

# Master Marketer Newsletter

<http://mastermarketer.tamu.edu>

Volume 13•Issue 3•September 2013

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## Master Marketer Highlights

### 2014 Vernon Master Marketer Course

The 2014 Master Marketer Program will be held in Vernon, Texas at the Texas A&M AgriLife Research and Extension Center - 11708 US Hwy 70 South. The program will kick off on January 21 with a free futures and options leveling workshop for those who don't feel they are at the intermediate to advanced level. The beginning of the 64-hour Master Marketer Program will have sessions January 22-23, February 5-6, February 19-20, and March 5-6.

A brochure can be found on the Master Marketer website at [http://agecoext.tamu.edu/fileadmin/Master\\_Marketer/Workshops/Vernon2014.pdf](http://agecoext.tamu.edu/fileadmin/Master_Marketer/Workshops/Vernon2014.pdf) and registration is available online at <https://agriliferegister.tamu.edu>. Registrations will be accepted for up to 50 participants or until January 15, 2014. For questions or additional information, contact Stan Bevers (940-552-9941; [s-bevers@tamu.edu](mailto:s-bevers@tamu.edu)) or Mark Welch (979-845-8011; [jmwelch@tamu.edu](mailto:jmwelch@tamu.edu)).

### Texas A&M AgriLife Extension and the Department of Agricultural Economics Welcome 2 New Specialists

Tiffany Dowell recently joined the Department of Agricultural Economics as an Agricultural Law Specialist. Tiffany grew up on a family farm and ranch in Eastern New Mexico, received her Bachelor of Science in Agribusiness - Farm and Ranch Management at Oklahoma State University, and her law degree at the University of New Mexico. Tiffany worked in private practice as a civil litigator at a law firm in Albuquerque, New Mexico, for four years before coming to Texas A&M in June 2013. Tiffany's focus will be on legal issues impacting Texas landowners, including water law, property rights, leasing, oil and gas law, eminent domain, right to farm statutes, and animal welfare suits. Tiffany has started the Texas Agriculture Law blog, which provides information about current agricultural law issues and can be found at <http://agrilife.org/texasaglaw>. Tiffany may be contacted at 979-845-1941 or [tdowell@tamu.edu](mailto:tdowell@tamu.edu)

Levi Russell was born and raised in southeast Kansas. After graduating from Chanute High School in 2005, he earned a B.S. in Finance and a Ph.D. in Agricultural Economics from Kansas State University. His research interests include agricultural finance, farm management, efficiency analysis, and cooperative management. Levi, his wife Lana, and their son Dominic reside in Corpus Christi, Texas. He is very excited to join the Agricultural Economics faculty and AgriLife Extension as an Extension Specialist.

### Extension Economist Jason Johnson Introduces Annie's Project to Texas Ag Producers

Annie's Project is a grant funded educational workshop series for the financial education of farm women. The Texas Annie's Project specifically provides educational programming to Texas farm women. This program was delivered through two six-session workshops held at an East Texas location in Cherokee County and a Texas High Plains location in Hale County. Funding for this program was provided by USDA Risk Management Education. The Project's mission: To empower farm women to be better business partners through networks and by managing and organizing critical information.

The broad goal of this project was to empower Texas Farm Women to make better decisions regarding their agricultural businesses. Specifically, this was accomplished by increasing the abilities of Texas farm women to understand, evaluate, make decisions, and implement sound risk management strategies and tools. The program was marketed through two press releases and several radio programs as well as newsletters and fliers of the first Annie's Project Workshop.

Among the notable applied results captured from this project: there was a 12% increase in participants use of insurance products; a 62% increase in participants use of a written marketing plan; a 59% increase from participants in calculating their cost of production; and a 36% increase in the number of participants who addressed estate planning issues. *This project overview is provided from Extension Risk Management Education - The University of Minnesota.*

## How Does USDA Compile Crop Progress Reports?

Nate Birt, Farm Journal Social Media and News Editor

In response to the question, “where does USDA come up with their numbers?”, AgWeb reached out to Julie Schmidt, agricultural statistician with the National Agricultural Statistics Service (NASS), for more information about how weekly planting progress, crop condition and crop emergence reports are gathered. She shared the following steps:

1. Each week, NASS generates and sends questionnaires to Extension and Farm Service Agency agents in counties throughout the U.S. The survey is sent to about 4,000 people each week. NASS wants every county to be represented in the report, though response rates vary. In some cases, a single county might have multiple reporters, while other counties may not be represented.

NASS strives to cover as many of the agriculturally important areas within a state as possible so that the best representation of a crop is provided. National crops such as corn, soybeans, sunflowers and sugar beets are among those for which planting progress, emergence, and crop condition data are gathered, though states can choose to add questions about local crops.

