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Crop Producer Risk Management Survey: A Preliminary Summary of Selected Data

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A Report from the Understanding Farmer Risk Management Decision Making & Educational Needs Research Project

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Abstract

Changes in the risk environment and tools available to manage risk have resulted in an increased need for risk management skills among farmers and ranchers. In response the USDA initiated a risk management education competitive grants program in the spring of 1998. This is the first report from one of the grant-funded projects. The project's primary objective is to provide supporting research that will contribute to the design and implementation of effective risk management education programs, policies and tools. This report provides selected summary statistics, without analysis, from a survey of crop producers conducted as part of the first phase of the project. Over 1,800 usable producer responses from Mississippi, Texas, Indiana, and Nebraska are summarized. Major subject categories reported include: perceptions of various risks and the effectiveness of risk management tools; perceptions of farm policy alternatives; crop insurance participation; participation in and desire for risk management education; and use of pre- and post-harvest pricing techniques.

Keywords: Risk Insurance Marketing Policy

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Changes in the risk environment and tools available to manage risk have resulted in an increased need for risk management skills among farmers and ranchers. In response to this need the Risk Management Agency (RMA) and Cooperative State Research, Education and Extension Service (CSREES) of the USDA initiated a risk management education competitive grants program in the spring of 1998. The objectives of this program were to (a) deliver risk management education programs to producers and related agribusiness operators, (b) develop risk management educational curricula and materials and (c) provide supporting research that leads to improved risk management strategies and decision aids for agricultural producers. The information reported in this bulletin is an output of one of 17 projects funded through the competitive grants program. The central objective of this project is to provide supporting research that will contribute to the development of a knowledge base to guide in the design and implementation of effective risk management education programs, policies and tools. The first phase of the project is directed toward identifying the risk management objectives of agricultural producers and their perceptions and understanding of alternative risk management tools and strategies. Institutions participating in the project are Mississippi State University, Texas A&M University, Purdue University and the University of Nebraska.

This report provides selected summary statistics, without analysis, from a survey of crop producers conducted as part of the first phase of the project. Given the significant attention risk management is currently receiving, we are providing this preliminary summary of survey responses because we believe they provide useful information on producers' perceptions and views and on how those perceptions and views vary across regions.

Major subject categories reported in this summary include:

- Perceptions of the potential for various risks to affect farm income and the effectiveness of various risk management tools to mitigate risk
- Perceptions of selected farm policy alternatives
- Crop insurance participation and factors which influence participation
- Use of pre- and post-harvest pricing techniques
- Participation in risk management educational activities and desired content and delivery of future risk education
- Attitudes influencing risk management decisions

The survey was conducted in the four participating states: Mississippi, Texas, Indiana, and Nebraska. Two major crops were chosen for particular emphasis in each state. The selected major crops emphasized in each state are as follows:

Mississippi	Cotton and soybeans
Texas	Cotton and grain sorghum
Indiana and Nebraska	Corn and soybeans

Mail surveys were sent to a stratified sample of crop producers prior to the planting season (spring of 1999) in each of the states. After excluding small non-commercial farms estimated to generate less than $25 thousand in gross farm income, the sample was stratified across four categories of gross farm income;

$25-100 thousand
$100-250 thousand
$250-500 thousand
Greater than $500 thousand

A total of 1,812 usable questionnaires were returned. The distribution of responses by state and strata is given in the following table.

	NASS Estimated 1998 Gross Income ($1,000) of Respondents				
State	**25-99**	**100-249**	**250-499**	**500 and >**	**Total**
IN	**109**	**95**	**111**	**137**	**452**
MS	**57**	**118**	**128**	**201**	**504**
NE	**51**	**76**	**85**	**88**	**300**
TX	**126**	**138**	**123**	**169**	**556**

Only selected summary statistics are presented in this report. Due to stratified sampling, summary statistics reported are representative of the survey sample only, not of the population of crop producers in the four states. Furthermore, at this preliminary stage, we do not provide analysis of the data in this report. Thus, we avoid drawing conclusions regarding the causes or interrelations among the reported data. Further analysis, which is currently in progress, will address these issues.

