

NPB Plan and Budget

2021 Budget Year

Report Total	\$68,546,886
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Project Total	\$31,815,650
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Objective #1 - Prevent & Prepare ASF/FAD	\$5,110,000
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Competency - Swine Health & Production	\$5,110,000
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Projects:

1.) Keep African Swine Fever (ASF) Out of the United States	\$1,180,000
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The NPB will convene relevant parties deemed instrumental in the ongoing task of identifying risks and developing stopgaps to keep ASF and other foreign animal diseases (FAD) out. Simultaneously, the NPB will serve as the catalyst for scientific research needed to better understand emerging risks and lead industry to alternative solutions.

Specific & Measurable Objectives:

KPI 1: By August 1, NPB will have increased awareness of the threat of ASF and led to the production and development of resources designed to keep the U.S. vigilant in its efforts to keep ASF out. This will be accomplished through creation of resources such as educational materials highlighting the risk pathways for ASF targeting travelers and importer groups.

KPI 2: By March 1, a pork producer engagement plan has been designed and will be proactively sharing information highlighting ASF exposure pathways and resources designed to help producers mitigate risks, including feed transmission and on-farm biosecurity.

KPI 3: By July 1, a minimum of four (4) research studies are underway designed to mitigate the risk of transmission of ASF in imported feed inputs, as identified in the NPB/SHIC assessment.

2.) African Swine Fever Preparedness and Response to an Outbreak	\$3,355,000
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The goal of this project is to identify gaps in our preparedness strategy and to initiate mechanisms to fill those gaps. This will be done through the development of an all-encompassing plan for disease containment and where possible reestablishment of business continuity in outbreak responses. Planning will include development of a comprehensive crisis management plan for every potential scenario of an ASF outbreak in the United States.

Specific & Measurable Objectives:

KPI 1: By December 1, in collaboration with and approval of the USDA, NPB will work to realize AgView as the pig traceback tool used by pork producers in the United States.

KPI 2: By August 1, design and implement two (2) NPB research studies to address ASF exposure pathways on the farm.

KPI 3: Engage with States, Sustainability, Communications, and Producer and State Engagement staffs to develop and then by 7-21 share crisis management tools to guide decision-making in the event of an outbreak of ASF, including depopulation and disposal.

3.) ASF/FAD Surveillance Tools, Strategies, and Protocols \$575,000

The goal of this project is to develop the science that will guide surveillance and diagnostics development for all FADs. NPB will function as the catalyst for this research, deliver research outcomes that lead to the improvement of national surveillance plans, diagnostic response planning, and will provide key resources for training of on-farm personnel for sample collection during a disease outbreak.

Specific & Measurable Objectives:

KPI 1: By October 1, scientifically valid diagnostic tests and sample types can be used for surveillance and investigation testing for ASF, FMD, CSF, and swine vesicular diseases.

KPI 2: By June 1, an on-farm certified sampler training program is available for industry use and training of farm workers has begun.

KPI 3: By September 1, the NPB will work with the USDA Hemorrhagic Disease Surveillance program to develop agreed upon revisions.

Objective #2 - Real Pork & I2A \$7,150,000

Competency - Domestic Marketing \$6,250,000

Projects:

1.) Industrywide Adoption of the REAL PORK master brand strategy \$4,000,000

Increase demand by engaging consumers in content that celebrates Real Pork and the 7 brand truths, as measured by improvement in pork's ranking on the five consumer perceptions influencing consumer purchases: taste, easy, routine, nutritious, sustainably produced.

Specific & Measurable Objectives:

KPI 1: By January 31, an integrated consumer marketing plan is underway to showcase/share the 7 brand truths, establishing baseline performance against which all future Real Pork marketing and communications will be measured.

KPI 2: Reach 100,000,000 consumers through partnerships with other associations and brands to tap into new pork consumers.

2.) Business to Business (B2B) Insight to Action \$2,250,000

Increase pork demand by encouraging development of products and services that meet consumers' needs.

Specific & Measurable Objectives:

KPI 1: By January 31, a B2B engagement plan (including thought leadership) is underway, positioning the NPB as a trusted resource for credible insights designed to help downstream partners succeed with pork - including packers, retailers, and foodservice operators.

KPI 2: By December 31, we will work to increase pork on menus in a post-COVID-19 landscape.

KPI 3: By December 31, we will earn an additional 1% of market share in the retail space.

Competency - Human Nutrition **\$900,000**

Projects:

1.) Pork Nutrition Strategy **\$900,000**

Improve consumer perception of Good For Me/My Family

Specific & Measurable Objectives:

KPI 1: By January 31, NPB will work with Registered Dieticians to develop an engagement plan (including thought leadership). This will assist positioning the NPB as a trusted partner in the creation of content to be used in various consumer applications, including education and retail.

KPI 2: From the findings and recommendations found in KPI 1 above, by May 31, a research plan will be in place to fill gaps identified by the evidence map completed in Q1 2021. This will assist in ensuring NPB is a trusted partner with promotion and research of Pork in a consumers diet.

Objective - Diversity of Export Markets **\$7,980,000**

Competency - International Marketing **\$7,980,000**

Projects:

1.) Earn Share in Core Markets **\$5,956,000**

Gain approval for the NPB to partner with the U.S. Meat Export Federation (USMEF) from the USDA. Once approval is obtained NPB would work with USMEF to recapture market share for U.S. pork specifically focused on what are deemed to be “mature markets.” Mature markets are those that by nature have pork as a well-established portion of their regular diet.

Specific & Measurable Objectives:

KPI 1: By December 1, U.S. pork has achieved a 40% market share in Japan. This will be accomplished through researching what potential opportunities exist with Japanese consumers to grow demand for US pork. Demand will be increased through focused promotion opportunities.

KPI 2: By July 1, three (3) customer development events in Mexico are complete, highlighting the features and benefits of the loin.

KPI 3: By December 1, international customers' confidence in U.S. pork has improved because of a deep understanding of We Care sustainability goals and the AgView business continuity regionalization plan.

2.) Developing Markets **\$1,140,000**

Gain approval for the NPB to partner with the U.S. Meat Export Federation (USMEF) from the USDA. Once approval is obtained NPB would work with USMEF to increase market share for U.S. pork specifically focused on what are deemed to be “developing markets.” Developing markets are those that by nature have pork a portion of their diet but not widely incorporated into a daily choice.

Specific & Measurable Objectives:

KPI 1: By December 1, U.S. pork has been showcased at two ASEAN and Latin American events.

KPI 2: By October 1, the NPB has researched and identified the most consistent issues disrupting the export process to Central and South America. NPB will communicate these findings throughout the industry as part of the educational process.

KPI 3: By December 31, the NPB has showcased the U.S. pork industry, via in-depth tours of farms and plants, to five (5) potential new customers from developing markets.

3.) Emerging Markets

\$704,000

Recapture market share for U.S. pork by leveraging the partnership with National Pork Producers Council, the U.S. Meat Export Federation (USMEF), the USDA and other partners, all under the Real Pork master brand strategy.

Specific & Measurable Objectives:

KPI 1: By March 31, the NPB's global insights competency is established, serving as the guide for strategic investment.

KPI 2: NPB will continue the efforts to obtain funding grants from the USDA Emerging Markets Program. If funding is approved then by August 1, two (2) new market assessments will have been completed in collaboration with USDA. This will ensure alignment with the emerging markets plan of action through approval with USDA.

KPI 3: By September 1, the U.K. market evaluation is complete.

4.) Taskforce/Producer Implementation

\$180,000

The purpose of this project is to ensure we engage and enable producers to be present in the export discussion process, including taking tours to export markets to explain how the US production system works.

Specific & Measurable Objectives:

Enable producers to take tours to export markets and explain how the US production system works.

Competency - Swine Health & Production**\$600,000****Projects:****1.) The Impact of Feed Efficiency on Sustainable Pork Production****\$600,000**

Reduce production costs and improve sustainability

Specific & Measurable Objectives:

KPI 1: Develop a suite of research projects aimed at improving feed efficiency in all phases of production by 5% by August 1, 2021.

KPI 2: Assess the downstream impact feed efficiency has on excretion of nitrogen, phosphorus, and volatile solids into the circular economy by December 1, 2021.

KPI 3: Communicate results to consumers and producers through a variety of media channels by December 1, 2021.

Competency - Animal Well-being**\$1,681,100****Projects:****1.) Support for Sustainability Metrics Project****\$1,172,500**

The reward for funding this project will be found in multiple areas including freedom to operate for producers, building trust throughout the supply chain, and providing concrete goals which producers can rally around.

