



Budget



2026



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Glossary

APEX	American Pork Export Trading Company
ASF	African Swine Fever
B2B	Business to Business
B2C	Business to Consumer
CLEAR	Clarity and Leadership for Environmental Awareness and Research
CSIA	Common Swine Industry Audit
FAD(s)	Foreign Animal Disease(s)
HR	Human Resources
NPB	National Pork Board
NPPC	National Pork Producers Council
PMC	Pork Management Conference
PQA Plus[®]	Pork Quality Assurance [®]
ROI	Return on Investment
SAHOs	State Animal Health Officials
SHIC	Swine Health Information Center
SME(s)	Subject Matter Expert(s)
TQA[®]	Transport Quality Assurance [®] Plus
U.S.	United States
USMEF	U.S. Meat Export Federation
USPCE	U.S. Pork Center of Excellence
YQCA	Youth Quality Assurance Program

+ Introduction to the Pork Checkoff

Pork Act & Order

United States Code § 4801-4819 “Pork Promotion, Research and Consumer Information Act of 1985” (Pork Act) establishes that pork and pork products are basic foods that are valuable and healthy dietary pieces. The production of pork and pork products plays a significant role in the economy of the United States because pork and pork products are produced by thousands of producers, consumed by millions of Americans daily, and pork and pork products must be readily available and marketable to ensure that the people of the United States receive adequate nourishment.

Funding Mechanisms

National Pork Board (NPB) programming is funded by NPB’s collection of Pork Checkoff assessments on the sale of live pigs at a rate of 35 cents per \$100 value. Two variables affect annual Checkoff revenue — total weight of the national live hog marketing (which is a function of total pigs marketed throughout the year and average live weights) and the market price. Pork Checkoff revenue is not guaranteed but variable and a reflection of the market. Accurate forecasting analyzes pig numbers, average weights and market prices to ensure programming costs are in line with available funds, which drives budgeting parameters.

Use of Checkoff Dollars

NPB invests these Checkoff funds on behalf of the U.S. pork industry in promotion, research, and producer and consumer education in accordance with the Pork Act. USDA’s Agricultural Marketing Service (AMS) provides oversight of Checkoff funds by approving the budgeted deliverables and scope of work and ensuring compliance with the Pork Act and relevant guidelines.

+ Executive summary

NPB — Overview

A 15-member Board of Directors (Board) oversees the NPB and Pork Checkoff funds. Each year, Pork Act Delegates, appointed by the U.S. Secretary of Agriculture, have the responsibility of electing members to the Board, setting the Checkoff assessment rate and establishing the return-to-state rate, which provides funding to the designated state pork associations. The CEO reports to the Board and is responsible for NPB’s project and program implementation and staff in four working areas: 1) Communications, Producer and State Engagement; 2) Demand Enhancement; 3) Swine Health, Production and Sustainability; and 4) Administration.

NPB is agile and accountable to clearly define current priorities, and we are prepared to lead the industry into an ever-changing future. Empowered by the Pork Act & Order, NPB achieves our strategic objectives through promotion, research and consumer information.

+ WHO WE ARE

NPB's Mission

The National Pork Board builds trust and adds value to the U.S. pork industry through promotion, research and education.



Vision

U.S. pork — powered by farm families, trusted by consumers, built for the future.

Core Values

The U.S. pork industry is strong because we work together to drive demand and ensure pork remains a trusted, high-quality choice for consumers. By upholding our We Care[®] principles, we share a responsibility to care for people, pigs and the planet.



Animal Well-Being



Community



Environment



Food Safety



Our People



Public Health

+ WHAT WE DO

Three Years, Three Goals:



1) Improve the lives of our pigs and our people



2) State pork associations and their producers are better able to anticipate and adapt to continuous change



3) Drive and increase the long-term value of pork

CORE COMPETENCIES

Everything we fund or do must ladder up to one of these two imperatives:

Build Trust

We strengthen our freedom to farm by working in a trustworthy manner and transparently sharing the story of U.S. pork.

- Animal Well-Being
- Public Health
- Environment
- Food Safety
- Our People
- Community



Add Value

We leverage innovation to improve the value of U.S. pork and increase revenue for U.S. pork producers.

- Swine Health and Production
- Global Demand Development
- Sustainability
- Nutrition, Health and Wellness
- Research and Innovation
- Reputation Management



TASTE WHAT PORK CAN DO.™

BUDGET PROCESS AND INPUTS

The Budget and Operating Plan is aligned with the strategic vision and the input received from producers during the annual planning cycle. The annual producer planning and prioritization process is based on active input and direction from the following segments:

- Independent Producers
- Contract Growers
- Land-Grant Universities
- Integrated Producer-Packers
- Niche and Specialty Producers
- Ag Economists
- Producers With Packer Commitments
- Show Pig Producers and Youth
- Foodservice
- State Pork Associations
- Processors
- Retail Grocery
- National Pork Board Board of Directors
- Allied Industries

Available funds

NPB sets the annual Pork Checkoff budget with a goal of establishing a consistent, sustainable national spending level. The available funds target consists of a conservative Checkoff revenue forecast, interest revenue forecast and the use of reserves to assist in achieving consistent annual spending levels.

A) Checkoff Assessment and Investment Revenue

NPB’s staff and Board utilize the USDA Hogs and Pigs Reports, industry relationships and economic statistics to analyze and forecast production and revenue. The 2026 industry forecast used for budgeting suggests 126.M million hogs (from 125.1 million in 2025) will be marketed at a carcass weight average of 216 pounds. Market prices are expected to range from \$94.00 to \$98.00 per cwt. Total national and import Checkoff assessments are forecasted from \$86M-\$89M in 2026. NPB is budgeting below the forecast analysis in anticipation of additional budget requests throughout the year. The Board conservatively adopted \$83M in budgeted Checkoff assessment revenue, \$79M domestically and \$4M from imports, and an additional \$1M in short-term investment revenue.

	2025 Estimate as of 7/31/24	2026 Estimate	2026 Working Budget
Low	\$93,000,000	\$86,000,000	\$83,000,000
High	\$95,000,000	\$89,000,000	

B) Utilization of Reserves

In 2026, \$17.2M of reserves is budgeted to be deployed to maintain budget stability while meeting industry needs and priorities.

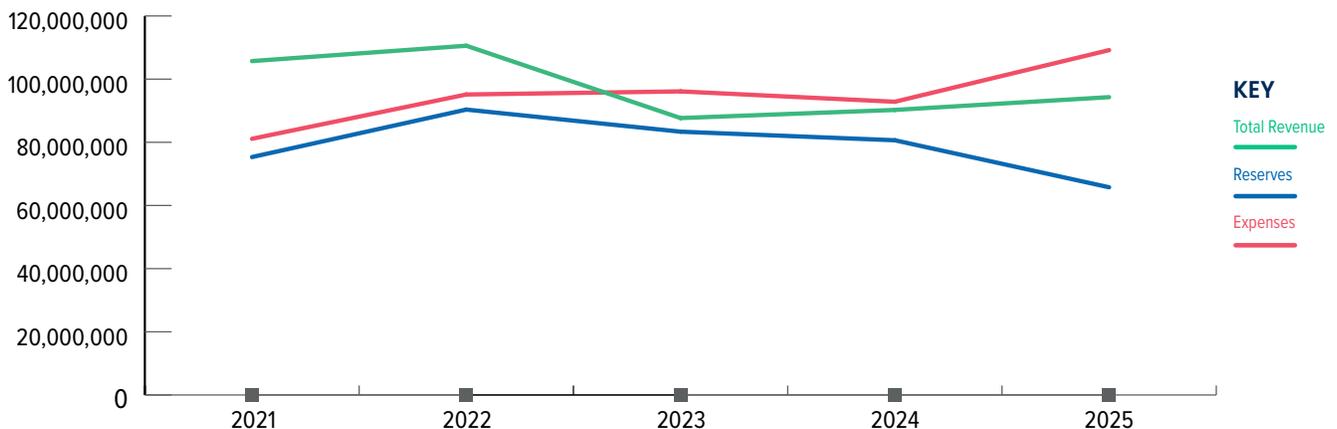
C) Funds Availability

The total funds availability for the 2026 budget is \$101.2M. NPB and the Board monitor revenue forecasts throughout the year and may amend the budget as appropriate to deploy funds to support the industry through the Next On process.