Crop Producer Risk Management Survey:
A Preliminary Summary of Selected Data

Preliminary tabulations of sample means and frequencies of selected variables. The number of observations and percent distribution of responses is presented for categorical responses. Means are presented for most continuous variables. Because of stratified samples and differential response rates, means calculated from the tables do not represent population means.

Evaluation of Risk and Risk Management Tools

1. In terms of their potential to affect your farm income, how would you rate the following sources of risk?

Risk Source		Potential Effect Low.....High				
Changes in government farm programs						
State	OBS	1	2	3	4	5
IN	438	6.6	11.0	32.2	27.9	22.4
MS	479	5.0	4.0	16.9	24.0	50.1
NE	288	4.9	11.1	26.4	31.9	25.7
TX	535	3.2	4.3	16.6	32.5	43.4

Risk Source		Potential Effect Low.....High				
Changes in environmental regulations						
State	OBS	1	2	3	4	5
IN	437	6.6	11.7	22.7	30.2	28.8
MS	478	5.6	12.3	24.3	26.8	31.0
NE	288	4.9	11.8	26.4	30.9	26.0
TX	524	5.2	9.5	25.8	25.2	34.4

Risk Source		Potential Effect				
Crop yield variability		Low.....High				
State	OBS	1	2	3	4	5
IN	433	1.2	3.2	23.3	35.6	36.5
MS	478	1.9	3.1	14.6	24.5	55.9
NE	285	0.7	4.2	21.4	36.5	37.2
TX	534	1.9	4.1	16.9	27.0	50.2

Risk Source		Potential Effect				
Crop price variability		Low.....High				
State	OBS	1	2	3	4	5
IN	439	0.9	1.6	6.4	28.5	62.6
MS	479	1.5	1.9	3.1	18.4	75.2
NE	288	0.7	2.4	7.3	20.8	68.8
TX	532	1.1	0.6	4.3	17.1	76.9

Risk Source		Potential Effect				
Changes in input costs (seed, pesticides, etc.)		Low.....High				
State	OBS	1	2	3	4	5
IN	441	1.4	9.1	30.2	36.5	22.9
MS	478	0.6	4.6	23.6	34.7	36.4
NE	289	0.7	6.2	33.2	38.8	21.1
TX	534	2.2	4.7	25.8	29.4	37.8

Risk Source		Potential Effect				
Changes in land rents		Low..... .High				
State	OBS	1	2	3	4	5
IN	427	16.4	11.2	28.3	24.4	19.7
MS	470	9.8	13.4	29.6	22.1	25.1
NE	284	13.0	13.7	26.4	28.5	18.3
TX	514	24.9	18.7	25.3	15.0	16.1

2. Because each operation is different, risk management takes many forms from operation to operation. Consider the following risk management strategies and indicate how effective you believe each is in reducing **your** risk.

Risk Management Strategy		**Effectiveness**				
Diversification of farming enterprises		**Low.....High**				
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	434	8.8	13.1	39.4	27.6	11.1
MS	468	5.6	9.6	37.0	29.9	17.9
NE	285	4.6	11.9	36.8	34.4	12.3
TX	524	8.4	10.7	31.9	30.5	18.5

Risk Management Strategy		**Effectiveness**				
Being a low-cost producer		**Low.....High**				
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	433	3.0	9.5	30.3	39.7	17.6
MS	478	2.3	7.5	24.7	35.6	29.9
NE	287	2.8	7.3	30.3	38.0	21.6
TX	525	3.4	8.8	25.3	29.3	33.1

Risk Management Strategy		**Effectiveness**				
Forward pricing all or part of production		**Low.....High**				
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	432	8.3	14.1	36.1	32.9	8.6
MS	471	4.5	7.4	36.7	36.5	14.9
NE	282	11.7	17.7	32.3	27.3	11.0
TX	519	9.1	13.3	35.8	29.3	12.5