Specific & Measurable Objectives:

KPI 1: By December 31, the U.S. pork industry is perceived as a global leader in sustainable food production via credible 3rd party validators, including active participation in the "Trust in Animal Protein" initiative, and a coordinated thought leadership communications plan, (i.e. Wall Street Journal, WFF, UN FAO, World Econ Forum, World Food Prize, etc.)

KPI 2: Continue to work with USDA to compare swine industry programs with the OIE standards (as listed by the USDA) to determine compliance and gaps. Following the existing checklists NPB has with USDA (USDA created the checklists), NPB would work with USDA to achieve compliance on OIE standards. Once gaps are determined, NPB would resolve gaps, finalize USDA compliance, and develop a communications plan by Dec 31, 2021.

\$508,600

2.) Depopulation and Euthanasia Research and Communications

This will benefit the industry overall with greater knowledge of how to perform euthanasia and depopulation. This will highlight multiple We Care pillars including Our People and Animal Well-Being.

Specific & Measurable Objectives:

KPI 1: By December 1, two (2) key projects researching depopulation are complete, filling the gaps discovered through COVID, including a proactive communications plan sharing the findings with pork producers.

KPI 2: Build a communications strategy by Mar 31, 2021, to deploy materials to various audiences across the swine industry.

KPI 3: Completion of the validation of the Pain Management Assessment protocol used by researchers and governmental entities by Dec 31, 2021.

Competency - Public Health & Food Safety**\$1,254,550****Projects:****1.) Promoting and Improving Antimicrobial Stewardship**

\$420,500

This project is designed to build trust with consumers by improving production practices, collecting necessary data, and sharing the story of the pig farmer.

Specific & Measurable Objectives:

KPI 1: By December 1, in collaboration with state associations, the Pork Checkoff will facilitate three (3) public health themed farm tours sharing the swine production story in context with One Health.

KPI 2: By December 31, the NPB is the catalyst to identify and initiate research against antibiotic resistance via the FFAR ICASA initiative.

KPI 3: NPB will identify partners working in the antibiotic tracking space and develop pilot projects to determine the feasibility of uptake and development of key tools among independent producers by quarter 3 of 2021.

2.) Community and Worker Safety and Health**\$601,550**

This project is designed to build trust with consumers by improving production practices, collecting necessary data, and sharing the story of the pig farmer.

Specific & Measurable Objectives:

KPI 1: By December 1, the results of research conducted on the public health implications of live production - including influenza-related work - and recommendations for mitigation will be shared with U.S. pork producers. NPB will also partner with worker safety and health experts as a board member of ASHCA.

\$232,500

3.) Food Safety

This project is designed to build trust with consumers by participating in research projects aiming to better understand and reduce salmonella prevalence in pork.

Specific & Measurable Objectives:

KPI 1: By December 1, the NPB is the catalyst for pork safety research, engagement, and education, to address vulnerabilities in the pork industry, in collaboration with NAMI, PFSE, AMSA, and other credible organizations.

Additionally, NPB will continue to support AMSA initiatives relating to increasing food safety awareness around pork and will share information on mitigative strategies with producers to reduce prevalence of salmonella and other foodborne pathogens on the farm.

Competency - Environment**\$800,000****Projects:****1.) Reduce Environmental Impact****\$175,000**

Support producers' social license to operate through reductions in pork production's environmental footprint.

Specific & Measurable Objectives:

KPI 1: Develop and repackage environmental training tools (such as short videos and generic on-farm SOPs) for efficiently running swine barns (waterers, ventilation, motors, cool cells, etc.), including how this will monetarily benefit producers. Partnering with producer services to fill in gaps for new pig owners and provide information for producers, veterinarians, and other members of the industry on identifying small improvements within the barns that we can make to save a lot of money and have significant reductions on our environmental footprint.

KPI 2: Support development of updated emission factors and practices to reduce carbon emissions both on-farm (inside of pig barns) and in-field. (Target Cortus and Trabue). Working with Hostetler to tie into Life Cycle Assessment (LCA) analysis and as-excreted research.

2.) Environmental Challenges**\$500,000**

Address common environmental challenges and rhetoric which producers face today.

Specific & Measurable Objectives:

KPI 1: Research environmental aspects for ASF control such as ASF infected manure management and on-farm mass mortality disposal. Working with Becton and Zaabel, who are covering indoor ASF control and overall communications and Wisdom and Crawford covering depopulation.

KPI 2: Manure, nutrient, water and air quality, soil health, and carbon management research activities to protect producer freedom to operate and support broader sustainability efforts. This would include projects such as nutrient management platform trials, novel research approaches for nutrient portability (including cost effective to transport), manure pathogen tracking and inactivation, well water impacts, nitrogen speciation, airborne fecal contamination, odor management. Working with #OneHealth on potential pathogens within manure that would need to be inactivated and producer service on the need for nutrient portability (particularly in nutrient rich, land poor areas).

3.) Environmental Commitment of Pork Producers \$125,000

Every day is earth day on the farm. These projects will be outward facing feel good projects.

Specific & Measurable Objectives:

KPI 1: Partner with States and producer services as positive highlights of what the industry is doing for the environment, through projects such as surveying producers to determine how many conservation acres and what type of conservation acres are related to their operation, assessment of KPI's into sustainability goals, metrics, and carbon footprint, and quantification of manure generation into commercial fertilizer, acre, and bushel equivalents. Partner with States and producer services to communicate out positive highlights of what the industry is doing for the environment. States who include conservation questions (practices and acres) on their State producer survey, and share the information with the NPB, are eligible to receive up to \$3,000 (from state grant program promotion funds) for the external promotion of what pig farms are doing to help the environment--a target of 10 States.

KPI 2: Work with the Monarch Butterfly Conservation Fund or State associated partnership to increase monarch butterfly habitat on pig farms and associated land within monarch flyway. By doing so, NPB will be able to provide educational training tools to swine producers on how to reduce their environmental footprint and protect the environment. Communicate outward to consumers. Working with Iowa and Minnesota to leverage their work in this space and increase pork producers' improvement on monarch butterfly habitat. To assist producers with costs associated in Monarch butterfly habitat programs, each producer who participates in providing monarch butterfly habitat through a recognized monarch butterfly habitat program is eligible (from state grant program promotion funds--target of 100 producers). States with more than 10 producers who participate will be eligible for the external promotion of what pig farms are doing to help the environment--target of 6 States.

Objective #5 - Global Insights \$3,935,000

Competency- Domestic Marketing \$2,175,000

Projects:

1.) Real Pork Consumer Demand Research \$1,425,000

Track real-time domestic demand drivers and deliver insights to downstream stakeholders to enable successful product development, merchandising, and marketing of pork cuts, all to preserve and grow pork's market share.

Specific & Measurable Objectives:

KPI 1: Industry focus for demand-building work, achieved by leveraging the insights collected from 1,500 consumers quarterly to measure the overall brand health of pork, especially compared to other proteins, updating, and sharing the score card ranking.

KPI 2: Unparalleled measurement of pork category presence and performance at retail and foodservice via syndicated data and proprietary insights, and a deep understanding of the impacts of COVID on shopping/eating out behavior, discovering opportunities for pork to be part of the solution for channel partners looking to improve their business and address current trends.

KPI 3: The NPB is the trusted source for research, insights, and information for stakeholders up and down the value chain as a result of deep engagement via frequent communication, including the Insights to Action newsletter, a coordinated research intelligence center, and webinars reaching packers, foodservice and retail operators.

2.) Real Pork Trends and Innovation Market Research \$750,000

Proactively share strategic insights that inspire new products and innovative merchandising of pork products.

Specific & Measurable Objectives:

KPI 1: Conduct updated shopper journey study to collect insights into how shoppers view and decide on protein purchases, especially post-COVID.

KPI 2: Conduct social conversation analysis and leverage syndicated behavior research to identify trends and opportunities in the flavors, consumer interest areas, shopping/lifestyle habits that present and opportunity for pork demand building.

Competency - International Marketing \$250,000

Projects:

1.) Emerging Country Market Assessment \$250,000

Research

Specific & Measurable Objectives:

KPI 1: NPB will continue the efforts to obtain funding grants from the USDA Emerging Markets Program. If funding is obtained, NPB would complete another Emerging Country Market Assessment. We have done China, Vietnam, and Philippines so far. NPB is in the process of identifying the target countries for next assessment now and would like to get two more done next year if possible. Mexico and Central America are all good candidates.