2. County data is compiled into districts and then into a state-level report that is sent to NASS headquarters in Washington, D.C.

3. County data are weighted by NASS County Estimates. NASS tries to include the states that encompass the largest percentage of production for a given crop as part of the National program. These states are weighted using the previous year’s acreage, so that the U.S. estimate is more reflective of planting or crop development progress in the larger-producing states.

For example, of the 18 corn-producing states surveyed, the U.S. estimate would be more heavily influenced by progress in Iowa than by other states because it had the most acreage planted to corn in 2012. Each state’s progress estimate is multiplied by the previous year’s acreage for a given crop. Those products are then summed, and that sum is divided by the sum of the previous year’s acreage for those 18 states.

By incorporating acreage for weighting, the U.S. estimate is more representative of what is happening in the areas where the larger portion of a crop is grown.

“It’s definitely a look at the aggregate,” Schmidt says.

She acknowledges that reporting can vary widely, even within a county. A farmer who received plenty of rain one week might live just a few miles down the road from another who hasn’t seen rain in four weeks. The same is true for factors such as crop condition and growth.

“What the numbers try to show is kind of overall, what is going on at the state and the national level as well,” Schmidt says.

## Farm Assistance Update

**Steven Klose,**

Associate Professor and Extension Economist,  
Department of Agricultural Economics,  
Texas A&M University

Over the last couple of months I have heard increasingly more about the potential for a downturn in the agricultural economy over the next few years. Just this week I found Ron Smith's "U.S. farm economy poised to decline" in a Southwest Farm Press email. Increased production, growing commodity stocks, a maxed-out ethanol market, and weaker export demand all point to price declines. Price declines lead to fewer planted acres, lower incomes, and reduced land values. One possible bright side is the chance of some stability in energy, fertilizer, and chemical markets, but at the same time our inability to arrive at a compromise farm bill is unnerving.

So how does a good farm/ranch manager tackle all this uncertainty? The best managers have contingency plans for a wide range of possible market/business conditions. How would you handle a multi-year sustained drop in commodity prices? Do you have a plan in your back pocket to take advantage of level prices with declining energy and chemical input costs?

Our FARM Assistance analysis service is uniquely designed to help you forecast your business under these types of "what if" scenarios. We certainly don't know what the future holds, but we can help you test your plans and strategies against many of the possibilities. If you haven't updated your FARM Assistance analysis in a while, or if you have never taken advantage of our service, this unsettled time might be the perfect time to develop and evaluate your plans for the future.

Contact FARM Assistance toll free at 1-877-TAMRISK or online at: [farmassistance.tamu.edu](http://farmassistance.tamu.edu)

## Choice Website

**John Robinson,**

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In the last ten years, commodities have become regarded as another asset class, like stocks or bonds. As a result, the mainstream business news media has focused more attention on commodity futures markets. Several business media websites can be useful sources of periodic articles on agricultural futures markets. The commodity page of Bloomberg (<http://www.bloomberg.com/news/commodities/>) or Reuters (<http://www.reuters.com/search/blob=cotton>) are typical examples. There are also commodity websites that publish original articles on agricultural markets, e.g., <http://www.agrimoney.com/1/commodities/>). Some of these are free whereas others are subscription sites. Lastly, there are a number of secondary ag market news websites that recycle/reprint the commodity news articles from the primary sources. An example of these includes (<http://cottonmarketnews.com/>).

Following commodity market news can be useful in keeping up with the trends in specific markets as well as learning about the macroeconomic influences like the Federal Reserve or speculative money flows. However, readers of such information should also be careful not to necessarily believe everything they read just because some New York reporter posted it. Sometimes the business press can give a misleading impression of a major news trend when really what is happening is that all the reporters may simply be listening to themselves in an "echo chamber".

**Thank you to the following sponsors for their support in the Master Marketer Program:**



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If you would like to receive this newsletter by email,  
or have any other questions about the Master Marketer System,  
please contact Emmy Williams at [emmywilliams@tamu.edu](mailto:emmywilliams@tamu.edu) or (979) 847-6143.

An archive of newsletters can be found online by visiting  
<http://agecoext.tamu.edu/programs/marketing/master-marketer-program/newsletter-archives.html>

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Issued in furtherance of Cooperative Extension Work in Agriculture and Home Economics,  
Acts of Congress of May 8, 1914, as amended, and June 30, 1914, in cooperation with the  
United States Department of Agriculture and  
Texas A&M AgriLife Extension Service, Texas A&M System.

Partial funding support for the Master Marketer program has been provided by  
RMA-USDA, Cotton Inc.-Texas State Support Committee, Texas Farm Bureau,  
Texas Corn Producers, Texas Grain Sorghum Producers, and Texas Wheat Producers Board.