Budget overview and analysis

Based on market forecasts, NPB adopted a conservative 2026 budget of \$83M in revenue and \$17.2M from reserves to fund \$101.2M in expenditures. Similar to 2025, NPB adopted a budget where expenditures exceeded revenues. As a result, total reserves accumulated during 2021-2022 will decrease.

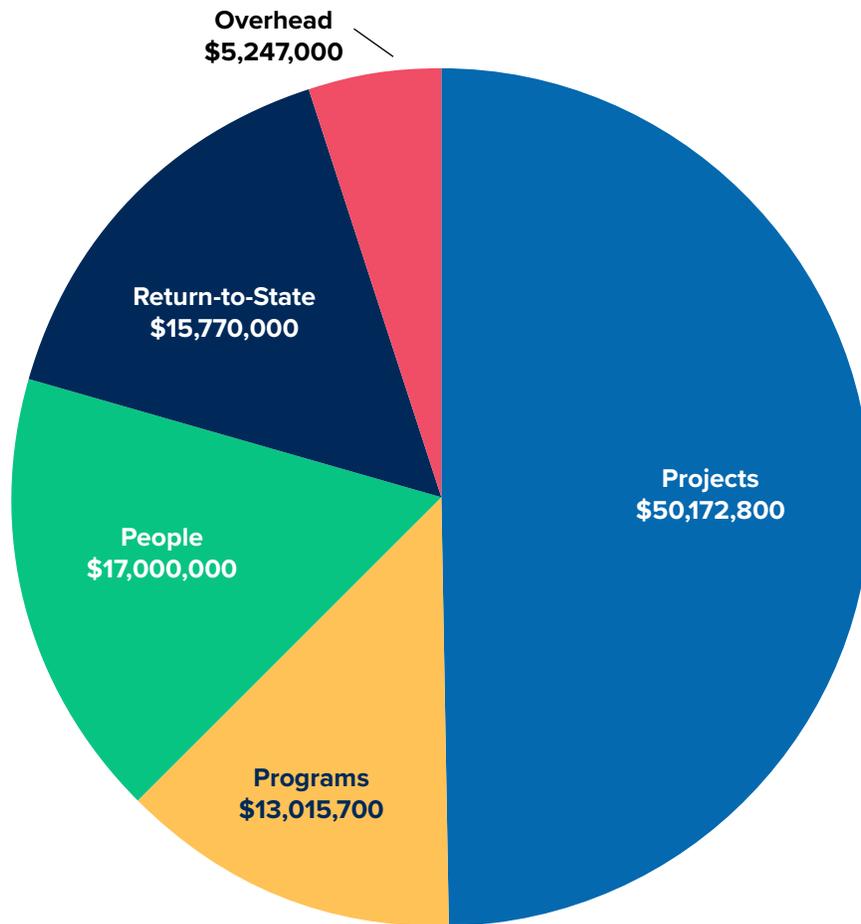
REVENUE-EXPENSES-RESERVES TREND 2021-2025



2025 BUDGET REPORT

	2025 Adjusted Forecast	2026 Budget	Variance
Checkoff Revenue	\$90,000,000	\$83,000,000	\$(7,000,000)
Other Income	\$4,296,392	\$1,000,000	\$(1,000,000)
Total Revenue	\$94,296,392	\$84,000,000	\$(10,296,392)
National Spending	\$92,344,878	\$85,435,500	\$(7,614,878)
Supplemental Spending	\$500,000	-	\$0
Return-to-State	\$16,340,00	\$15,770,000	\$(570,000)
Total Expenses	\$109,184,878	\$101,205,550	\$(8,684,878)
Impact to Reserves	\$(14,888,486)	\$(17,205,550)	\$(1,611,514)
Designated Reserves	\$5,000,000	\$2,500,000	\$(2,500,000)
Undesignated Reserves	\$75,640,810	\$63,252,324	\$(12,388,486)
Ending Reserve Balance	\$65,752,324	\$48,546,824	\$(17,205,550)

2026 OVERALL PROPOSED SPENDING



+ National projects and programs

Building on current year success, NPB is planning many value-adding initiatives to address the priorities and needs of our producers and state pork associations in 2026. The Board continues to budget conservatively and focus producer dollars on high-priority areas recommended by the industry through the annual planning cycle and strategic plan.

Projects – Objective-based items determined and prioritized through the strategic plan and annual planning process to support the industry, commonly single-year focused, such as specifically supporting swine health or market development

Programs – Recurring items that help support the industry, such as Pork Quality Assurance® Plus (PQA Plus®)/ Transport Quality Assurance® (TQA®), state supplemental support, national meetings and task forces

A) Projects

Based on the Board’s adopted strategy and the input and direction of producer and industry leaders, Checkoff dollars are applied to projects and objectives based on priorities, as well as ensuring a positive return on investment of producers’ dollars.

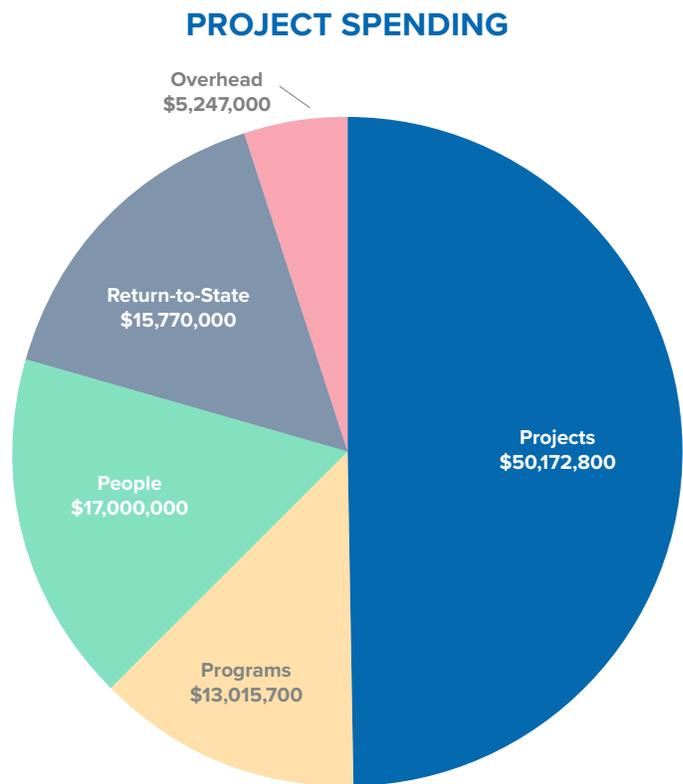
The Checkoff allocates \$50.2M to a comprehensive set of projects within the three strategic plan priorities and business objectives, the scope and value of which are outlined below. Details of each project can be found in Section 5.

All project work budgeted has specific, measurable and relevant ROI metrics that will be reported on throughout the year through dashboards and scorecards. The evaluation of ROI helps determine future investment levels and demonstrates the value of producers’ Checkoff assessments.

Throughout the year, opportunities to fund additional projects may present themselves. NPB uses a Next On process to evaluate such opportunities. Management maintains a list of prospective projects to be proposed to the Board for budget consideration should the need or opportunity arise. Next On proposals are not part of the adopted budget and must follow policy for approval of a budget revision.