Risk Management Strategy		Effectiveness Low.....High				
Multiple peril crop yield or revenue insurance						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	433	23.6	27.7	24.2	16.6	7.9
MS	471	28.7	20.8	29.5	11.5	9.6
NE	283	13.4	25.8	25.1	19.8	15.9
TX	528	11.9	13.3	19.9	23.5	31.4

Risk Management Strategy		Effectiveness Low.....High				
Off farm investments						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	431	17.9	22.5	27.6	20.4	11.6
MS	473	21.8	19.7	27.3	17.8	13.5
NE	282	21.3	21.3	29.1	19.5	8.9
TX	518	21.6	20.8	23.9	18.9	14.7

Risk Management Strategy		Effectiveness Low.....High				
Off-farm employment						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	425	31.3	14.4	17.2	20.2	16.9
MS	472	39.2	18.6	19.3	10.6	12.3
NE	280	38.9	13.9	18.9	15.4	12.9
TX	517	39.1	15.5	16.4	12.2	16.8

Risk Management Strategy		Effectiveness Low.....High				
Maintaining financial/credit reserves						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	433	7.6	6.0	26.1	39.0	21.2
MS	472	5.9	5.9	23.3	33.1	31.8
NE	283	8.1	10.2	25.8	32.5	23.3

TX	526	6.5	7.2	19.8	33.7	32.9

Agricultural Policy Issues

1. For each of the following statements about agricultural policies, please indicate how strongly you agree or disagree.

a. Subsidies should be increased on higher crop insurance coverages rather than increasing the level of catastrophic coverage.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	420	11.7	28.6	17.1	6.9	35.7
MS	461	18.4	32.1	19.1	7.6	22.8
NE	278	13.3	30.9	18.0	9.7	28.1
TX	508	21.3	40.7	12.0	5.5	20.5

b. Eliminate transition payments and go back to deficiency payments.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	418	10.8	23.9	27.3	12.4	25.6
MS	463	21.0	32.2	16.0	8.2	22.7
NE	279	14.7	26.5	22.9	14.0	21.9
TX	505	27.9	32.7	13.7	7.1	18.6

c. Raise loan rates rather than increase crop insurance funding.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	424	18.9	33.5	20.3	10.1	17.2
MS	469	34.5	32.6	15.6	4.0	13.4
NE	282	31.9	30.5	11.0	13.8	12.8
TX	511	11.2	9.2	20.9	27.2	31.5

d. Provide insurance premium subsidies rather than make disaster payments.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	422	15.2	35.8	20.6	8.1	20.4
MS	462	12.3	31.8	23.4	14.5	18.0
NE	279	19.7	35.8	16.8	11.1	16.5
TX	511	13.5	24.7	28.8	16.0	17.0

e. Expand export assistance programs rather than raise loan rates.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	425	27.8	40.5	12.9	4.2	14.6
MS	464	18.8	31.0	22.2	9.7	18.3
NE	280	25.4	28.9	17.1	12.5	16.1
TX	514	31.5	27.2	20.0	9.2	11.2

Crop Insurance

1. In 1998 or 1999 did you, or will you, purchase catastrophic coverage (CAT), multiple peril crop insurance (MPCI), crop revenue coverage (CRC), income protection (IP), revenue assurance (RA) or group risk plan (GRP) insurance?

State	OBS	Yes	No
IN	434	57.1	42.9
MS	476	27.4	72.6
NE	291	82.5	17.5
TX	537	93.5	6.5

2. Indicate in the table below what type of crop insurance you purchased in 1998 and what coverage you have purchased or plan to purchase in 1999?
(Percentages calculated using total number of farmers who purchased some type of crop insurance.)