Competency - Technology & Innovation \$400,000

Projects:

1.) Build and Support the US Pork Innovation Ecosystem \$400,000

NPB has prioritized innovation as a component of the strategic plan; in 2021 the NPB will build the ecosystem of innovation partners, pilot programs with key industry customers (and beyond) and build a structured and formal competency.

Specific & Measurable Objectives:

KPI 1: By March 31, the NPB has assessed and audited the U.S. pork innovation ecosystem and defined the gaps and opportunities to enable a systematic process.

KPI 2: By June 30, developed innovative approaches (rapid prototyping, testing) to support internal Competency areas as identified in the strategic plan, including Nutrition, We Care, etc.

KPI 3: By December 1, NPB has leveraged the new ecosystem and defined process to collaborate and execute joint pilot projects to address priorities in the strategic plan.

Competency - Risks & Opportunities \$860,000

Projects:

1.) Consumer Barrier Research \$155,000

Identify and understand the severity of issues that are or have the potential to limit consumer demand for pork.

Specific & Measurable Objectives:

KPI 1: Conduct monthly social conversation analysis to identify the highest volume and most negative issues in pork related posts and validate using a monthly issues tracking poll that demonstrates to what extent these issues are influencing or could influence consumer purchasing decisions.

2.) Proactive Communication \$605,000

Proactively position issues communication to help protect consumer demand against Competency barriers.

Specific & Measurable Objectives:

KPI 1: Conduct real-time issues monitoring and position positive social and digital content to address top 3-5 barriers with consumers identified through research, reaching more than 10 million targeted consumers throughout 2021.

KPI 2: Conduct media research to understand what reporters/outlets are covering which topics relevant to pork production and develop a proactive news bureau to ensure placement of at least one positive pork industry story each quarter.

KPI 3: Conduct spokesperson trainings, preparing at least 50 people (staff, third-party experts, producer leaders, etc.) to engage with top-tier consumer and business media outlets based on the media research and news bureau outreach in KPI 2.

3.) Producer Feedback \$100,000

Survey producers to collect feedback to direct annual planning process.

Specific & Measurable Projects:

KPI 1: Collect quantitative feedback from producers at least annually to help inform planning, communications, and organizational initiatives.

Competency - Environment **\$250,000**

Projects:

1.) We Care Consumer Market Research **\$250,000**

Use market research to determine how to build trust among consumers that pork is good for them and good for the planet.

Specific & Measurable Objectives:

KPI 1: By June 30, conduct focus groups, message testing and/or creative testing as needed to identify the Competency topics, best language and trusted sources to help improve the score card ranking for pork in the category of "Good for the Planet."

Objective #6 - Grassroots **\$2,355,000**

Competency - Domestic Marketing **\$30,000**

Projects:

1.) State Communications Organization and Development **\$30,000**

Program to assist state communication professionals to network and learn from each other. Funding will be utilized to pay for travel and speakers as requested by the state communication staff.

Specific & Measurable Objectives:

KPI 1: Develop year-long networking and development program for state communication staff, by February 1st.

KPI 2: Identify and recruit six state communication staffers.

Competency - Our People **\$1,050,000**

Projects:

1.) Pork Leadership Institute (PLI) **\$80,000**

A comprehensive training program conducted jointly by the NPPC and the NPB and designed to develop future leaders for the U.S. Pork Industry

Specific & Measurable Objectives:

KPI 1: Work with 18 producers, from across the swine industry to expand their knowledge and understanding of organizations through five PLI sessions.

KPI 2: Develop at least two opportunities for PLI participants to interact with National Pork Board Members.

KPI 3: Organize one on one communications between National Pork Board Subject Matter Experts (staff) and PLI participants.

KPI 4: PLI participants will rank the overall satisfaction of the leadership opportunity of each PLI session at a greater than 4 out of 5 average survey result.

2.) Supplemental State Support **\$470,000**

Grant programs for state pork associations to apply for additional funding to work toward national objectives.

Specific & Measurable Objectives:

KPI 1: Coordinate with all departments to develop and deploy a state pork association grant program to apply for funding to assist producer participation in Ag View.

3.) PQA & TQA

\$500,000

Revisions

Specific & Measurable Objectives:

KPI 1: NPB staff will collaborate with producers, pork industry subject matter experts and other key stakeholders to develop new updated versions of the Pork Quality Assurance Plus (PQA+) and the Transport Quality Assurance (TQA) programs.

Competency - Community

\$1,275,000

Projects:

1.) Neighbor to Neighbor

\$35,000

Training program to empower industry stakeholders (owners, employees, contract growers, allied industries, etc.) to confidently speak on behalf of the industry.

Specific & Measurable Objectives:

KPI 1: Work with Communications, and other departments as needed, to update the Neighbor to Neighbor program and promotional material by February 1st. Utilize updated information to present to 750+ individuals around the country on being better able to discuss issues surrounding the U.S. Pork industry by December 1st.

\$415,000

2.) Operation Main Street

Speaker training and deployment program to help industry leaders speak to influential groups about the pork industry.

Specific & Measurable Objectives:

KPI 1: Work with all departments to identify target audiences, messaging and if needed additional speaker training by February 1. As part of deployment participating departments will review and update presentations utilized by speakers, at a minimum, every month.

KPI 2: Evaluate existing speakers' expertise to determine assignments moving forward. Schedule and organize 250 presentations to targeted groups, with a greater than 32% "changed my opinion" review.

3.) Producer Communications

\$825,000

Specific & Measurable Objectives:

KPI 1: Achieve 800,000 high-quality visits from the pork industry audience for the new porkcheckoff.org website, meaning they demonstrate content engagement or perceived value by taking an action, such as spending at least 1 min on the site, scrolling through at least 75% of the page, downloading a resource, filling out a form or watching a video, etc.

KPI 2: Reach more than 500,000 producers each month with messages about Pork Checkoff resources and expertise through earned media placements in the agriculture trade media, including print publications, online stories, broadcast stations, podcast shows and ag business media.

KPI 3: Produce regularly occurring print and digital information for producers (e.g., Pork Checkoff Report print newsletter, annual shareholder/investor report, Pork Checkoff Weekly Update e-newsletter, CEO Top-5 video, Checkoff webinars, etc.) and other resources as needed, maintaining greater than 50% engagement for each vehicle as measured by the annual producer survey.

Objective #7 - Labor **\$500,000**

Competency - Our People **\$500,000**

Projects:

1.) National Pork Board Scholars Program **\$500,000**

Labor supply is a critical issue across the pork industry. Since 2010, the National Pork Board (NPB) has annually sponsored more than 20 scholarships aimed at supporting undergraduate students committed to a career in the swine industry as evidenced by plans to pursue advanced degrees in a swine-related field. Past NPB research funding supported graduate students depending on specific research priorities. As NPB now targets research for funding differently, there is an opportunity to ensure funding of professional student (MS, PhD, Veterinary-PhD) education and training in critical areas of study in traditional and non-traditional disciplines to provide a pipeline of highly skilled employees for the pork industry. The intended outcome of this program is highly trained professionals who possess skills and abilities that have direct application to pork production now and in the future. While results of specific, swine-related research projects is NOT the desired outcome, the NPB recognizes that research is a critical component of professional student training. Therefore, research described in the scholarship application MUST be in an area of importance to the pork industry. The goal will be accomplished through the development of an Request for Proposal (RFP) for scholarship applications and then selections made by an industry group convened by NPB.

Specific & Measurable Objectives:

KPI 1: by 2-1 NPB will convene a scholarship working group consisting of a wide range of expertise within the industry to refine and prioritize the RFP priorities and language.

KPI 2: By 3-1 the RFP will be finalized and released. Collaboration with States, Communications, and Producer and State Engagement staffs will result in communication of the RFP broadly across academia.

KPI 3: By 5-1 NPB will convene the scholarship working group to select research programs that support a broad, multidiscipline approach to training students and have established relationships with pork production companies.

Objective #8 - Internal Projects **\$290,000**

Competency - Finance **\$190,000**

Projects:

1.) Financial Force **\$190,000**

High level review of current financial tools and future needs with emphasis on Expense Reporting was done and Financial Force was identified as the software that will best fit these needs. This system will allow us to be more efficient with financial processes to meet the business needs of the organization.

To be more efficient with financial processes by implementing the appropriate tools to meet the business needs. The goal is to continue to move towards digital solutions to drive efficiency and accuracy. This will allow the organization to become more agile.