Project spending is organized by key objectives. Further details of specific projects within each objective are discussed in Section 5.

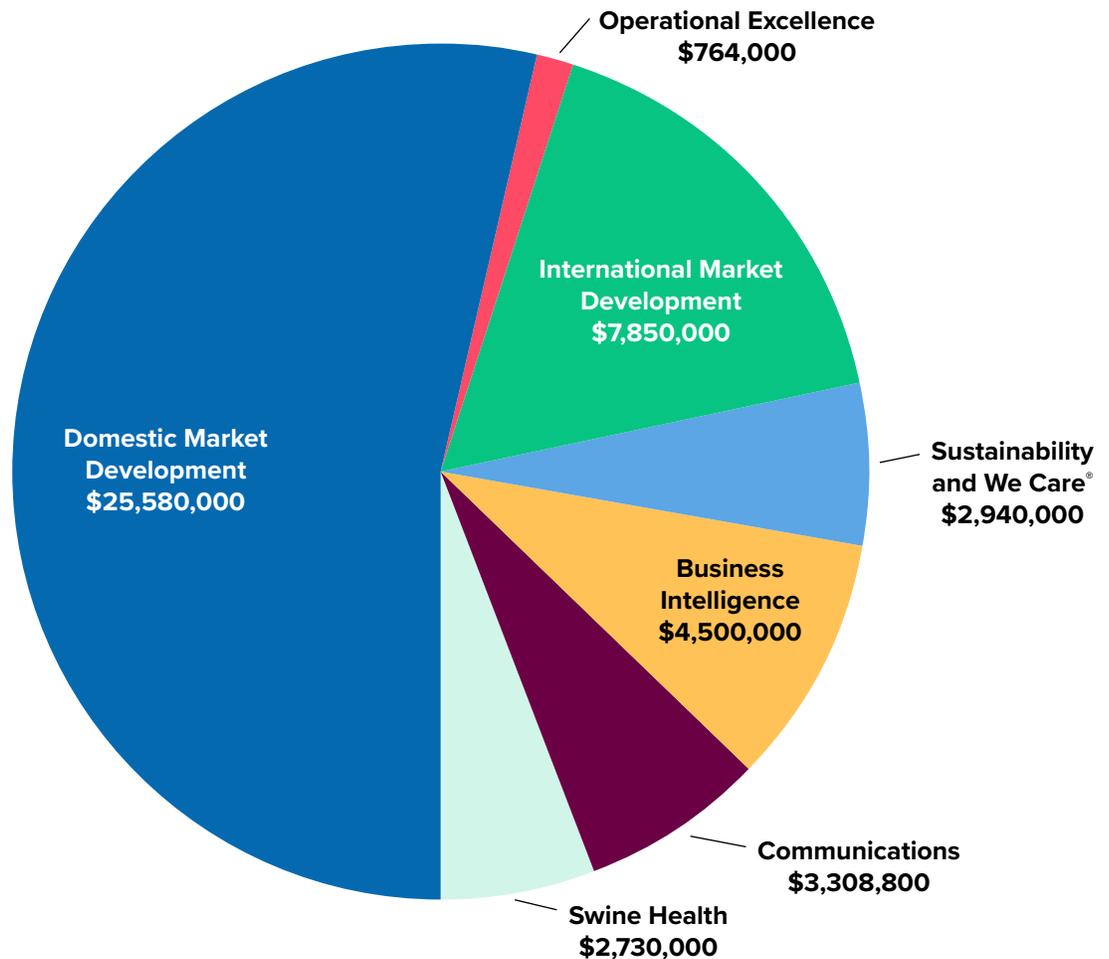
As part of the budget process, funding for one specific project will be released from designated reserves: SHIC (\$2.5M). Further details of designated funds are discussed in Section 9.



2026 PROJECT SPENDING

	2025 Forecast Budget and Approved Supplementals	2026 Budget	Variance	Variance Explanation
Sustainability and We Care®	\$2,925,000	\$2,940,000	\$15,000	Flat
Swine Health	\$4,975,000	\$5,230,000	\$255,000	Swine Health Strategy
Thought Leadership	\$3,100,000	-	\$(3,100,000)	Not in 2026 budget
Business Intelligence	\$-	\$4,500,000	\$4,500,000	Included in DMD 2025
Domestic Market Development	\$22,077,672	\$25,580,000	\$3,502,328	Consumer demand
International Market Development	\$7,750,000	\$7,850,000	\$100,000	Flat
Communications	\$3,195,000	\$3,308,800	\$113,800	% of project budget
Operational Excellence	\$1,374,967	\$764,000	\$(610,967)	Strategic plan complete. CFI, CLEAR Center
Totals	\$45,397,639	\$50,172,800	\$4,775,161	

PROJECTS BY OBJECTIVES



B) Programs

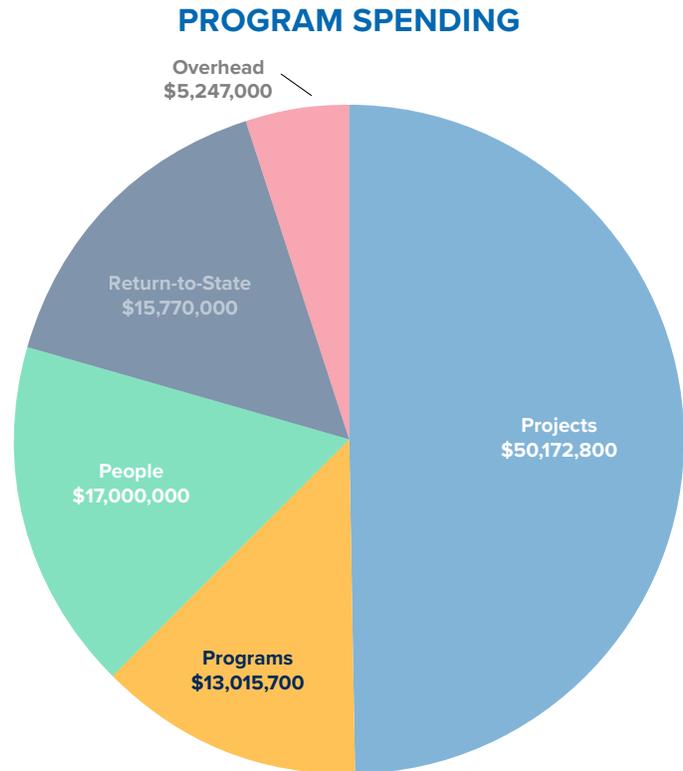
The budget for 2026 programs is \$13.1M, which is allocated across key program areas that support the industry.

State Supplemental Support: Funds available to state pork associations through applications to support local programs and operations.

PASLWOCO (Pigs Across State Lines Without a Change in Ownership): Program funds available for those state pork associations determined to have lost return-to-state funding because of pigs being moved across state lines for finishing without change of ownership or assessments collected.

PQA Plus®/TQA®: Programs designed to ensure producers, handlers and transporters are certified in leading practices in the pork industry.

Operations: Costs of organization operation include supporting the annual Pork Act Delegate meeting, Board meetings, task forces, state administrative support, legal, intellectual property, economic and market forecasting, leadership development, anticipatory issues management, IT, finance, audit, risk management, meeting and travel coordination, and human resources.