Crop insurance purchased		Insurance taken on SOYBEANS/SORGHUM		Insurance taken on CORN/COTTON	
		1998	1999	1998	1999
Catastrophic (CAT) coverage					
IN	(Soybeans/Corn)	39.0	35.5	26.8	25.0
MS	(Soybeans/Cotton)	72.9	63.4	81.3	75.1
NE	(Soybeans/Corn)	24.3	16.0	25.6	19.8
TX	(Sorghum/Cotton)	32.6	22.0	18.4	11.2
Multiple Peril Crop Insurance (MPCI) (*coverage above the catastrophic level*)					
IN	(Soybeans/Corn)	40.8	33.2	45.6	34.3
MS	(Soybeans/Cotton)	24.5	29.1	18.1	17.8
NE	(Soybeans/Corn)	46.9	44.4	45.4	42.2
TX	(Sorghum/Cotton)	60.5	62.1	76.2	78.6
Revenue Insurance (CRC, IP, RA)					
IN	(Soybeans/Corn)	13.6	22.8	18.9	32.2
MS	(Soybeans/Cotton)	1.4	7.3	1.0	4.9
NE	(Soybeans/Corn)	27.3	39.1	27.2	37.2
TX	(Sorghum/Cotton)	6.2	14.7	5.4	9.7
Group Risk Plan (GRP) area yield insurance					
IN	(Soybeans/Corn)	6.6	8.6	8.8	8.5
MS	(Soybeans/Cotton)	1.5	0.9	0	0.4
NE	(Soybeans/Corn)	0.5	0.5	1.8	0.8
TX	(Sorghum/Cotton)	0.7	1.2	0	0.5

3. As compared to having no crop insurance, how does the crop insurance you purchased influence your use of forward pricing?

1 MORE LIKELY TO FORWARD PRICE **2 LESS LIKELY TO FORWARD PRICE**

3 THE SAME CHANCE OF FORWARD PRICING **4 DON'T KNOW**

State	OBS	1	2	3	4
IN	280	18.6	2.9	58.9	19.6
MS	420	10.5	2.4	57.9	29.3
NE	234	23.5	3.4	55.1	17.9
TX	501	8.0	5.8	49.9	36.3

4. If you purchased 65% crop yield insurance coverage on your irrigated and dryland crops every year for 20 years, in how many of those years would you expect to collect on a loss?

Crop	State	OBS	Irrigated	OBS	Dryland
Soybeans	IN	92	1.09	313	2.28
Soybeans	MS	233	1.15	373	3.41
Soybeans	NE	143	2.10	198	3.15
Grain Sorghum	TX	189	3.08	313	5.49
Corn	IN	88	1.03	316	2.77
Corn	NE	184	2.38	218	3.38
Cotton	MS	148	0.85	242	2.04
Cotton	TX	231	3.85	321	6.62

5. How would you describe your lender's attitude toward your use of crop yield or revenue insurance?

1 RECOMMENDS CROP INSURANCE **2 DISCOURAGES CROP INSURANCE**
3 DOES NOT CARE **4 DON'T KNOW**

State	OBS	1	2	3	4
IN	407	33.2	2.0	29.0	35.9
MS	458	33.0	4.1	31.4	31.4
NE	276	55.4	2.5	20.7	21.4
TX	500	68.4	0.6	13.3	17.8

6. For each of the following statements about crop insurance, please indicate how strongly you agree or disagree.

a. Crop insurance rates are driven up because some farmers manage less carefully when they insure.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	426	8.5	27.5	29.8	10.8	23.5
MS	468	26.1	41.5	16.2	4.9	11.3
NE	281	6.8	23.1	35.9	16.4	17.8
TX	519	19.7	29.9	26.2	10.8	13.5

b. Crop insurance rates for high risk farms are more favorable than for low risk farms.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	426	12.2	31.0	17.4	6.1	33.3
MS	469	25.6	30.0	17.5	8.3	18.8
NE	280	9.3	27.9	26.1	11.8	25.0
TX	506	10.9	25.5	27.7	13.0	22.9