Specific & Measurable Objectives

- Cost of project \$150,000
- Implementation of Phase 1 (expense reporting system) - January 4, 2021
- Start of Phase 2 - mid January 2021
- Complete full project done by December 31, 2021

Competency - HR **\$100,000**

Projects:

1.) HRIS System **\$100,000**

With the new FinancialForce tool for Finance, the HRIS system(s) will need to be updated to better ensure continuity of work when it comes to payroll, benefits, training, HR information, etc. across the different functions within National Pork Board.

The current systems put in place today span across different organizations which lead to manual work in certain area. While there is a need to keep some work out of HR (i.e.: Flex administration), there is a desire to review the current processes and tool dependencies today to see how this can be effectively deployed in a new tool.

Specific & Measurable Objectives:

Cost of project - \$100,000

\$4,380,019

Program Total

Objectives:

DM Team Professional Development **\$39,000**

Professional development for each employee throughout the year. Development tailored to the individual needs of the employee.

Specific & Measurable Objectives:

Tied to the organizational objectives and KPIs.

International Marketing Programs

\$185,000

Program budget for International marketing

Supports export growth.

Specific & Measurable Objectives:

Travel, Subscriptions, and Training

Pork Management Conference

\$30,000

The Pork Management conference is suited for anyone in the Pork Industry, whether production or financial. The agenda focuses on current topics within the swine industry. This conference generates over \$80,000 in revenue through sponsorships and registrations. Average attendance is 180 with new faces attending each year. This conference also has a planning committee that meets once per year to review, evaluate, and develop the conference agenda according to the National Pork Board's Strategic Plan.

The conference focuses on topics of production and financial relevance as well as key checkoff initiatives, such as We Care and producer education. What they learn will help them protect their rights and increase the ability of their operations to produce pork in a socially responsible and cost-competitive manner.

Specific & Measurable Objectives:

Each attendee will complete an on-site evaluation; a follow-up 3-month electronic survey will be sent targeting a 20% response rate. Attendees will be asked: what they learned; if expectations were met; what they implemented when they returned to their operations; and what changes, if any, have they made and what other information they need.

Pork Academy

\$110,000

Pork Academy is held in conjunction with World Pork Expo. Educational seminars provide attendees with the most current information, resources, and tools that they can take back and apply immediately in their operations. Pork Academy will be combined with WPX.

Pork Academy is a series of in-depth seminars on current and hot topic issues facing our industry. Pork Academy is held during World Pork Expo.

Specific & Measurable Objectives:

Target at least 500 to 600 attendees and capture demographics to update our producer database.

U.S. Pork Center of Excellence

\$60,000

Partnership fee with U.S. Pork Center of Excellence.

The mission of the U.S. Pork Center of Excellence (USPCE) is to add value to the pork industry by facilitating research and learning for U.S. pork producers through national collaboration. Program efforts focus on coordination and delivery of: swine specific curriculums at bachelors and associate level; a comprehensive core body of production knowledge delivered in fact sheet format that is utilized in swine education programs at bachelors and associate level programs; and development of resource guides on key subject areas such as swine nutrition and sow productivity. USPCE outreach efforts are supported by 46 universities, state pork producer associations, National Pork Producers Council, and the National Pork Board through an annual partner fee.

Specific & Measurable Objectives:

USPCE will continue collaboration with National Pork Board to develop and deliver Swine Science Online and Professional Swine Manager educational classes, with a five-year goal of reaching 400 students with SSOL and 100 students annually with PSM. Lead efforts to bring key individuals and institutions together to propose and seek funding for research, teaching and Extension proposals. Market the National Swine Reproduction Guide and National Swine Nutrition Guide.

Swine Extension/Educators In-service & Executive Committee

\$75,000

One in-service meeting will be held in the fall of 2020 that will focus on up-to-date information and resources available for producers. This event focus is on the delivery of information, tools, and resources. This event includes an educational learning tour. This group contains a 10-member executive committee that meets in person twice each year.

National Pork Board is the only commodity group that provides swine extension specialists and ag educators with

information, tools, and resources they can take back and deliver to the pork producers they serve and/or in their classrooms to the future leaders in pork production. Members of the Producer and State Services Committee are encouraged to attend.

Specific & Measurable Objectives:

The fall in-service will be evaluated through an on-site evaluation form and through impact statements received by members of the executive committee to help us determine if what they learned has affected behaviors/culture of producers and students.

Youth for the Quality Care of Animals (YQCA)

\$42,500

Partnering with other protein specie groups to release the Youth for the Quality Care of Animals (YQCA). Continue development of years 2-4 of the YQCA program. The YQCA program will be for youth ages 8-19 to educate them on quality assurance, food safety, public safety, and animal well-being.

Having one common national youth livestock quality assurance program complete by 2017, recognized by all protein species groups as well as a mandatory requirement for all youth to participate at national shows.

Currently there are several states that have developed their own state equivalent programs that encompass all species and have been approved by the Youth PQA Task Force as a comparable program to Youth PQA, as well as other species groups have their own quality assurance program. So, by forming a partnership and developing a program to incorporate all the important requirements of the current programs and have youth certified in one industry recognized youth certification program.

Specific & Measurable Objectives:

The YQCA program is a partnership made up of the six other protein species groups, 8 state equivalent programs, junior associations, junior livestock shows, to provide one common industry youth livestock quality assurance program to maintain expectations as well as reduce the general cost of maintaining the Youth PQA Plus cost. Identify the state contacts for the 4-H and FFA programs and provide the YQCA program information.

PQA Plus - Focus & Advisory Groups

\$200,000

PQA Plus is a program focused on animal care and producing safe food. In addition, the PQA Plus program highlights the importance of protecting public health, safeguarding natural resources, and providing a safe work environment. Individual training results in certification after completing an educational training and then passing a test to verify understanding of the materials. On-farm premises assessments allow sites to achieve site status. The aggregate data demonstrates with Packers and customers the credibility and continuous improvement achieved by the industry through the PQA Plus program. This is a revision year.

Packers and Customers continue to rely on PQA Plus as a tool to demonstrate to their customers the commitment of the US pork industry to the ethical principles expressed through, We Care. PQA Plus is the basis from which a common industry audit platform was built during 2014. PQA Plus synchronized the educational resources and site assessment with the Common Swine Industry Audit tool and database in 2016, revised to meet changing industry needs.

Specific & Measurable Objectives:

Compare the PQA Plus program and site assessment aggregate data with the Common Swine Industry Audit tool aggregate data. Build the second phase of the site assessment tool.

Pork Market Economic Analyses

\$218,000

Partnerships with economic firms providing market intelligence on the pork market; Kerns and Associates, Steiner, LMIC, and others.

Specific & Measurable Objectives:

Ongoing consultative services providing insight into pork market outlook.

Strategy & Innovation Travel

\$75,000

Travel expenses required for execution of business plans.

Specific & Measurable Objectives:

Tied to the organizational objectives and KPIs.

Producer Services Program Management

\$199,000

This tactic funds the Producer Services Department staff travel costs and enables the department to communicate the programs, projects and key messages of the activities provided by the Pork Checkoff to producers, state associations and allied industry. This tactic includes two meetings each year for the Producer Services and Communications Committee meeting.

Staff travel and outreach as well as producer committee meetings are essential to ensure adoption and utilization of key Pork Board programs and initiatives and to ensure prompt and effective communication between the Pork Board and state pork associations. State pork association board leadership and staff will be kept informed on a timely basis of Pork Board programs and activities.

Specific & Measurable Objectives:

Pork Board outreach staff will attend state annual meetings and at least two board meetings/year in key pork states to ensure effective two-way communication on Pork Board programs and initiatives and also will be available to assist states in support of Checkoff-related programs and functions. We will conduct two meetings each year of the Producer Services and Communications Committee. Awareness and adoption of key Pork Board producer education, certification, and image programs (We Care, PQA Plus®, TQA™, HR/worker safety programs, OMS, etc.) by pork producers will be increased.

\$160,000

DM Travel

Domestic Marketing travel expense for execution of business plans.

Specific & Measurable Objectives:

Tied to the organizational objectives & KPIs

TQA Advisor Training

\$115,000

The purpose of the Transport Quality Assurance (TQA) program is to make a positive impact on the pork industry's animal movement practices through the education and continued training of animal handlers. Those trained will demonstrate industry-leading techniques that lead to enhanced animal well-being and high-quality pork products. These funds are used for training, printing of materials database management.