PROGRAM SPENDING

Program Expense	2025 Budget	2026 Budget	Variance	Variance Explanation
Administration	\$1,542,000	\$1,695,000	\$153,000	Cost increases and fully staffed
Professional and Org. Development	\$160,000	\$169,000	\$9,000	Calculation
Travel	\$1,050,500	\$1,154,000	\$103,500	Cost increases and fully staffed
Conferences/Events	\$1,640,200	\$1,350,000	(\$290,200)	Will not be holding PMC
Task Forces/Committees	\$110,000	\$75,000	(\$35,000)	Reduced program task force work
State Support/PASLWOCO	\$5,624,400	\$6,201,200	\$576,800	Alignment with strategic plan
TQA®/PQA Plus®	\$683,230	\$542,500	(\$140,730)	TQA® only revision
USPCE	\$60,000	\$0	(\$60,000)	Dissolved
Legal	\$500,000	\$500,000	\$0	Remains flat
Professional Services/Audit/Cash Mgmt.	\$717,000	\$717,000	\$0	Remains flat
Development/Support/IT	\$380,000	\$487,000	\$107,000	Outside development support
Postage	\$125,000	\$125,000	\$0	Remains flat
Total Expenses by Type	\$12,592,330	\$13,015,700	\$423,370	

+ Return-to-state

A) Allocation, Distribution and Use of Return-to-State

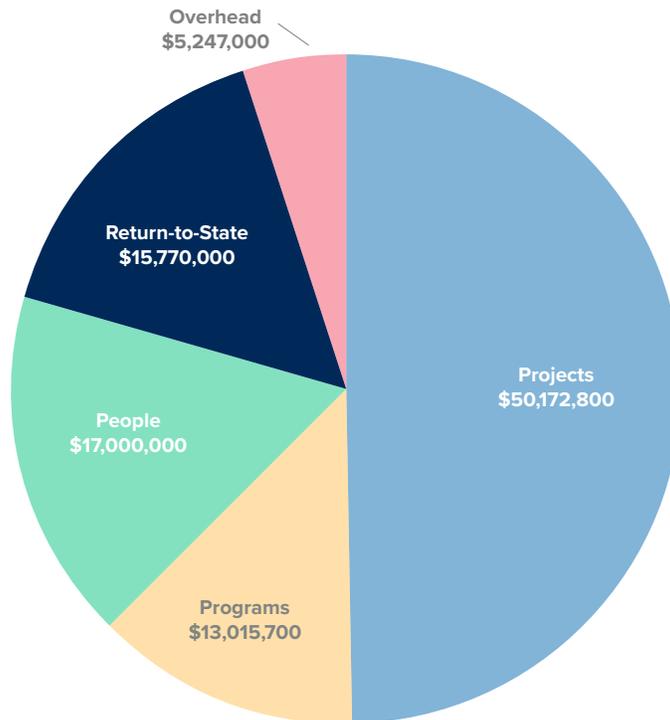
Annually, the Pork Act Delegate Body approves the formula to determine each state's allocation of collected assessments. This ranges from 16.5% for large production states to 39% for smaller production states, based on the number of pigs marketed.

A percentage of the national Checkoff assessment collections from each state is returned each month to the respective state pork association to support local Checkoff programming. Each state pork association shall use its return-to-state funds for promotion, research and consumer information programs in accordance with the Pork Act. On average, approximately 19% of the national assessments are returned to state pork associations.

An established function of the Pork Act, this disbursement of funds is driven by production, markets and official action of the Delegate Body. As National Checkoff Assessment revenue increases/decreases, so does the distribution of the portion of that revenue returned to state pork associations. For 2026, the Return-to-State allocation funding is budgeted at \$15.7M, which is 19% of \$83M in Checkoff assessments.

Each month, Return-to-State funding is sent to the respective state based on processing of the previous month's volume. Thus, as additional Checkoff dollars are received above the budgeted amount, they are sent directly to the respective state based on their allocated percentage each month. This enables each state to adjust their budget as it is received.

RETURN-TO-STATE SPENDING



+ Support costs

A) People and Overhead

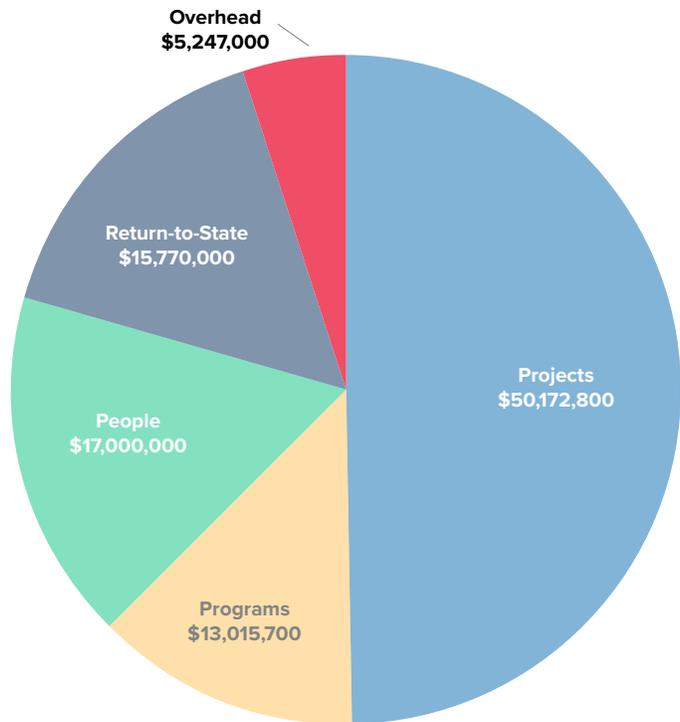
Support costs are not direct programs or projects but are necessary functions of NPB to execute them, as well as maintain operations.

People: People costs include salaries, taxes and benefits.

Overhead: Overhead consists of expenses such as office rent, utilities, insurance, building equipment, grounds maintenance and telecommunications.

People and overhead costs are budgeted for \$17M and \$5.2M, respectively.

PEOPLE AND OVERHEAD



TOTAL PEOPLE AND OVERHEAD

Overhead Expense	2025 Forecast	2026 Budget	Variance	Variance Explanation
People	\$17,000,000	\$17,000,000	\$-	
Depreciation	\$2,400,000	\$2,400,000	\$-	
Leasing	\$28,000	\$47,000	\$19,000	Added to fleet
Rent	\$550,000	\$550,000	\$-	
Office Supplies	\$20,000	\$60,000	\$40,000	Cost increases/addt'l events
Overhead — IT	\$750,000	\$1,500,000	\$750,000	Consolidated expenses
Maintenance	\$410,000	\$410,000	\$-	
Insurance — P&C	\$125,000	\$135,000	\$10,000	Potential cost increase
Utilities	\$70,000	\$70,000	\$-	
Voice and Data	\$75,000	\$75,000	\$-	
Total Overhead	\$21,428,000	\$22,247,000	\$819,000	

Reserves and working capital

Reserves ensure NPB can respond to industry needs as they arise. Reserves may not exceed one year’s revenue, as outlined in the Pork Order. NPB maintains reserves in accordance with the Board policy to be able to execute on new or emerging strategic priorities or respond to an industry crisis, such as the 2020 COVID-related supply chain issues or a potential foreign animal disease (FAD) outbreak, such as African swine fever (ASF). NPB classifies its reserves as designated or undesignated.

A) Designated Reserves

Designated reserves are approved by the Board for a specific, future purpose. Designating funds prioritizes projects but does not create a financial obligation at that time. When taking action to release funds from designation, the Board decides whether to budget the funds for use or simply release them back into undesignated reserves for other potential use.

As part of the budget process, funding for one specific project will be released from designated reserves: SHIC (\$2.5M).

B) Undesignated Reserves

Reserves not set aside for a specific purpose are considered undesignated reserves. These funds may be approved to address future emerging needs and priorities. The Board has a set reserve minimum which consists of an emergency reserve target of four months of operating expenses required unless a crisis is in place.