Marketing

1. About what percent of your crop production **for 1998** did you price **before harvest**?

Crop	State	OBS	0%	1-5%	6-10%	10-25%	25-50%	>50%
Soybeans	IN	433	54.7	2.1	6.9	13.6	13.6	8.8
Soybeans	MS	425	45.2	0	4.7	7.3	19.0	23.8
Soybeans	NE	227	61.2	1.3	6.6	10.6	11.5	8.8
G. Sorghum	TX	360	85.6	0	0.5	2.2	3.6	8.1
Corn	IN	430	49.5	2.8	10.2	14.7	14.2	8.6
Corn	NE	282	53.5	2.5	4.6	15.3	13.1	11.0
Cotton	MS	228	37.7	0.4	1.3	4.8	15.3	43.1
Cotton	TX	385	68.1	0.5	0.2	2.9	8.8	19.5

2. Which pricing techniques did you use to price **before harvest** in the 1995 through 1998 crop years?

Pricing Technique Used	Check all that apply	
	Soybeans/Sorghum	Corn/Cotton
Contracts in which you ***DIRECTLY*** took a position in the futures/options markets.		
Forward pricing contracts such as cash forward contracts, basis contracts, hedge-to-arrive contracts and minimum price contracts.		
Contracts in which you market your crop through a pool. *(Include mill sales and call pools).*		

Producers were allowed multiple responses. Totals may sum to greater than 100%.

Crop	State	OBS	Before Harvest		
			Direct Futures/Options	Indirect Forward Contract	Pool
Soybeans	IN	296	34.5	86.8	0
Soybeans	MS	311	43.4	78.8	0
Soybeans	NE	119	35.3	84.9	0
Grain Sorghum	TX	118	29.7	83.1	0
Corn	IN	298	38.9	85.2	0
Corn	NE	162	43.8	86.4	0
Cotton	MS	242	30.6	37.7	67.4

Cotton	TX	260	22.3	39.6	61.2

3. In the table below, indicate all of the pricing techniques you used to price **at or after** harvest in the 1995 through 1998 crop years.

Pricing Technique Used	**Check all that apply**	
	Soybeans/Sorghum	**Corn/Cotton**
Contracts in which you ***DIRECTLY*** took a position in the futures/options markets.		
Forward pricing contracts such as cash forward contracts, basis contracts, deferred price/price later contracts, hedge-to-arrive contracts and minimum price contracts.		
Contracts in which you market your crop through a pool. *(Include mill sales and call pools).*		

Producers were allowed multiple responses. Totals may sum to greater than 100%.

Crop	**State**	**OBS**	**At or Post-Harvest**		
			Direct Futures/Options	**Forward Contract**	**Pool**
Soybeans	IN	323	34.1	87.9	0
Soybeans	MS	311	43.7	79.4	0
Soybeans	NE	124	40.3	82.3	0
Grain Sorghum	TX	118	35.6	78.0	0
Corn	IN	317	35.6	87.7	0
Corn	NE	160	44.4	84.4	0
Cotton	MS	226	26.1	36.7	65.5
Cotton	TX	258	19.8	31.0	67.4

4. Considering your 1999 production, what percent do you believe you will most likely price **before harvest**?

Crop	State	OBS	0%	1-5%	6-10%	10-25%	25-50%	>50%
Soybeans	IN	412	33.3	0.5	6.8	17.2	29.1	13.7
Soybeans	MS	391	34.3	0.3	1.3	6.2	32.5	25.6
Soybeans	NE	219	41.6	0	5.9	14.1	27.4	11.0
Grain Sorghum	TX	294	67.7	0.3	1.4	3.7	17.0	9.9
Corn	IN	417	26.9	1.2	5.8	18.9	31.9	15.3
Corn	NE	270	36.7	0	3.7	11.1	32.2	16.3
Cotton	MS	211	34.1	1.0	0.9	2.8	17.5	43.6
Cotton	TX	356	44.7	0.5	1.1	4.3	19.6	29.8

5. If you price any of your 1999 production **before harvest**, which pricing technique is likely to be the primary technique you use?