Transport Quality Assurance (TQA) program is to make a positive impact on the pork industry's animal movement practices through the education and continued training of animal handlers, which packers and customers continue to rely on as a tool to demonstrate to their customers the commitment of the US Pork Industry.

Specific & Measurable Objectives:

The TQA program tool will synchronize with research results as well as best industry practices. We will maintain or increase the percentage of Market Hog Packers requiring TQA certification to 90% of market hogs transported to market channels in the US.

Pork Store

\$15,000

Each year, state pork associations are offered a \$1,000 credit to purchase We Care branded items from the Pork Store. Funds from this tactic will be used to purchase new and restock existing We Care Pork Store merchandise.

We Care is the largest industry initiative. We must continue to promote the brand at all levels including assisting state pork associations with the delivery of the We Care brand.

Specific & Measurable Objectives:

At the start of each year, each state pork association receives a We Care promo code for use on Pork Store We Care branded merchandise. The Pork Store keeps a running total of each state's spend up to \$1,000.

PASLWOCO

\$1,187,519

Pigs Across State Line With Out Change of Ownership (PASLWOCO) is designed to provide states with additional resources to accomplish their mission.

The State and National Relations Task Force in November 2011 recommended an expansion of the PASLWOCO program. The sub-group noted that more pigs are moving across state lines today than when the program was created, so the recommendation was developed to address the needs of those states that have lost checkoff revenue as a result of this change. The Board approved a motion to change PASLWOCO as follows: Continue using the current Return to State calculation; Amend the submission timeline to allow PASLWOCO funds to be incorporated into the state's annual budget; Remove current restrictions on PASLWOCO fund use; Provide a full payout to states beginning January 2013

Specific & Measurable Objectives:

1) State must prove it is a net deficit (pigs across state lines without change of ownership) state, based on previous calendar year transactions
2) State must provide documentation to prove net deficit status
3) State must complete the proper application process and meet all deadlines

\$50,000

Strategy: Administration

Strategic investment opportunities in pork's value chain, e.g., sponsorship of food industry events.

Specific & Measurable Objectives:

To be defined for each opportunity.

Advertising, Duplication & Distribution

\$20,000

This allows us to print, package, duplicate, distribute and effectively market all Pork Checkoff educational, scientific and production resources to U.S. pork producers. Use of an inventory-management-system based on producer and end-user demand for education and information resources. This also allows us to update our materials with the latest research, information, photos, and guidelines. This tactic includes science and technology education pieces that need to be reprinted after initial inventory has been depleted. Pork Checkoff can efficiently package and distribute applicable information to educate producers and positively impact their operation.

This tactic plays a key role in communication to stakeholders in all of the identified vulnerabilities.

As research is completed, Pork Checkoff can efficiently package and distribute applicable information to educate producers and positively impact their operation. We will duplicate and distribute resources through the Producer Outreach team, Porkstore.pork.org, Producer Services Center, Swine Educators and PQA Plus advisors. Over 35,000 resources have been given to producers through National Pork Board and State Pork Associations at events, meetings, and the Pork store website.

Specific & Measurable Objectives:

We will measure and evaluate annually the quantity and topic trends in distribution of Pork Checkoff research, education, and outreach materials.

Execution of Outreach

\$35,000

This tactic allows the Producer Outreach team to engage producers and state pork associations with Pork Checkoff messages. The focus of this tactic is creating avenues to communicate what the Pork Checkoff is doing on behalf of producers and to assess/fill these needs. The Producer Outreach team will provide presentations, templates, planning, resources, speakers, cost-share money, resources and materials, pilot projects and in-person presence at events. This also will provide for an upstream information flow back to National Pork Board program staff as well as leadership. This includes working to provide an easy-to-use template for websites and state newsletters to producers. This would assist in getting additional messages out to producers.

Producer Outreach will be the conduit for information flow between Checkoff program areas and producers. The focus will be communicating key messages and connecting everything we do to the We Care initiative. Key audiences include producers, state pork associations, production companies, contract growers, employees, and allied industry partners. The Producer Outreach team will work with other Pork Checkoff departments to create three key messages per quarter that will be conveyed to producers in all of our active states throughout 2019. Another area of focus will be getting Pork Checkoff resources and research into producers' hands. With our success of this tactic it will help producers engage in their role in responsible pork production, the We Care initiative and continuous improvement.

Specific & Measurable Objectives:

The measurement for this tactic will be the annual producer survey and overall Checkoff support, maintaining over 85 percent support. This tactic is key to all of our vulnerabilities and will help gain feedback for annual and strategic planning.

State Tradeshow & Sponsorship Events

\$45,000

The Pork Checkoff will be represented at all state and national events by having a booth and getting our key messages and materials into the hands of the producers that can use them. We are able to make producer connections at trade shows by going to home-state locations. We also are able to support and collaborate with our state partners through this tactic. This tactic provides continuous communication to pork producers about resources available to help them address identified industry vulnerabilities. This addresses the gap of providing resources and information to pork producers created with their Pork Checkoff investment.

Producer Services is often the face of the Pork Checkoff to producers. The ability to talk to producers face-to-face at state tradeshows and annual meetings is vital for our organization. Informed producers allow us to be a more cohesive industry and inform producers about all of our vulnerabilities.

Specific & Measurable Objectives:

We will have a booth/representation at all state pork events, as well as other national tradeshows and events. Producer counts and demographics will be taken by special giveaways that help convey the selected key messages as well as resources distributed at state tradeshows.

Strategy Professional Development

\$21,000

Professional development for each employee of the Strategy & Innovation team - tailored to the needs of the specific employee.

Specific & Measurable Objectives:

Tied to the organizational objectives and KPIs

Youth Activity Sponsorship & Partnership Events

\$57,000

The Pork Checkoff will reach out to a very targeted producer audience, (those with under 1,000 hogs marketed yearly, show pig, specialty producers and seedstock producers). The Pork Checkoff will support youth activities as a means to communicate defined messages with non-traditional audiences. We will help young producers see opportunities for careers in the swine industry. The Pork Checkoff will invest in high school and college-age student development through several leadership and career-development programs, creating a stronger relationship between the pork industry and those students.

As youth are the most visible point in our industry, they can have a loud voice for us as advocates educating through PQA Plus and equipping them with messages to use in face-to-face conversations and social media. Many pork producers do not get face-to-face contact with consumers but youth exhibitors feed on this. Through sponsorship of our youth programs we get the ability to educate and train young people with key messages and information they can use in their consumer interactions as well as push them to engage in conversations with their peers. A Pork Checkoff person speaks at each event about the important role they have in the swine industry and to use what they have learned through PQA Plus to spread the We Care messages. As Pork Production increases, we need not only the next generations of Pork Industry professionals, but we also need advocates who have a farming background to continue to discuss modern agriculture in a positive light. As Millennial research suggests, this generation believe their peers more than other suggested groups. This is an opportunity to continue a positive conversation. This tactic specifically addresses the reputation of modern agriculture vulnerability. This tactic includes support of the National Junior Swine Association and Team Purebred organizations. Additional programs will include a cooperative effort with the National FFA Association Ambassador program. This It fills in the gap of continuous communication of the We Care initiative, focusing on a smaller but very visible section of our industry.

Specific & Measurable Objectives:

We will benchmark our awareness by PQA Plus and Youth PQA Plus participation with youth exhibitors and their parents at shows and events. Through sponsorship in these organizations, the Pork Checkoff will conduct surveys the awareness levels for the non-traditional producer, parents and students looking to enter the workforce in the next to three to five years.

DM Admin

\$50,000

These are cost to operate the day to day functionality of the domestic marketing team. This includes items such as supplies and materials for research and analysis of the staff.

Specific & Measurable Objectives:

Tied to the organizational objectives & KPIs.

State Internship Program

\$8,000

The Production Intern Summit is a leadership focused event for production company's interns to gain more experiences and leadership skills that can be used in their future careers. Interns from all over the country will be able to see, firsthand, the goals and objectives of the National Pork Board and the United States Pork Center of Excellence. While attending the event, participants will be able to network with industry representatives, develop team building skills as well as expand their knowledge of the swine industry.

The Producer and State Services Committee identified the need for developing pork production minded young people. This annual summer gathering allows the National Pork Board to make contact and provide an experience with interns at the various pork production companies.

Specific & Measurable Objectives:

Attendance of pork production interns and pork production companies represented.

State Grant Funding

\$200,000

Enhance pork research, education, and promotion consistent with the Act and Order in the state of California. This would include performing education on modern pork production in the state of California. This will help grow demand with pork consumption in California.

