



# PRODUCERS *Rice Letter*

P.O. Box 1248 - Stuttgart, Arkansas 72160 - (870) 673-4444 EOE M/F/Vet/Disabled Volume 38, No. 4 December, 2022

## 2022-2023 Calendar of Events

December 23 & 26	CLOSED Christmas Holiday
January 2	CLOSED New Year's Holiday
January 18-19	Delta Ag Expo, Cleveland, MS
January 26	AR Rice Fed. Annual Mtg, Stuttgart, AR

## 2023 DELTA AG EXPO TO BE HELD IN CLEVELAND, MS

The 49<sup>th</sup> annual Delta Ag Expo, hosted by the Mississippi State University Extension Service, will be held at the Bolivar County Exposition Center in Cleveland, MS on **Wednesday & Thursday January 18<sup>th</sup> and 19<sup>th</sup>, 2023.**

This year it will go back to a two-day event. Sessions will include row crop fertility and costs, early and late season management practices, and regulatory changes and updates.

## 2023 ARKANSAS RICE ANNUAL MEETING

The Arkansas Rice Council and Arkansas Rice Farmers will hold their annual meeting and trade show **Thursday, January 26, 2023.** It will begin at 8:00 a.m. in Stuttgart, AR at the Grand Prairie Center.

This will be the largest gathering of rice farmers and industry representatives from the Arkansas River Valley to the Mississippi Delta, from Louisiana to Missouri. More information on topics and speakers coming soon.

Attendance is free, but you must register online at [www.arkansasrice.org/annualmeeting](http://www.arkansasrice.org/annualmeeting).

## PRODUCERS PAC FUNDS

Contributions are still being accepted for Producers' Political Action Group (PAC). We must continue to support senators and representatives who fight for the rice farmer's cause.

If you would like to contribute, please make your check payable to Producers Rice Mill, Inc., PAC and mail to P.O. Box 1248, Stuttgart, AR 72160. You may also donate through deduction by filling out the form in the QR code below. Please remember no corporate funds can be accepted, only individual or partnership donations.



## RICE AWARD WINNERS ANNOUNCED



Every year at the Annual Rice Awards Luncheon Rice Farming bestows three awards: Rice Farmer of the Year, the Rice Industry Award, and the Rice Lifetime Achievement Award. These annual recognitions, co-sponsored by Horizon Ag and USA Rice, highlight some of the most positive achievements associated with the U.S. rice industry.

The 2022 Rice Farmer of the Year is Paul O. Johnson, from Welsh, Louisiana. He planted his first crop in 1996 and today is considered the premier producer of Jazzman rice in southwest Louisiana.

Rice Industry Award winner Dr. Yeshe Wamishe grew up in Ethiopia helping out on her family's farm, herding livestock, cutting flax, and tending to a vegetable garden. Working for the University of Arkansas System Division of Agriculture has been like a dream come true for her to share the feelings of producers from planting to harvest. Yeshe's willingness to educate agents and growers is unparalleled in the industry and Arkansas farmers have benefited greatly from her dedication and tireless efforts.

Dr. Karen Moldenhauer is the recipient of the 2022 Rice Lifetime Achievement Award. Originally from Iowa, where she received a Ph.D. in Plant Breeding from Iowa State University, Karen accepted a position as a rice breeder at the University of Arkansas in 1982. She is recognized by her peers in academia and industry as a tireless and innovative scientist, and, under her leadership, built the University of Arkansas rice breeding program to what it is today.

## RICE SAMPLES TO BE DISCARDED

Your 2022 crop appraisal samples will be discarded after January 1, 2023, to prevent insect infestation. If you are currently delivering any dry rice, samples will be held until payments are made, but other rice samples (such as 2022 green rice samples) will be discarded.

If you have any questions about your milling yields, please contact member records, 870-674-2449 or 870-674-2478 today.

# MANAGER'S MESSAGE

This year's USA Rice Outlook Conference held December 7-9 in Austin, Texas was another big success. Approximately 600 people attended the conference and 34 exhibitors participated in the conference's trade show. I want to congratulate USA Rice on another outstanding list of speakers and presentations. In this Manager's Message, I will summarize some of the main topics discussed at this year's USA Rice Outlook Conference.