Pricing Technique Used	Check only one per column	
	Soybeans/Sorghum	Corn/Cotton
Contracts in which you ***DIRECTLY*** take a position in the futures/options markets.		
Forward pricing contracts such as cash forward contracts, basis contracts, hedge-to-arrive contracts and minimum price contracts.		
Contracts in which you market your corp through a pool. *(Include mill sales and call pools).*		

Producers gave multiple responses. The summary reflects this so totals may sum to greater than 100%.					
Crop	**State**	**OBS**	**Before Harvest**		
			Direct Futures/Options	**Forward Contract**	**Pool**
Soybeans	IN	333	25.5	74.5	0
Soybeans	MS	276	28.3	71.7	0
Soybeans	NE	138	23.9	76.1	0
Grain Sorghum	TX	98	23.5	76.5	0
Corn	IN	330	27.9	72.1	0
Corn	NE	165	22.4	77.6	0
Cotton	MS	199	11.1	23.1	65.8
Cotton	TX	268	14.6	26.9	58.6

6. How many times during the marketing year do you typically sell part of your crop?

Crop	State	OBS	0-1	2	3-4	5	6-9	10	>10
Soybeans	IN	408	9.3	14.5	31.6	13.2	18.1	7.6	5.6
Soybeans	MS	394	14.7	29.2	42.1	4.6	5.0	2.8	1.7
Soybeans	NE	210	12.4	24.8	30.0	12.4	13.8	4.3	2.3
Grain Sorghum	TX	307	59.6	21.5	15.0	1.6	1.3	0.3	0.7
Corn	IN	406	11.3	14.3	23.4	10.1	18.0	10.8	13.1
Corn	NE	260	15.0	10.8	28.4	11.2	16.9	8.1	9.6
Cotton	MS	181	33.7	30.9	23.8	6.6	3.4	0	1.7
Cotton	TX	344	55.5	23.3	16.3	2.0	0.6	1.7	0.6

7. Do you have a written marketing plan for your major crop commodities?

State	OBS	Yes	No
IN	433	14.8	85.2
MS	465	19.6	80.4
NE	275	18.5	81.5

TX	501	12.8	87.2

8. Which of the following best describes your primary lender's attitude toward your use of forward contracting, futures and options?

1 RECOMMENDS FORWARD PRICING **2 DISCOURAGES FORWARD PRICING**

3 DOES NOT CARE **4 DON'T KNOW**

State	OBS	1	2	3	4
IN	414	26.6	1.2	32.6	39.6
MS	457	34.4	0.2	31.1	34.4
NE	270	38.5	1.5	33.3	26.7
TX	489	27.6	1.4	32.3	38.7

9. For each of the following statements about forward pricing, please indicate how strongly you agree or disagree.

a. Pre-harvest marketing strategies will on average result in a higher price than always selling at harvest.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	431	32.9	48.3	9.5	1.2	8.1
MS	469	38.4	46.5	8.1	1.0	6.2
NE	278	25.9	50.0	10.4	4.0	9.7
TX	513	18.5	48.9	16.0	2.3	14.2

b. Planting time futures market prices are an accurate predictor of the harvest time price.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	429	0.5	9.3	47.8	31.0	11.4
MS	468	2.1	11.3	49.2	25.3	12.4
NE	279	1.1	7.5	43.4	34.1	14.0
TX	507	2.4	10.1	47.5	23.3	16.8

c. My primary marketing goal is to reduce risks rather than raise my net sales price.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	425	2.8	31.5	41.9	13.9	9.9
MS	459	6.3	40.1	36.8	7.8	8.9
NE	280	5.0	28.2	41.1	17.5	8.2
TX	507	7.5	36.3	36.1	11.0	9.1

d. I am willing to accept a lower price to reduce price risk.

State	OBS	Strongly Agree	Agree	Disagree	Strongly Disagree	Not Sure
IN	426	0.9	29.3	46.2	14.3	9.2
MS	463	1.9	38.4	37.6	11.9	10.2
NE	277	1.4	28.9	39.0	23.1	7.6
TX	511	3.7	30.1	38.2	17.8	10.2

Risk Management Education

1. During the past three years, have you attended any educational programs to learn more about using alternative pricing mechanisms (*such as forward contracting, futures and options*) to market agricultural commodities?
   a. How many total hours of this training did you attend? . . . . . HOURS
   b. About what percent of this training was taught by University Extension personnel? . . . . . PERCENT