Specific & Measurable Objectives:

Establish additional resources for building support and increase producer engagement services in the state of California.

National Leadership

\$90,000

Scheduled meetings between state associations, their producer leadership, and the National Pork Board. One all-staff meeting in October and four to five specialized group (State Executive, Communicators/Educators, and State Contacts) meetings will be held throughout 2019. The Pork Checkoff will host a collaborative meeting of state communicators and company-level communications directors to network and share information in 2019.

Collaborative state staff meetings will allow for both idea sharing and program information updates. Communication is key to stakeholders when discussing several of the identified vulnerabilities, from foreign animal disease preparedness to feed availability. Pork Checkoff must continue to educate state staff about resources available as well as gain input from the producers in their states. This addresses the gap of providing information to state pork associations and pork producers.

Specific & Measurable Objectives:

Each specialized group (State Executives; State Contacts, Education/Communication Directors) will meet one to two additional times separately in 2019 to further increase idea and information exchange. These events will be evaluated by collaborating with state staff to allow them to guide the agendas as well as a follow up survey after each meeting.

Project Strategy Support

\$20,000

Support for project strategy activities:

- Support for tactical project management (pm) work; software subscriptions, materials
- Support for staff training, coaching, mentoring, and meeting costs associated with trainings
- Hiring external pm assistance either through an intern or outside consulting services
- Travel to task force and committee meetings

As this new role and NPB evolves with the new approach, clarification of responsibilities which best fit the needs of NPB will be continually identified, and therefore budget will increase accordingly.

Specific & Measurable Objectives:

Improve strategic alignment of projects at National Pork Board by improving collaboration, intradepartmental communication, and general project management skills of NPB staff.

This should be measured by an improvement on project delivery; on-time, within scope, within budget.

SH&P Professional Development & Travel

\$218,000

Professional development and travel

Specific & Measurable Objectives:

Professional development and travel for each employee throughout the year. Development tailored to the individual needs of the employee.

Swine Health and Production (SH&P) Admin and Dues \$60,000

Subscription based services for industry research tools.

Specific & Measurable Objectives:

Maintain subscriptions to industry related research tools.

\$50,000

49.) Sustainability Administration

These are cost to operate the day to day functionality of the sustainability team. This includes items such as supplies and materials for research and analysis of the staff.

Specific & Measurable Objectives:

Manage day to day operations

\$18,000

50.) Sustainability Professional Development

The intention behind this activity is to invest in the industry and technical knowledge of staff and to keep current on changes in the sustainability field.

The intention behind this activity is to invest in the industry and technical knowledge of staff and to keep current on changes in the sustainability field. In addition, investment in staff professional development increases employee satisfaction and build morale.

Specific & Measurable Objectives:

Identify participate in beneficial professional development opportunities.

Sustainability Travel \$50,000

Travel for Sustainability

Specific & Measurable Objectives:

Travel for Sustainability

Sustainability Dues & Subscriptions \$5,000

Dues and subscriptions for Sustainability

Dues and subscriptions for
Sustainability

Specific & Measurable Objectives:

Dues and subscriptions for Sustainability

Common Swine Industry Audit (CSIA) Taskforce

\$30,000

NPB facilitates the annual meeting of the CSIA Task Force that manages the CSIA. The Task Force goals are:

- 1) Review audit feedback from stakeholders and review the technical content of the CSIA annually
- 2) Make recommendations regarding the submission of the CSIA to the Professional Animal Auditors Certification Organization for audit review and certification

Specific & Measurable Objectives:

Meetings to be planned for 2021.

Printer Lease and Production

\$50,000

Provide internal printing services, including color and black-and-white copies requested by National Pork Board staff. Also provide large-format digital color posters and banners in small quantities and other collateral materials. This area also reproduces DVDs and CDs.

Printing, Display and CD/DVD support all program areas administered by internal staff and projects.

Specific & Measurable Objectives:

Provide color and black/white copies for recipes, signs, brochures, booklets, etc. Provide duplication of CDs/DVDs.

Provide large format prints for posters, display panels, signs. Other projects as defined and assigned.

Media Relations Program

\$225,000

The Pork Checkoff works with the media to secure positive news impressions and factual information about pork production, pig farmers, pigs, and pork. Likewise, opportunities exist for the Checkoff to be present at events with the media including the annual Ag Media Summit, through work with the National Association of Farm Broadcasters, membership in the Livestock Publications Council, and American Ag Editors Association. Budget dollars are used to support these initiatives, including conference attendance, trade show sponsorship, collateral materials development, and ongoing media relations outreach by staff and producer leaders.

By building relationships with ag and mainstream news reporters, we are best able to communicate about the pork industry, position our spokespeople and messages in the media, and build good will and fair treatment. Specific programs designed toward this end are part of our progressive media relations approach.

Specific & Measurable Objectives:

--Maintain (Target >85%) positive news impressions as measured on the basis of positive / neutral / negative tone of coverage.

--Proactively position NPB staff and BOD leadership in interviews with consumer-facing and ag news media on a monthly basis.

--Attend and sponsor annual Ag Media Summit and National Association of Farm Broadcasters meetings, conducting interviews on site.

--Produce 3 radio news segments/week on Checkoff programs to deliver news of interest to pork producers in a minimum of 15 pork producing states.

--Create and distribute video for media and state association use.

--Respond to media seeking information about the pork industry within 24 hours or less and reduce negative coverage of the pork industry in the media by working closely with reporters.

Communications - Travel

\$75,000

This tactic -- Communications Program Management/Travel -- is created to better account for and define specific travel needs against the other Communications department tactics.

Communications Program Management - Travel: To be the best stewards of Pork Checkoff funding resources, the department needs to adhere to a defined budget for key program areas including proactive outreach, mainstream and social media, risk communications, national award programs, publications and other tactics which support our producers.

Specific & Measurable Objectives:

- Separate expenses by breaking them out of larger pools of budget dollars by defining specific budget amounts for distinct work/tactics.
- Best manage deployment of budget dollars against these defined projects thereby making it easier to assess value of producer dollars invested.

Communications - Professional Development

\$42,000

Establish a Communications Program Management tactic specifically for professional development and training of

Communications Department staff. The intention behind this activity is to invest in the industry and technical knowledge of staff and to keep current on changes in the dynamic communications field.

The intention behind this activity is to invest in the industry and technical knowledge of staff and to keep current on changes in the dynamic communications field. In addition, investment in staff professional development increases employee satisfaction and build morale. It also services to improve the individual performance of each attendee in support of specific client needs (Sci-Tech, Domestic Marketing, Trade, and Producer Services)

Specific & Measurable Objectives:

1. Each staff member will be assigned to accomplish up to one professional development activity per year specific to increasing industry knowledge or technical expertise in their specific field.
2. Following attendance and successful completion of activity, staff members will report out lessons learned, and improvements identified at the ongoing bi-weekly meetings of Communications team.
3. Progress of attendance and completion will be documented in the midyear and yearend performance evaluation.

\$50,000

Communication-Administration

Communications Administration

These are cost to operate the day to day functionality of the communications team. This includes items such as supplies and materials for research and analysis of the staff.

Annual Planning Process

\$200,000

The National Pork board implemented a new strategic plan for 2020. The new plan was developed with grassroots input from across the industry, including more than 1,000 pork producers, and focuses on two overarching goals: Build Trust and Add Value.

To create a nimble and forward-thinking organization structural changes were made - one of those changes was a shift to an Annual Planning and Proactive Engagement cycle. The new annual planning process will incorporate industry feedback year-round and is more agile for a fast-changing business environment. Input from grassroots producers will be critical to this process and the success of the new Checkoff vision.

These costs will be associated with this new process and enabling NPB to gather the input/feedback from the industry.

To support National Pork Board's new strategic vision and gather input from across the industry.

Specific & Measurable Objectives:

Tied to National Pork Board's new strategic vision and overarching goals: Build Trust and Add Value.

\$4,180,150

Support Total

Objectives:

Postage & Freight

\$110,000

Provide non-program related mailing service and UPS for incoming and outgoing mail. Edwards - Pork Store UPS charges \$10,000 will be used for postage permits. All other non-program miscellaneous postage/freight/delivery charges.

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Specific & Measurable Objectives:

Provide non-program related mailing service and UPS for incoming and outgoing mail. Edwards - Pork Store UPS charges \$10,000 will be used for postage permits. All other non-program miscellaneous postage/freight/delivery charges.