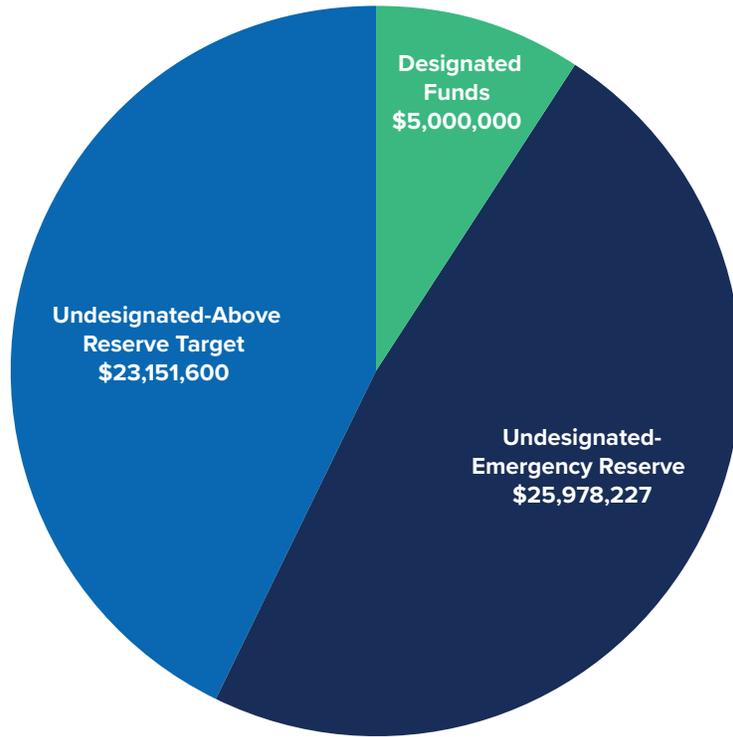
C) Working Capital

Working capital is a measure of an organization’s liquidity and short-term financial health. Working capital is the net amount between current liquid assets and current short-term liabilities. It is the funds readily available to pay liabilities and continue operating without divesting long-term capitalized assets.

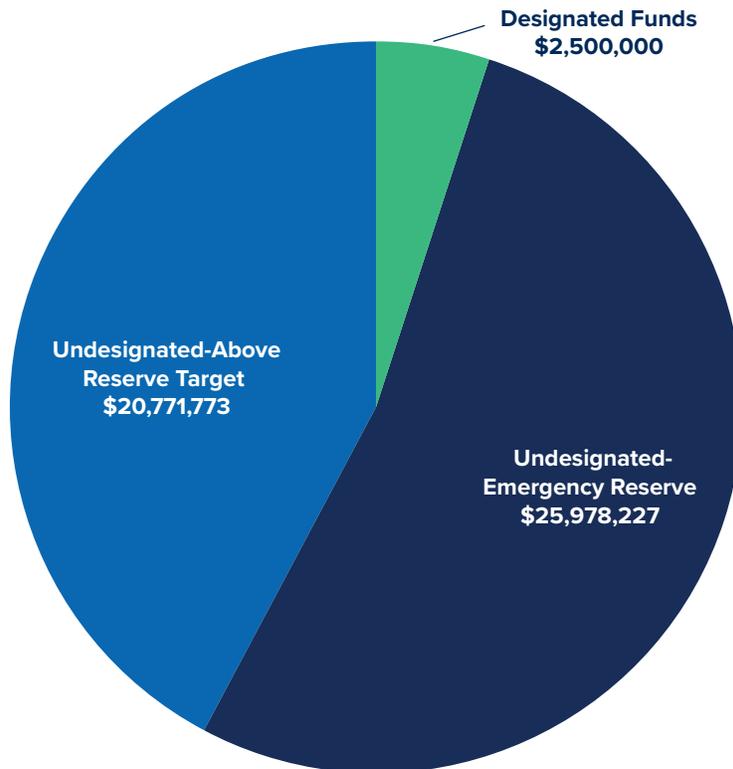
The 2026 budget utilizes \$17.2M from reserves, \$2.5M of designated and \$14.7M of undesignated, carrying forward a working capital balance of \$49.2M. The working capital balance is composed of designated funds (\$2.5M), an emergency reserve (\$26M) and undesignated funds above the reserve target (\$20.8M), as set by Board policy. NPB is strategically deploying available resources above the emergency and opportunity reserve target to continue to add value to, and build trust in, the U.S. pork industry.

	July 2025 Actual	2026 Budget
Working Capital	\$54,129,827	\$49,250,000
Less: Designated Funds	\$(5,000,000)	\$(2,500,000)
Undesignated Working Capital	\$49,129,827	\$46,750,000
Less: Emergency Reserve/Hard Floor	\$(25,978,227)	\$(25,978,227)
Ending Reserve Balance	\$23,151,600	\$20,771,773

WORKING CAPITAL — JULY 2025



WORKING CAPITAL — 2026 BUDGET



+ Detailed project objective, scope and business value

A) Objective: Domestic Market Development

OBJECTIVE TOTAL	\$25,580,000
1. Consumer Marketing Campaign	\$17,400,000
i. <u>Scope of Work:</u> NPB proprietary research shows that pork is at a crossroads, losing momentum with consumers and relevancy with younger segments. Consumer marketing has been identified as a critical area to help elevate pork, make it relevant and drive long-term success for the pork industry. NPB will build a long-term marketing campaign to help shift consumer perceptions of pork and position it as a viable product for consumers, leading to increased value of pork products in the U.S.	
ii. <u>Business Value:</u> Driven by NPB consumer segmentation insights, the Market Growth team will build a brand strategy and execute it via a digital consumer campaign to make pork relevant among consumers, including younger consumers, in the long term.	
2. Human Nutrition – The Endorsement	\$430,000
i. <u>Scope of Work:</u> The endorsement is our health professional community education and engagement. Including P&P helps to build a community and provides education, knowledge, skills, resources and professional development to advance the understanding and recognition that pork is a high-quality protein that can be discussed in recommendations.	
ii. <u>Business Value:</u> Human nutrition is one of the priority areas of the business. This includes the endorsement, where we use evidence-based communication to advance the understanding and recognition of pork across health professionals, with downstream impacts on recommendations and consumer demand.	
3. Human Nutrition – The Science	\$1,600,000
i. <u>Scope of Work:</u> The science is an investment in human nutrition research regarding pork’s role in human health. Additionally, this research will get translated and used to support the role of pork as a nutritious protein.	
ii. <u>Business Value:</u> The science is contributing rigorously designed research on the role of pork in human health, an area that needs continued science to support both the how and why pork is a high-quality protein for human consumption and human health. The science is what drives the ability to communicate pork nutrition messaging across all key stakeholders, consumers, health professionals and key opinion leaders.	
4. Food Chain Outreach and Engagement	\$2,450,000
i. <u>Scope of Work:</u> NPB will continue to drive demand for pork by working with specific retailers and foodservice accounts as part of our B2B efforts. This will be accomplished by sharing business and consumer insights that will influence change and by focusing on pork cuts that will have the greatest impact on volume and value. We will continue to work with partners such as Chicory and AdAdapted to execute targeted shopper marketing programs in specific markets in partnership with retailers. We will also build support and execution for additional promotional activities around the consumer marketing campaign within the supply chain (retail, foodservice, packer/processors). For foodservice, we will continue to focus on broadline distribution, colleges and universities, commercial restaurants and convenience stores, as well as menu innovation and collaboration around key cuts.	
ii. <u>Business Value:</u> NPB will ensure that pork is a priority in the B2B space, specifically with our retail, foodservice and packer/processor partners.	