Alternative pricing mechanisms / State	OBS	% Attended	Hours	% Teaching Extension Involved
IN	436	38.8	14.1	52.8
MS	484	37.4	10.0	35.0
NE	286	49.3	17.0	23.3
TX	530	46.0	13.6	53.4

2. During the past three years, have you attended any educational programs to learn more about the use of alternative crop yield or revenue insurance programs?
   a. How many total hours of this training did you attend? . . . . . HOURS
   b. About what percent of this training was taught by University Extension personnel? . . . . . PERCENT

Alternative crop/revenue insurance / State	OBS	% Attended	Hours	% Teaching Extension Involved
IN	435	28.3	5.6	32.1
MS	482	23.9	5.9	26.4
NE	282	37.6	5.9	14.2
TX	529	32.1	6.8	45.1

3. During the past three years, have you attended any educational programs to learn more about other aspects of agricultural and financial risk management?
   a. How many total hours of this training did you attend? . . . . . HOURS
   b. About what percent of this training was taught by University Extension personnel? . . . . . PERCENT

Agricultural and financial risk management / State	OBS	% Attended	Hours	% Teaching Extension Involved
IN	427	26.9	10.4	60.1
MS	478	23.0	10.3	38.4
NE	276	26.4	18.1	35.4
TX	528	34.3	12.0	51.5

4. How comfortable are you in using each of the following risk management tools?

Risk Management Tool		Not at all comfortable				Very comfortable
Cash and other forward contracting						
State	OBS	1	2	3	4	5
IN	422	14.5	4.5	22.7	27.0	31.3
MS	465	10.1	8.3	18.5	26.2	37.0
NE	280	16.8	10.7	16.8	22.9	32.9
TX	497	28.0	12.9	22.3	17.3	19.5

Risk Management Tool		Not at all comfortable				Very comfortable
Futures and options						
State	OBS	1	2	3	4	5
IN	419	32.2	18.1	25.8	14.6	9.3
MS	452	28.3	21.9	23.9	14.8	11.1
NE	280	30.4	17.1	21.1	18.6	12.9
TX	498	40.0	20.5	21.7	10.0	7.8

Risk Management Tool		Not at all comfortable				Very comfortable
Crop yield insurance						
State	OBS	1	2	3	4	5
IN	413	25.7	20.6	26.4	17.7	9.7
MS	458	33.0	17.7	27.1	13.3	9.0
NE	280	15.5	18.2	28.2	21.4	16.8
TX	509	10.8	9.4	26.7	27.1	25.9

Risk Management Tool		Not at all comfortable				Very comfortable
Crop revenue insurance						
State	OBS	1	2	3	4	5
IN	403	30.0	24.1	27.0	11.9	6.9
MS	444	36.3	21.2	25.0	11.5	6.1
NE	272	19.1	21.0	24.6	21.3	14.0
TX	487	24.4	22.6	29.2	13.3	10.5

Risk Management Tool		Not at all comfortable.....comfortable				
Financial management						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	410	14.6	12.4	27.8	29.8	15.4
MS	452	8.2	10.4	29.9	33.4	18.1
NE	280	10.7	9.6	33.9	30.0	15.7
TX	497	14.5	10.7	30.8	27.6	16.5

Risk Management Tool		Not at all comfortable.....comfortable				
Renting/leasing arrangements						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	413	12.8	6.8	28.6	36.3	15.5
MS	457	8.8	6.6	26.9	33.5	24.3
NE	276	12.3	7.2	25.7	36.2	18.5
TX	497	13.5	7.8	26.4	30.4	21.9

5. How would you rate your interest in obtaining additional information or education on each of the following risk management tools?