USDA Relations

\$330,000

USDA's Ag Marketing Service (AMS), Livestock and Poultry Program is responsible for oversight of the Pork Checkoff program and has daily responsibility in approving budgets, audits, ads, communication messages, purchase orders, contracts, etc. USDA bills the National Pork Board for all costs.

For the reimbursement of administrative costs incurred by USDA in connection with the Pork Promotion, Research, and Consumer Information Order (Order).BACKGROUND: The Pork Promotion, Research, and Consumer Information Act of 1985 (Act)(PL 99-198) and the Order (7 CFR 1230) require that the Board reimburse USDA for all expenses incurred for the implementation, administration, and supervision of the Order, including all referenda costs incurred in connection with the Order.

RESPONSIBILITIES:

The Board will:

1. Reimburse USDA for administrative expenses incurred under the Act and Order. Expenses include direct administrative costs and related overhead of the Livestock and Seed Program, as well as AMS management support costs. Additional reimbursable expenses include salaries and benefits,

or portions of salaries and benefits, and travel expenses including per diem and/or actual subsistence of AMS employees involved in monitoring the program; and portions of operating or overhead expenses covering support facilities such as government office space, equipment, telephones, utilities, supplies, printing, etc. Reimbursable expenses also include any expenses incurred by USDA in connection with the conduct of any referendum and any and all costs billed to AMS by other governmental entities for services provided in support of the Board.

2. Reimburse AMS in full for all established costs billed by AMS within 30 days from date of billing. Reimbursements not received within 30 days will be subject to a late payment charge in accordance with PL 89-508, Federal Claims Collection Act.

3. Submit reimbursements payable to "Agricultural Marketing Service, USDA". Mail to: USDA, AMS, Livestock and Seed Program; Administrative Office, Room 2084-5; 1400 Independence Avenue, SW; Washington D.C. 20250B.

AMS will:

1. Prepare and submit advance monthly billings for anticipated costs incurred related to USDA oversight responsibilities of Board activities in accordance with Public Law 107-76 and as authorized under the Economy Act of 1932, as amended.

Note: These are amounts and are subject to change based on workload.

2.Reconcile monthly actual against monthly advance bills.

Specific & Measurable Objectives:

To have a well-coordinated and smooth-functioning system for USDA oversight of National Pork Board programs that minimizes the impact on Board programs and enhances the efficient processing of necessary oversight documents and programs. To have a positive relationship between the Board and USDA that allows for harmonious discussions on key issues at all levels to resolve issues quickly and serve the needs of both parties.

General Legal Services

\$200,000

The Pork Board needs ready access to competent legal and professional advice to run a solid business operation. This account covers legal costs for general advice and counsel on contracts, personnel issues, tort, confidentiality, ethics, conflict of interests, indemnification, property/casualty, finance and more.

To fulfill the requirements of the MOU with USDA's Office of General Counsel to retain local legal counsel for some Board activities

Specific & Measurable Objectives:

To fulfill the requirements of the MOU with USDA's Office of General Counsel to retain local legal counsel for some Board activities.2. To ensure all business and fiduciary issues are based on solid legal footing. 3. To protect producer and staff from liability.4. To ensure compliance with the Pork Act and Order and with USDA Guidelines.

Gene Editing

\$25,000

NPB will engage in issues management on the developing issue of gene editing. Activities for 2019 will likely be mostly in the communications space and may involve collaborating with commodity groups or other organizations on conferences, memberships in coalitions, and activities that highlight the value of this new technology.

An issue that is being elevated within the industry and we must be a part of the conversation, providing collaboration opportunities and educating stakeholders on gene editing.

Specific & Measurable Objectives:

Develop a communication plan with various stakeholders regarding gene editing. Provide an education resource regarding gene editing including conferences, memberships, and other activities.

Strategic Initiative

\$450,000

Provide funding for strategic opportunities; provide for memberships in related ag groups and coalitions; attend professional development seminars; acquire professional development materials.

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Specific & Measurable Objectives:

Provide funding for strategic opportunities; provide for memberships in related ag groups and coalitions; attend professional development seminars; acquire professional development materials.

Board Standing Committees

\$35,000

Pork Board Nominating Committee (PBNC) candidate interviews in January, plus a PBNC meeting as part of new Board

Member orientation in June. - Costs include training by Ken Martlage, outside consultant on proper interview techniques. - Costs for new Board orientation module update. Resolutions/Advisement Committee costs - Two conference calls, plus paperwork and staff time. Executive, Administrative and Finance Committee costs – Meetings held in conjunction with regular Board meetings, so minimal costs. May be additional material or conference call costs. Board Critical Issue Committee costs – Two meetings held in conjunction with Forum and POW. This Tactic utilizes external resources.

Nominating Committee – Conduct eight Pork Board and four Nominating candidate interviews in January. Annually update the new Board Member orientation module. Resolutions/Advisement Committee – Conduct thorough analysis of State Resolutions and provide good information to delegates. Executive, Administrative and Finance Committee – Ensure regular meetings focused on the committee's charge. Ensure that the committee makes solid recommendations to the full Pork Board on key Board responsibility areas. Board Critical Issue Committee – Ensure full collaboration with program committee chairs and fulfill its objective of more fully integrating the committee's work.

Specific & Measurable Objectives:

Nominating Committee – Conduct eight Pork Board and four Nominating candidate interviews in January. Annually update the new Board Member orientation module. Resolutions/Advisement Committee – Conduct thorough analysis of State Resolutions and provide good information to delegates. Executive, Administrative and Finance Committee – Ensure regular meetings focused on the committee's charge. Ensure that the committee makes solid recommendations to the full Pork

Board on key Board responsibility areas. Board Critical Issue Committee – Ensure full collaboration with program committee chairs and fulfill its objective of more fully integrating the committee's work.

Intellectual Property Defense

\$200,000

The Pork Board owns trademarks, active applications, and registrations to protect. This intellectual property has great value worldwide. These "marks" must be defended, or risk being lost. This account covers legal counsel on pork trademarks and copyright management/defense, licensing and more. With various new brands, logos, slogans and trademarks being developed and considered for use, IP legal counsel will play an important role in ensuring that the National Pork Board has a solid basis on all possible new trademarks, logos, slogans, etc.

1. To protect and defend our pork trademarks and all intellectual properties in all areas related to the new and existing trademarks.
2. To protect and defend all Pork Board tangible and intellectual property.

Specific & Measurable Objectives:

1. To protect and defend our pork trademarks and all intellectual properties in all areas related to new and existing trademarks.
2. To protect and defend all Pork Board tangible and intellectual property.

National Representation

\$120,000

Allows the CEO, Board, and senior staff to represent the National Pork Board to external groups, associations, events where a specific program account does not cover that event. Includes sponsorship of industry meetings where there is a major representation of Checkoff-paying producers: Pork Action Group, Pork Alliance, National Pork Industry Conference, 21st Century Pork Club. Also includes industry meetings regardless of whether a speaker or participant.

Increase the number of positive relationships with other ag and non-ag organizations to the Pork Board. Increase the external respect that is measured for Pork Board programs. Enhance the quality of the relationship of the Pork Board with a broad and diverse range of organizations and individuals. Be in a position to provide leadership to meetings, organizations, and events beyond pork's specific interests. Relationship building and cross-pollination with other organizations' ideas to achieve positive outcomes envisioned for the Board's Critical Issues

Specific & Measurable Objectives:

Increase the number of positive relationships with other ag and non-ag organizations to the Pork Board. Increase the external respect that is measured for Pork Board programs. Enhance the quality of the relationship of the Pork Board with a broad and diverse range of organizations and individuals. Be in a position to provide leadership to meetings, organizations, and events beyond pork's specific interests. Relationship building and cross-pollination with other organizations' ideas to achieve positive outcomes envisioned for the Board's Critical Issues.

Pork Board Meetings

\$300,000

Regular Board meeting expense.

Professional Development includes board training and speaker expenses for meetings

Structure Board agendas to focus on Critical Issues and Desired Outcomes. Ensure that advance information is received by all Board members in a timely fashion. Ensure that website information is current for Board members. Ensure that notices are timely and AMS approves.

Specific & Measurable Objectives:

Structure Board agendas to focus on Critical Issues and Desired Outcomes. Ensure that advance information is received by all Board members in a timely fashion. Ensure that website information is current for Board members. Ensure that notices are timely and AMS approves.