## **New Farm Bill Discussion:**

One of the best attended sessions was a panel discussion of the 2023 Farm Bill. It's hard to believe but the 2023 crop will be the last crop covered under the 2018 Farm Bill. All of the panelists were upbeat about rice prospects going into a new farm bill discussion. Several of the speakers mentioned the recent passing of the Inflation Reduction Act, which allocated new money for conservation and climate smart initiatives, and the Biden Administration finding additional money for nutritional programs should go a long way in reducing the discussion time on some of the most contentious areas of a new farm bill. One of the big goals of the U.S. rice industry is to raise the Reference Prices for rice under the Price Loss Coverage (PLC) program in order to cover the significant increase in rice input cost. When asked on the odds of a new farm bill being passed and signed in 2023, the majority of the panelist expressed the odds in their opinion were greater than 50-50.

## **Possible One-time Aid Payment for 2022 Rice Farmers:**

The panelist for the new farm bill discussion also mentioned there was a good chance a one-time aid payment for 2022 rice farmers may be included in the Omnibus Spending Bill currently being debated in Congress. The rationale behind the payment is when Russia invaded Ukraine, many of the rice input costs rose significantly but unfortunately, rice prices did not respond and rise appropriately to cover the added cost unlike the case for many of the other alternative commodities. The rice aid payment will be paid on 2022 planted rice acres. If an aid payment for 2022 rice farmers is included in the current Omnibus Budget Bill, the U.S. rice industry needs to give a big thanks to U.S. Senator John Boozman of Arkansas and the USA Rice Federation.

## **2022 Crop Reports by States:**

One of the most popular breakout sessions of each Rice Outlook Conference is the State Outlook and Research reports by the six major rice growing states. The mid-south states' reports were very similar regarding their summarization of the 2022 crop. Average 2022 field yields in the mid-south were down from the record field yields of 2021. However, the 2022 milling yields in the mid-south were slightly improved over the previous year. Most presenters credited the drier than normal fall for the better milling yields.

## **2023 Farm Input Costs:**

Another breakout session asked the question if there was any relief in sight for input cost. While it was pointed out that fertilizer and fuel cost have declined recently, it was also noted that interest rates on crop loans will definitely be higher for the 2023 crop. Other than interest cost, most of the panelist were cautiously optimistic that most input cost in 2023 could be the same or slightly lower than the 2022 crop. One message that was shared in this breakout session and throughout the conference is commodity prices have a history of going both up and down. It was noted that U.S. rice prices during the past year have been trading on the higher end of a historic range. Throughout the conference I heard various farmers, extension officials, Ag lenders and rice analysts caution everyone that at some point U.S. rice prices are likely to sell off, whether it's in this crop year or the next. It was also pointed out that when commodity prices do sell off, unfortunately input cost are a lot slower to drop. During such a scenario, crop profits and margins can be squeezed or turned upside down. During these highly uncertain times, many of the speakers advised farmers to consider locking down any good profits when they have the opportunity to sell their 2023 rice at a high price, while nailing down any volatile 2023 input cost. This may turn out to be some of the best advice of the outlook conference.

## **Early Thoughts on 2023 Rice Acres:**

One of the biggest topics of discussion during the Rice Outlook Conference was what will mid-south rice acres do in 2023? For over ten years, rice acreage during even numbered years in the mid-south had rebounded and increased from the previous odd number years. In 2022, that pattern was broken as mid-south rice acres dropped for a second year in a row. Rising input costs and significant rallies in alternative crop prices as a result of Russia's invasion of Ukraine were the main drivers behind less rice acreage being planted in 2022. Even though still high from an historic perspective, some input costs such as fertilizer and fuel have declined recently and new crop (2023) commodity prices for alternative crops have moderated. If these two current trends continue and farmers return to a more normal rotation pattern, most of the mid-south rice extension officials that spoke indicated we are likely to see a slight increase in mid-south rice acres in 2023. In the Arkansas report, it was mentioned 2023 rice acres could rebound to 1,250,000 acres, which would be an increase of 144,000 acres from 2022. The Arkansas spokesman further broke-down his projection as 100,000 acres of the likely increase would be long grain and 44,000 acres as medium grain. However, all speakers cautioned everyone that spring weather could have a big impact on next year's final rice acreage.

**On behalf of your board of directors and the employees of Producers Rice Mill, Inc.,  
we wish you and your family a very Merry Christmas and a Happy & Prosperous New Year.**

Sincerely,



Keith Glover