



To: Wheat Marketing Center Board of Directors
From: Mike Moran, *Executive Director*
Date: March 29, 2024
Subject: Executive Director's Report

Summary

Crop Quality in person seminars resumed this year. As is typical staff time has been focused on Wheat Quality counsel testing and analysis for emerging varieties, grower tours and export workshops, and planning for upcoming USW workshops and research activities. Budget planning has now started as well.

Operations

Staff –

- WMC is currently at seven full-time positions and one part-time as needed for milling assistance.
- We now have two full time hourly lab technicians. Autumn has started her master's program with Kansas State, and Andrew is applying for master's programs with the hope of beginning in the fall. The seasonal lab position has been posted for Crop Quality.
- Current staffing is sufficient to maintain current operational needs and allow for expanding programs.

Equipment –

- A new Farinograph has been purchased and is set to arrive at the end of March 2024. Fifty percent of funding has been secured through appeals to the state commissions, and the remaining Fifty percent is anticipated to be covered in the next several months.
- The new SRC shaker arrived at the end of December and is in active use. Dr. Bock is guiding the process to ensure the official AACC certification of the equipment and method. This process will take place over the next year and will set an international standard for all labs.
- We continue the process of upgrading facility computer capacity and migrating to a cloud-based server to better meet the needs of the team, and gain efficiency. We anticipate the completion of the full migration to Microsoft SharePoint in the next 6-9 months.
- We have completed a review of viable options and will be moving to a Voice over internet protocol phone system in the next two to three months. The cost will remain roughly the same as our current land line phone system but with much improved functionality.

Budget and Finances –

- Total revenue and expenses continue to track as anticipated against the budget as of the month end financial February 29.
- Proprietary lab services revenue is behind YTD budget as the lag in larger projects discussed in October continues. Several larger projects continue; however the industry is remaining cautious about engaging in new product launches and other investment as the economic forecast remains uncertain.
- The purchase of the new Farinograph occurred ahead of schedule and outside of the budgeted numbers as reflected in the capital budget equipment purchases. This will be offset in higher-than-expected revenue in the State funding category, much of which is committed but not yet reflected in the February financials.
- Higher than budgeted Crop Quality costs are primarily a reflection of increased transportation costs for shipping samples.
- As building occupancy continues to lag, unanticipated capital draws have been necessary. We anticipate this to continue until occupancy is again above 75%.
- Budget development for the next fiscal year is in progress and state funding proposals will include a special request related to website redevelopment.
- Proposals are also being prepared for potential USW and State funded research projects that will take place in the next year.

Promotion and Media --

- Please refer to Brent's social media activity. Recent activity has increased significantly particularly on LinkedIn in response to posts about visiting groups.
- We have begun work to develop proposals for long overdue website development. Based on preliminary conversations, we are anticipating an additional cost of \$30K-\$40K in FY 24/25 to meet this need.

Activity

Program and Project Delivery

- **Courses -**
 - Courses have been scheduled for three groups from South Korea, one group from China, and another from South America. Additional groups are anticipated in the next year, pending the final approval of RAPP funding in June.
 - Additional research proposals are being prepared in anticipation of RAPP funding approval such as for the SRC shaker method certification.
 - Hosting a Baking workshop in collaboration with the OSU Food Innovation Center in May 2024
 - Hosting an Oregon Legislative tour in May 2024
- **Grower Tours and Visitors –**
 - Grower groups took place in November through March including Washington, Idaho, Nebraska, Oregon, Montana, and North Dakota. Attendees participated in hands on demonstrations in the bake lab, innovation lab, analytical lab, and FGIS lab learning about the grading process. We also toured bakeries, grain facilities, testing labs, and learned about the river system on a Shaver Tug Boat.

- Hosted two days of workshops sponsored by The PNW Grain and Feed Association. These workshops were attended by 26 member employees from across the region.
- **Visiting Scholar** - We are actively looking for a new visiting scholar and are engaging with USW and state programs to identify potential candidates.

Stakeholder Education / Outreach

- Attended the USDA AMS/Texas Tech Innovation Summit in Lubbock Texas at the invitation of Arthur Neal.
- Crop Quality Seminars resumed in person –
 - Jayne attended the North Asia tour in China, Taiwan, South Korea, and Japan
 - Mike attended the South America tour in Columbia, Ecuador, Peru, and Chile
- Brent Haugen Attended the Wheat Foods Council Meeting in San Antonio Texas
- Participating on the Wheat Yield Contest advisory group and provided testing on Soft White and Soft Red wheat.
- Attended the USW/NAWG joint meeting in Washington D.C. including the Wheat 101 meeting on Capitol Hill.
- Jayne and Liman attended the PNW and National Wheat Quality Council meetings, and Jayne attended the Eastern Quality Council meeting.

Upcoming Travel

- USW World Staff meeting in Malta – Both Dr. Bock and Mike Moran will attend.
- Winter Wheat Tour in Kansas
- Wheat Foods Council Meeting in Manhattan, Kansas
- USW Summer Board Meeting in Oklahoma
- International Baking Industry Exposition Las Vegas