5. Multicultural Strategy **\$3,400,000**

- i. **Scope of Work:** NPB will continue to focus on multicultural audiences — the fastest-growing segments in the U.S. — due to their high affinity for pork. We will advance pork’s position in the marketplace by proactively reaching out to key multicultural audiences, specifically Hispanic and African American consumers, to drive short- and long-term demand through a strategy leading with taste and highlighting the convenience of fresh pork. NPB will continue its strategic approach to disrupt, engage and empower in B2C with consumer segments and leverage learnings with retailers and packers. We will leverage the new consumer segmentation to identify, target and reach our biggest opportunity consumers more effectively and efficiently. Our efforts will also help address and overcome barriers and negative perceptions that impact pork consumption among multicultural consumers while growing demand. To do this, NPB will continue to execute Ponle Pork and Don’t Miss the Flavor strategic platforms through disruptive campaigns to reach consumers where they are, engage them in pork, and measure consumer confidence and intent to purchase. The work will be executed by multicultural agencies in an authentic and culturally relevant manner.
- ii. **Business Value:** NPB will add value to the pork industry through disruption and a proactive marketing approach to the threat of declining consumption among Hispanic and African American consumers.

6. Retail Advisory Committee **\$300,000**

B) Objective: International Market Development

OBJECTIVE TOTAL **\$7,850,000**

1. USMEF **\$6,500,000**

- i. **Scope of Work:** USMEF acquires expertise and resources to promote U.S. pork in international markets and differentiate U.S. pork against competitors. USMEF will provide technical expertise to customers to priority regions and markets to support marketing efforts. They help diversify U.S. pork exports by markets and by enhancing demand through the introduction and promotion of new cuts and products.
- ii. **Business Value:** By acquiring an equipped team to conduct promotion efforts on behalf of NPB, the industry will maximize the value of U.S. pork export opportunities, enabling producers to receive maximum value for the carcass, and solidify markets for surplus products outside of domestic market demand needs.

2. APEX **\$1,000,000**

- i. **Scope of Work:** Acquire expertise and resources to analyze opportunities. Utilize science- and data-driven information to advance opportunities for U.S. pork in international markets and differentiate U.S. pork against competitors.
- ii. **Business Value:** By acquiring an equipped partner to conduct analysis and research efforts on behalf of NPB, the industry will maximize the value of U.S. pork export opportunities, enabling producers to receive maximum value for the carcass, and solidify markets for surplus products outside of domestic market demand needs.

3. Economic Analysis and Market Insights **\$100,000**

- i. **Scope of Work:** Acquire expertise and resources to analyze and advance opportunities for U.S. pork in international markets and differentiate U.S. pork against competitors.
- ii. **Business Value:** By acquiring access to experts to conduct analysis and research efforts on behalf of NPB, the industry will maximize the value of U.S. pork export opportunities, enabling producers to receive maximum value for the carcass, and solidify markets for surplus products outside of domestic market demand needs.

- 4. Producer Activation in International Markets** **\$250,000**
- i. **Scope of Work:** Utilize producers in-market and at applicable industry meetings to promote U.S. pork and evaluate the strategic partnerships NPB invests in.
 - ii. **Business Value:** Producers need to experience and evaluate the Checkoff's investment in international marketing efforts and participate in marketing programs and projects.

C) Business Intelligence

OBJECTIVE TOTAL **\$4,500,000**

1. Data and Insights **\$3,800,000**

- i. **Scope of Work:** Data and insights enable NPB to understand where U.S. consumers are with attitudes, behaviors and preferences, along with where pork's biggest opportunities, strengths and weaknesses/threats are today and in the future.
- ii. **Business Value:** All data and insights will be leveraged into external thought leadership and/or used to support specific projects and programmatic work.

2. Consumer Segmentation **\$700,000**

- i. **Scope of Work:** Support for the Consumer Connect work to ensure research is updated and the activation is delivered.
- ii. **Business Value:** Updating research and furthering activation efforts for the Consumer Connect work.

D) Producer and State Engagement

OBJECTIVE TOTAL **\$6,201,200**

1. State Partnership Initiatives **\$3,280,000**

- i. **Scope of Work:** Provide additional support to state associations by directly engaging with state partners through a process focused on funding work that supports industrywide initiatives.
- ii. **Business Value:** The initiatives demonstrate that NPB recognizes the value provided by state partners. It helps leverage the work of the state associations toward the industrywide goals.

This funding strengthens engagement with state associations by developing a process to focus on messaging that matters and positions NPB as a trusted source of information.

2. Grassroots Leadership, Advocacy and Engagement **\$150,000**

- i. **Scope of Work:** The Pork Leadership Institute provides a comprehensive program designed to provide an outline of the roles of the two national organizations as well as engage future leaders for the pork industry, as the participants will develop skills necessary to help lead an ever-changing pork industry. The yearlong program is jointly facilitated with NPB and NPPC.
- ii. **Business Value:** Engage future leaders in the pork industry by developing skills and providing visibility into both NPB and NPPC (joint program).

3. Immersion Program **\$61,200**

- i. **Scope of Work:** This funding supports NPB's eight-month commitment to expose the Immersion Program candidate to industry priorities.
- ii. **Business Value:** The Immersion Program builds a pipeline of talent that is well-equipped for state pork association careers.

4. Segmented Industry Outreach \$450,000

- i. **Scope of Work:** NPB supports show pig and niche producers, as well as youth programs.
- ii. **Business Value:** Operating alongside and supporting show pig and niche producers, along with youth programs, helps nurture a segment of the industry, develops a talent pipeline and provides education to them.

5. Pork Store \$70,000

- i. **Scope of Work:** General materials to support internal programs/projects and in-house meetings.
- ii. **Business Value:** Examples include pens or notebooks for various in-house meetings; ball caps or other items for thank-you gifts or for general outreach; and overall support of various NPB programs, such as PQA Plus® and TQA® materials. Storage to hold items purchased at bulk will be distributed as needed. Other items are available for support of pork state associations and other partners.

6. Swine Education and Outreach Professionals \$890,000

- i. **Scope of Work:** Focuses on talent development and curriculum for the industry.
- ii. **Business Value:** Provide talent development and curriculum for the industry.

7. State Funding Support \$580,000

- i. **Scope of Work:** NPB partners with state pork associations to work on projects that ladder up to industrywide objectives.
- ii. **Business Value:** State funding support is designated for state pork associations with limited resources. This funding comes directly from NPB to ensure state pork associations remain functional and viable to execute work aligned with industry priorities.

8. State Engagement \$120,000

- i. **Scope of Work:** NPB will provide two in-person training events for state executives/contacts with a specific focus and supplemented with outside partner programming. In addition, it will bolster the resources and onboarding experience through enhancements in the learning modules.
- ii. **Business Value:** State pork associations are successful with strong leadership. Investing in state pork associations staff will keep associations and producers viable.

9. Industry State Meetings \$600,000

- i. **Scope of Work:** NPB-incurred expenses to support state pork association meetings.
- ii. **Business Value:** NPB staff engage with the active state pork associations through their events to build partnerships. NPB provides industry/program updates and engages with producers/stakeholders in a one-on-one setting. These events strengthen engagement with state pork associations to focus on messaging that matters and positions NPB as a trusted source of information.

E) Objective: Swine Health

OBJECTIVE TOTAL \$5,500,000

1. Swine Health Information Center \$2,500,000

- i. **Scope of Work:** SHIC's scope of work is designed to protect and enhance the health of the U.S. swine herd through coordinated global disease monitoring, targeted research investments that minimize the impact of future disease threats, and analysis of swine health data and to communicate results.
- ii. **Business Value:** New, emerging or reemerging diseases (foreign or domestic) affecting swine can cause significant financial losses to U.S. pork producers. These losses can come from increased morbidity and mortality of the U.S. swine herd, loss of exports or disruptions in commerce of pigs, pork and pork products because of real or perceived threats to swine health or food safety.

