filled by Troy Skarke of Claude, Texas (2); Louise Rigdon of Blackwell, Oklahoma (3); Stewart Weaver of Edmonson, Arkansas (3); and Jerry Van Zee of Platte, South Dakota (4).

### **Latest WASDE Report Shows Increased Sorghum Numbers**

As NSP projected, the World Agriculture Supply and Demand Estimate report out last Friday estimated that sorghum production will be up 38 million bushels over the last report. This report suggests that increased sorghum acreage will more than offset projected yield decreases of two bushels per acre.

The September WASDE report estimated that 7.3 million acres of sorghum were planted this year but the October report adjusted that estimate to 8.1 million acres. Sorghum export projections were raised 10 million bushels to 140 million bushels.

### **President Signs 10-Acre Rule Change**

President Bush has signed into law an adjustment in Farm Bill language that made producers with less than 10 acres ineligible for certain farm payments. Under the 10-acre rule, farmers with less than 10 base acres were not eligible for direct or counter-cyclical payments. Under the new law, farmers have one year to combine these small acre operations with other acres for the purpose of program payment eligibility.

### **Panda Ethanol to Open in January**

Panda Ethanol Inc. announced this week that it has successfully restructured the funding arrangements on the company's 115-million gallon-per-year, biomass-fueled ethanol refinery, located in Hereford, Texas. The restructuring was made with the support of the project's senior and subordinated lenders and will allow for the completion of construction and startup of the facility by late January 2009.

As a part of the restructuring, the Hereford project's senior lenders waived all existing defaults occurring under the original financing agreements allowing the project to make construction-related borrowings of up to \$31.5 million. The project can also draw upon \$2.5 million in new proceeds received from the Hereford subsidiary's subordinated lender. Panda Ethanol, the parent company of the Hereford project, will also receive \$2.5 million in working capital as the result of a new equity investment from Panda Energy International, Panda Ethanol's founder and single largest shareholder.

When completed, Panda Ethanol's 115-million gallon-per-year ethanol refinery, located in Hereford, Texas, will be the largest biomass-fueled ethanol plant in the United States with one of the lowest carbon footprints of any similar-sized ethanol facility in the nation.

## **43 Percent of Sorghum Crop Harvested**

Ninety-three percent of the sorghum crop was coloring, seven percent behind last year and three percent behind the five-year average. Development to the coloring stage was at or behind the average pace in all states except Colorado and Illinois. In Kansas and Texas, coloring had occurred on 95 and 90 percent of the acreage, respectively. Sixty-eight percent of the acreage was mature, 22 percent behind last year and 10 percent behind the 5-year average. Forty-three percent of the crop was harvested, 18 percent behind last year's harvest pace and 8 percent behind the average. In Illinois and South Dakota, harvest was more than 40 percent behind schedule. Harvest was complete in Louisiana and nearly complete in Arkansas. Condition of the crop was rated 55 percent good to excellent, one percent better than last week.

## **Get \$3 More per Acre for CRP**

USDA says that they will pay \$3 more per acre for CRP if the owner opens their land to recreational activities like hunting, fishing and bird-watching in partnership with a state access program. The additional payment applies in 21 states including Kansas, Oklahoma and Texas.

## **About Sorghum Notes**

SORGHUM Notes is a publication of the National Sorghum Producers. NSP represents U.S. sorghum producers. The organization serves as the voice of the sorghum industry from coast to coast through education and legislative and regulatory representation. To learn more about NSP 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).*

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## **Quote of the Week:**

"Far and away the best prize that life offers is the chance to work hard at work worth doing."  
-- Eleanor Roosevelt

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