Dues & Subscriptions

\$7,500

Publications and professional dues

Publications and professional dues

Specific & Measurable Objectives:

Publications and professional dues

Memberships and Sponsorships

\$100,000

This tactic supports participation or membership in key partner organizations, such as the Council for Agricultural Science and Technology (CAST), the Pork Action Group, International Meat Secretariat and Pork Alliance. The goal is to build the needed collaboration to maximize value of Checkoff dollars and reach key audiences of Checkoff paying producers with maximum efficiency and effectiveness.

CAST provides objective third-party research on key industry issues bringing credibility to some key issues faced by the U.S. pork industry. The Pork Action Group consists of the larger U.S. pork producers, who also pay the vast majority of the Checkoff. Our support allows us to get the Checkoff message to a key audience that does not come together in one group often. The International Meat Scientist (IMS) provides interface with other key international players in the pork business that allows the Pork Board to better serve U.S. pork producers. Pork Alliance consists of allied pork industry businesses and suppliers that have unique access to pork producers, being on their farms daily.

Specific & Measurable Objectives:

CAST provides objective third-party research on key industry issues bringing credibility to some key issues faced by the U.S. pork industry. The Pork Action Group consists of the larger U.S. pork producers, who also pay the vast majority of the Checkoff. Our support allows us to get the Checkoff message to a key audience that does not come together in one group often. The International Meat Scientist (IMS) provides interface with other key international players in the pork business that allows the Pork Board to better serve U.S. pork producers. Pork Alliance consists of allied pork industry businesses and suppliers that have unique access to on-farm pork producers.

Professional Development

\$12,000

Board development/training

Specific & Measurable Objectives:

Board development/training

Delegate Meeting

\$393,000

Business meeting where Pork Act Delegates meet to discharge their responsibilities and to review issues, to plan, coordinate and share information

The Pork Act and Order requires that the Pork Act Delegate Body meet and discharge its responsibility to set the checkoff rate, the return to state rate, and to nominate candidates to the Pork Board. This is all accomplished at Pork Forum. It is also important all delegates and other producers have the opportunity/environment for networking amongst delegates, producer leaders, board, and staff.

Specific & Measurable Objectives:

The Pork Act and Order requires that the Pork Act Delegate Body meet and discharge its responsibility to set the checkoff rate, the return to state rate, and to nominate candidates to the Pork Board. This is all accomplished at Pork Forum. It is also important all delegates and other producers have the opportunity/environment for networking amongst delegates, producer leaders, board, and staff.

Travel-Meeting Services

\$45,000

The account covers costs for on-site meeting coordination and costs related to hotel site search. It also covers time and expenses for the professional meeting planning staff to continue their education training and professional development within the meeting industry, to join and participate in MPI and other professional meeting planning organizations.

The central meetings management service is critical for all departments to keep cost contained, protect NPB interests and have quality meetings. The costs associated with the account are an investment in staff professional development and will pay for themselves over time. The NPB will see results in better contracts with vendors, hotels, food purveyors, protecting NPB interests and managing cost. They also contribute to more productive, efficient, well-run meetings.

Specific & Measurable Objectives:

The central meetings management service is critical for all departments to keep cost contained, protect NPB interests and have quality meetings. The costs associated with the account are an investment in staff professional development and will pay for themselves over time. The NPB will see results in better contracts with vendors, hotels, food purveyors, protecting NPB interests and managing cost. They also contribute to more productive, efficient, well-run meetings.

Finance Services

\$430,000

Relates to costs associated with accounting functions, specifically for audit, banking, online banking activity, credit card fees, checkoff management, cash and financial management, budget activity, forecasting, risk management, reporting and business intelligence, merchandising expense, USDA and internal compliance, internal controls, training and travel. Budget also includes reporting software. Provide state support and oversight through direct documentation, financial review of accounting procedures/reporting and administrative functions.

Present timely, reliable, and accurate financials, provide operational efficiency and effectiveness, ensure compliance, present information that is useful and manageable for staff and producer leadership, provide customer service to both staff and stakeholders and assess risks.

Specific & Measurable Objectives:

Internal and external customer satisfaction, mitigating and eliminating risks, providing accurate, timely and reliable financials, budget variance analysis, completed successful audits for financial and compliance, providing decision-making tools and improving operations through efficiencies and effectiveness across the organization.

IT Services

\$405,000

Relates to costs for supplies, education, and external consulting.

Maintain and enhance technology solutions. Provide timely assistance to staff on use of technology solutions.

Specific & Measurable Objectives:

Maintain and enhance technology solutions. Provide timely assistance to staff on use of technology solutions.

\$391,000

HR Services

HR Services including admin, professional Services, training, and travel.

Specific & Measurable Objectives:

HR Services including admin, professional Services, training, and travel.

\$1,650

Mailing and Shipping/Warehouse Dept

Provide mailing and shipping services for National Pork Board staff.

Specific & Measurable Objectives:

Provide mailing and shipping services for National Pork Board staff.

\$175,000

Consultant

Consultant fees to retain John Johnson or Agricola, LLC to represent National Pork Board with various audiences in the NE United States.

Specific & Measurable Objectives:

Fees will be monthly - not to exceed \$175,000 for 2021. Invoices will be submitted monthly by Agricola, LLC.

Career Resources

\$450,000

The strategic planning process identified two overarching goals: Build Trust and Add Value. In order to execute the new vision National Pork Board will have to restructure to align with the new

goals. As we align with these new goals, some roles in the organization will no longer be needed. These costs will be for severance packages and costs to help in their new career search.

To execute the new strategic vision and align with the organization goals

Specific & Measurable Objectives:

Costs of severance packages and career resources.

Overhead Total **\$2,204,580**

Objectives:

Depreciation **\$885,000**

Depreciation of equipment, furniture, IT (hardware and software), leasehold improvements - based on capital expenditures and including the existing depreciation schedule.

Vehicle Leases **\$48,580**

Lease of one Suburban and one Tahoe for NPB related travel.

Projected cost savings versus mileage reimbursement.

Office Supplies **\$60,000**

Office supplies for staff

Misc. Cost **\$10,000**

Miscellaneous costs not covered by other accounts. The "miscellaneous account" for \$10,000 covers a variety of items that were small enough that we did not do a specific tactic detail report for them. Examples include pension administration fees, airport parking, Shred-it cost, Paychex for flex management fees.

Building Maintenance **\$135,000**

Maintenance for office building.

Office Rent **\$308,000**

Office rent pays to NPPC at current monthly rate of \$24,228.00 per the appraisal. The Pork Board does not pay property tax but makes an estimated "pilot" payment to the city of Clive, estimated at \$17,000

Office Rent & Pilot Program

Equipment & Maintenance

\$127,000

This includes IT maintenance, equipment repairs, vehicle expense and small equipment purchases (under \$2,500). This also includes equipment maintenance in building and warehouse.

Equip and maint - it is important to maintain our equipment for the building and operations to be effective and efficient as well as safety.

Grounds Maintenance

\$60,000

This tactic covers grounds maintenance and snow removal for the year. This will include mowing and general maintenance on the grounds and also in the courtyard; snow removal; maintenance on the sprinkler system in the courtyard; tree removal and trimming on the grounds; and landscaping, including the two planters in the courtyard.

Mowing and general maintenance on the grounds and courtyard; snow removal; sprinkler system maint; tree removal and trimming on the grounds; and misc. landscaping maint.

Property & Casualty Insurance

\$115,000

Property and casualty insurance

Utilities

\$70,000

Utilities for office

Telecommunications & Internet Services

\$386,000

In house telecommunications for telephone and internet hosting and reporting.

Return to States Funding Total**\$12,840,000****Objectives:**

2.) Return to state funding

\$12,840,000

The Pork Act provides that every qualified state pork association will receive return-to-state (RTS) Checkoff funds in accordance with the RTS formula in the Pork Act, with the rate of return set by Pork Act Delegates. The funds are collected by the National Pork Board and returned to states monthly.

Monthly return to states. Annual review of the RTS formula by delegates

Miscellaneous Expenses Total

\$13,126,487

Salary

\$9,951,851

Cost of staff gross salaries, including adjustments, overtime, bonus, and merit increases.

Salary expenses between program and support

Employer Payroll Taxes

\$695,676

This includes the employer portion of FICA (social security and Medicare)

Benefits

\$2,478,960

Costs of employer portion of benefits such as medical, dental, 401k, ltd, vision, etc.

Monthly payments of employer portion of benefits.

Specific & Measurable Objectives:

Expecting a 10% increase on medical and a 2.5% increase on dental

Capital Expenditures

\$160,000

See attached Fixed Assets list.