2. AgView® Maintenance and Development \$1,050,000

- i. **Scope of Work:** Make AgView® the easy choice for U.S. pork producers for sharing data with SAHOs and official state agencies to better prepare the industry for trade-limiting swine diseases.
- ii. **Business Value:** Domestic outbreaks of FADs like ASF can lead to devastating results for the U.S. pork industry. Giving SAHOs more access to information and accelerating risk-based decision-making (for permitting pig or semen movements) benefits every U.S. pork producer. A study by Dermot Hayes, Ph.D., estimates revenue losses from an ASF outbreak to be \$79.5 billion over 10 years, with less impact with a quicker containment and export market recovery.¹ Rapid contact tracing of pigs will be needed for SAHOs to quickly contain ASF and regionalize the U.S. for the purposes of regaining international trade and the commerce of pigs. Achieving a critical mass of pork premises and pig movements in AgView® will best position the industry to support disease containment, regionalization and business continuity.

3. Swine Health and Production Research \$1,280,000

- i. **Scope of Work:** Conduct research addressing knowledge gaps needed to improve disease prevention, detection, response and continuity of operation at the local, regional and national levels. The goal is to fund as many research projects as possible while also providing funding for communications and producer education.
- ii. **Business Value:** Health status is often the difference between profit and loss for each production site. Better prevention and control methods, diagnostic tools, and response and recovery plans will lead to a more robust industry.

4. On-Farm Preparedness \$400,000

- i. **Scope of Work:** FAD preparedness includes access to information, supplies and site-specific tools to effectively respond to a potential outbreak.
- ii. **Business Value:** Provide producers and herd veterinarians with education and clear and accessible information about on-farm needs and expectations for FAD preparedness and response.

F) Objective: Sustainability and We Care®

OBJECTIVE TOTAL \$2,940,000

1. AMP Grants \$1,000,000

- i. **Scope of Work:** Advance U.S. pork sustainability by incentive adoption of on-farm reports, cover crops, manure management and energy efficiency in coordination with USDA AMP Grant.
- ii. **Business Value:** Expand NPB's on-farm sustainability reports program to include covering practice implementation costs and leveraging funding pools and programs in 12 states.

2. Farmers for Soil Health and National Fish and Wildlife Foundation \$200,000

- i. **Scope of Work:** NPB grant match for Farmers for Soil Health grants.
- ii. **Business Value:** Matching grants help support producers' freedom to operate. Positioning and amplifying communication gaps will help increase pork's reputation so key decision-makers and consumers will consider pork as a protein of choice. Leverage third-party influencers, strategic communications messages and plans, and conduct research to address consumer questions.

1. Carriquiry, M., A. Elobeid, and D.J. Hayes. 2023. "National Impacts of a Domestic Outbreak of Foot and Mouth Disease and African Swine Fever in the United States." Working paper 23-WP 650. Center for Agricultural and Rural Development, Iowa State University.

- 3. On-Farm Reports — General \$250,000**
- i. **Scope of Work:** This funding is used for promotion and communication for Pork Cares Farm Impact Reports, specifically in states not eligible for the AMP grant.
 - ii. **Business Value:** On-farm data is crucial to be a proof point of the industry’s We Care® principles. The on-farm data is secure, blinded and aggregated at the state and national level to help protect freedom to operate. On-farm reports can be used for benchmarking progress in sustainability data and guiding decisions on the farm.
- 4. Federal & State Environmental Support \$375,000**
- i. **Scope of Work:** Pork production has ongoing environmental challenges and sustainability improvement demand pressure, such as nitrogen and phosphorus management, carbon reduction, etc.
 - ii. **Business Value:** Provide support to the industry on a variety of environmental topics, including air, soil and water projects that defend producers’ freedom to operate.
- 5. Animal Welfare and Research Support \$50,000**
- i. **Scope of Work:** This work adds to the existing knowledge and identifies gaps in relation to the welfare of production practices, specifically for gestation and farrowing housing.
 - ii. **Business Value:** Support meaningful research and resources in the animal welfare, transportation and stewardship space to provide the information needed to address producer needs and consumer concerns about modern pork production. Research in this space helps protect producers’ freedom to operate.
- 6. Sow Housing Research \$250,000**
- i. **Scope of Work:** This work adds to the existing knowledge and identifies gaps in relation to the welfare of production practices, specifically for gestation and farrowing housing.
 - ii. **Business Value:** Provide funding for year two of a five-year research plan to address farrowing housing concerns that would restrict U.S. producers’ choices in farrowing housing systems.
- 7. Promoting Producer and Public Health \$300,000**
- i. **Scope of Work:** This investment supports research and outreach efforts tied to public health and perceptions of the swine industry. Funding research and value-added engagements with federal and medical partners addresses remaining gaps in areas of importance to consumers, such as influenza and Antimicrobial Resistance.
 - ii. **Business Value:** Support the people and public health We Care® Ethical Principles to help defend producers’ freedom to operate.
- 8. We Care® Dashboard and Projects \$265,000**
- i. **Scope of Work:** NPB supports producers in all phases of production by reviewing pig livability, building a pathway to carbon credits, identifying industry benchmarking data, maintaining the We Care® dashboard and sparking innovation within all phases of production to drive continual improvement.
 - ii. **Business Value:** This work is a data source for We Care® metrics and goals reporting.
- 9. CLEAR Center \$250,000**
- i. **Scope of Work:** Support the CLEAR Center mission of advancing sustainable communications to help further support the pork industry’s sustainability messages.
 - ii. **Business Value:** Additional support communicates sustainability messages through the CLEAR Center while helping the industry advance sustainability messages.

G) Objective: Thought Leadership — Communications

OBJECTIVE TOTAL **\$3,308,800**

1. Herd Health — Swine Health **\$300,000**

- i. **Scope of Work:** The swine health communications plan is designed to support three key areas of Checkoff-funded research and education, as well as the outcomes.
- ii. **Business Value:** NPB can focus on moving the needle with key audiences like SAHOs and industry stakeholders by expanding our most effective comms tactics from 2024 to 2025 for producer education on biosecurity and endemic disease; FAD preparedness and prevention; and AgView®/traceability. This plan also includes ongoing listening and analysis of public attitudes around influenza A (H5N1).

2. Best-in-Class Communications Enablement **\$400,000**

- i. **Scope of Work:** NPB will implement best-in-class communications systems, tools, technology and platforms to gain efficiency in our workflows and increase our output of quality deliverables. This includes resourcing specialized creative services and ongoing production for asset gathering to grow our library, as well as communication collaboration with state pork associations to extend Checkoff stories at the grassroots level and vice versa.
- ii. **Business Value:** The business value is gaining efficiencies and measuring outcomes through more automated and personalized communications across all audiences.

3. We Care® B2B, Industry and Supply Chain Engagement **\$265,000**

- i. **Scope of Work:** This tactical communications plan and investment supports projects designed to impact the food supply chain customer, both online and offline, with the pork industry's sustainability story.
- ii. **Business Value:** Further inform these diverse, sustainability-oriented B2B audiences about the industry's We Care® Ethical Principles, practices and proof, and engage them in NPB relationships based on trust and shared value.

4. Image, Issues, Reputation and Thought Leadership **\$1,235,800**

- i. **Scope of Work:** Ongoing and proactive organizational-wide communications, content and materials are designed to elevate our SMEs as global thought leaders across a variety of stages and platforms as they share Checkoff stories and successes.
- ii. **Business Value:** By leveraging NPB talent and SMEs as the most important communications channel, NPB delivers meaningful and impactful opportunities and stories that build trust with key audiences — from producers and stakeholders to media and the general public — and then amplifies and extends those stories even further.

5. Building a Bigger Appetite for Pork — Market Growth **\$1,108,000**

- i. **Scope of Work:** Communications support and tactics drive producer and stakeholder awareness of, and familiarity with, Checkoff market growth activations and domestic consumer marketing.
- ii. **Business Value:** This plan focuses on grassroots exposure to and online engagement with Checkoff content as the primary outcome by encouraging as many pork producers as possible to see and share these stories about “building a bigger appetite for pork” and the outcomes of this work.

H) Objective: Operational Excellence

OBJECTIVE TOTAL **\$764,000**

- 1. IT Projects** **\$100,000**
 - i. **Scope of Work:** Begin discovery and scoping use cases and products in the artificial intelligence space for business uses.
 - ii. **Business Value:** Initiating discovery and scoping for AI use cases and products will improve efficiency, enhance decision-making and create growth opportunities. This work will identify applications of AI that align with strategic objectives and keep data private while driving measurable business outcomes.
- 2. Operational Insights** **\$234,000**
 - i. **Scope of Work:** This is the program budget for Operational Insights expenses.
 - ii. **Business Value:** Dollars will be used to help support annual planning, economic analysis and a strategic initiative.
- 3. Sponsorship/Memberships/Dues/Subscriptions** **\$430,000**
 - i. **Scope of Work:** This includes annual expenses for sponsorships, dues, subscriptions and memberships for NPB staff and the organization.
 - ii. **Business Value:** NPB provides sponsorships to several events each year and is a member (both at the staff level and the organization level) of several professional organizations. This dedicated budget is for those recurring sponsorships and memberships for 2025.

I) Objective: Programs

OBJECTIVE TOTAL **\$6,814,500**

- 1. Common Swine Industry Audit** **\$75,000**
 - i. **Scope of Work:** Program dollars for CSIA efforts and expenses.
 - ii. **Business Value:** Dollars will be used for the working group and validation research.
- 2. Human Resources and Administration** **\$374,000**
 - i. **Scope of Work:** Program budget for HR staff.
 - ii. **Business Value:** Dollars will be used to help support travel outside of project budgets, administration costs and professional development for HR staff.
- 3. Staff Recognition and Events** **\$125,000**
 - i. **Scope of Work:** Dedicated program budget to recognize staff and host staff events.
 - ii. **Business Value:** Dedicated program budget to recognize staff and host staff events.
- 4. Forum** **\$850,000**
 - i. **Scope of Work:** National Pork Industry Forum encompasses various producer-leader activities and meetings associated with the business of the pork industry.
 - ii. **Business Value:** The annual meeting of NPB and the Pork Act Delegate Body is held annually. Elected producer leaders from across the nation make decisions affecting the future direction of the industry.
- 5. Sustainability** **\$139,000**
 - i. **Scope of Work:** Program budget for sustainability staff.
 - ii. **Business Value:** Program budget for sustainability staff.

- 6. Management Oversight** **\$1,600,000**
- i. **Scope of Work:** Program budget for management oversight-related expenses.
 - ii. **Business Value:** Dollars will be used to help support oversight expenses.
- 7. Project Strategy and Meeting Services** **\$101,000**
- i. **Scope of Work:** Program budget for Project Strategy staff.
 - ii. **Business Value:** Dollars will be used to help support travel outside of project budgets, administration costs and professional development for Project Strategy staff.
- 8. Warehouse** **\$125,000**
- i. **Scope of Work:** Program budget for warehouse expenses in 2024.
 - ii. **Business Value:** Dollars will be used to help support warehouse maintenance.
- 9. Domestic Market Development** **\$157,000**
- i. **Scope of Work:** Program budget for Domestic Market Development staff.
 - ii. **Business Value:** Program budget for Domestic Market Development staff.
- 10. International Market Development** **\$139,000**
- i. **Scope of Work:** Program budget for International Market Development staff.
 - ii. **Business Value:** Program budget for International Market Development staff.
- 11. Nutrition** **\$71,500**
- i. **Scope of Work:** Program budget for Nutrition staff.
 - ii. **Business Value:** Program budget for Nutrition staff.
- 12. Finance** **\$404,000**
- i. **Scope of Work:** Program budget for Finance staff and recurring expenses.
 - ii. **Business Value:** Dollars will be used to help support travel outside of project budgets, administration costs, professional development and recurring expenses for Finance staff.
- 13. Information Technology** **\$396,000**
- i. **Scope of Work:** Program budget for IT staff and recurring expenses related to IT, software, etc.
 - ii. **Business Value:** Dollars will be used to help support travel outside of project budgets, administration costs, professional development and other IT-related recurring expenses for the IT staff.
- 14. Legal** **\$502,000**
- i. **Scope of Work:** Dedicated budget for legal fees in 2025.
 - ii. **Business Value:** Legal fees can include, but are not limited to, intellectual property defense and other general legal fees.

- 15. World Pork Expo** **\$500,000**
- i. **Scope of Work:** World Pork Expo is the industry’s production- and marketing-oriented event held each summer.
 - ii. **Business Value:** World Pork Expo offers producers insight into the new and advanced techniques in pork production, processing and marketing. NPB uses this venue to share information about Checkoff-funded programs with producers and other industry partners.

- 16. Swine Health and Production** **\$158,000**
- i. **Scope of Work:** Program budget for Swine Health and Production staff.
 - ii. **Business Value:** Program budget for Swine Health and Production staff.

- 17. PQA Plus®/TQA®/YQCA** **\$683,230**
- i. **Scope of Work:** Provide supportive resources for PQA Plus®, TQA® and YQCA materials for a revision year.
 - ii. **Business Value:** 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 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 to packers and customers the credibility and continuous improvement achieved by the industry through the PQA Plus® program. This is a revision year.

TQA® program aims to make a positive impact on the pork industry’s animal movement practices through the education and continued training of animal handlers. Trainees will demonstrate industry-leading techniques that lead to enhanced animal well-being and high-quality pork products.

YQCA is a partnership with other species groups and industry partners to maintain and revise the quality assurance materials geared at youth ages 8-19 to educate them on quality assurance, food safety, public safety and animal well-being. NPB will provide coupon support to state associations to distribute to youth members.

- 18. Producer and State Engagement** **\$90,500**
- i. **Scope of Work:** Program budget for Producer and State Engagement staff.
 - ii. **Business Value:** Program budget for Producer and State Engagement staff.

- 19. Producer and Communications** **\$102,500**
- i. **Scope of Work:** Program budget for Producer and Communications staff.
 - ii. **Business Value:** Program budget for Producer and Communications staff.

J) Objective: Overhead

OBJECTIVE TOTAL **\$5,247,000**

- 1. Office Rent** **\$550,000**
- i. **Scope of Work:** Office rent expenses for 2025.
 - ii. **Business Value:** Office rent expenses for 2025.

- 2. Office Supplies** **\$60,000**
- i. **Scope of Work:** Overhead budget for office supplies in 2025.
 - ii. **Business Value:** Overhead budget for office supplies in 2025.

- 3. Overhead Maintenance** **\$410,000**
- i. **Scope of Work:** This cost accounts for building maintenance, equipment and ground care overhead.
 - ii. **Business Value:** This cost accounts for building maintenance, equipment and ground care overhead.
- 4. Property and Casualty Insurance** **\$135,000**
- i. **Scope of Work:** Insurance expenses for 2025.
 - ii. **Business Value:** Insurance expenses for 2025.
- 5. Utilities** **\$70,000**
- i. **Scope of Work:** 2025 utilities expenses.
 - ii. **Business Value:** 2025 utilities expenses.
- 6. Depreciation** **\$2,400,000**
- i. **Scope of Work:** This cost factors in depreciation for 2025.
 - ii. **Business Value:** This cost factors in depreciation for 2025.
- 7. Leasing** **\$47,000**
- i. **Scope of Work:** Overhead budget for leasing expenses in 2025.
 - ii. **Business Value:** Overhead budget for leasing expenses in 2025.
- 8. Overhead IT** **\$1,500,000**
- i. **Scope of Work:** Overhead budget for IT in 2025.
 - ii. **Business Value:** Overhead budget for IT in 2025.