Risk Management Tool		Low interest				Strong interest
Cash and other forward contracting						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	418	20.3	9.3	23.9	25.1	21.3
MS	462	13.6	7.1	27.1	27.9	24.2
NE	281	16.4	11.7	22.8	27.0	22.1
TX	512	22.3	9.2	22.5	22.7	23.4

Risk Management Tool		Low interest				Strong interest
Futures and options						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	413	18.6	8.2	23.0	27.1	23.0
MS	458	14.8	7.0	23.4	30.1	24.7
NE	279	17.6	11.8	20.8	29.7	20.1
TX	507	23.5	8.5	21.5	20.5	26.0

Risk Management Tool		Low interest				Strong interest
Crop yield insurance						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	412	25.0	18.4	30.3	17.7	8.5
MS	450	19.8	13.1	26.9	24.9	15.3
NE	278	15.5	18.0	32.7	21.9	11.9
TX	514	17.5	8.2	25.7	23.7	24.9

Risk Management Tool		Low interest				Strong interest
Crop revenue insurance						
State	**N**	**1**	**2**	**3**	**4**	**5**
IN	409	25.4	17.1	25.9	19.8	11.7
MS	451	19.3	11.8	25.9	25.1	18.0
NE	278	17.6	20.1	27.7	22.3	12.2

TX	493	18.1	8.3	28.6	22.9	22.1

Risk Management Tool		**Low interest.....interest**				**Strong**
Financial management						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	412	17.5	11.2	24.3	26.2	20.9
MS	454	12.8	5.3	22.9	33.7	25.3
NE	278	14.4	9.7	30.6	29.5	15.8
TX	504	19.0	6.9	24.4	25.4	24.2

Risk Management Tool		**Low interest.....interest**				**Strong**
Renting/leasing arrangements						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	413	21.3	11.6	27.1	26.9	13.1
MS	452	16.4	11.1	27.9	27.7	17.0
NE	280	18.2	13.9	30.0	25.4	12.5
TX	501	25.5	14.0	25.5	18.0	17.0

6. How do you prefer to learn about risk management tools?

Learning Methods		Low preference.....preference				
In-depth training by risk management experts						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	415	23.9	13.7	28.0	23.1	11.3
MS	449	18.3	10.9	30.7	23.4	16.7
NE	269	20.1	17.1	24.9	25.3	12.6
TX	493	21.9	13.6	22.7	22.3	19.5

Learning Methods		Low preference.....preference				
In-depth materials to study on your own time						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	418	13.6	14.4	31.8	28.0	12.2
MS	447	12.8	11.4	29.1	30.6	16.1
NE	269	15.2	18.6	29.4	26.0	10.8
TX	499	17.6	14.6	26.7	25.1	16.0

Learning Methods		Low preference.....preference				
Farm magazines/newsletters						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	421	10.2	15.7	40.6	25.2	8.3
MS	457	9.0	14.4	34.4	28.9	13.3
NE	275	9.8	16.4	32.0	28.4	13.5
TX	499	14.4	15.2	33.9	24.2	12.2

Learning Methods		Low preference.....preference				
Internet or other computer-based education modules						
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	411	38.4	22.1	21.2	13.1	5.1
MS	441	35.6	17.5	24.9	15.9	6.1
NE	268	32.2	19.8	22.4	18.3	3.4

TX	483	40.8	16.4	19.5	18.4	5.0

Learning Methods		**Low**				**Strong**
Marketing clubs or other groups of producers		**preference.....preference**				
State	**OBS**	**1**	**2**	**3**	**4**	**5**
IN	413	33.2	21.1	23.7	15.3	6.8
MS	443	27.3	16.3	26.9	21.4	8.1
NE	268	30.2	20.9	23.1	20.9	4.9
TX	490	29.2	14.1	24.3	22.2	10.2

7. In 1998, approximately how much did your operation spend on:

The services of professional farm managers?			**DOLLARS**		
State	**OBS**	**$0**	**<$500**	**$500-999**	**$1000 or more**
IN	388	92.0	2.1	1.5	4.4
MS	440	81.9	1.1	0.9	16.1
NE	269	91.1	2.0	1.2	5.7
TX	503	91.3	1.2	0.8	6.7
The services of marketing consultants?			**DOLLARS**		
State	**OBS**	**$0**	**<$500**	**$500-999**	**$1000 or more**
IN	392	81.1	5.6	4.1	9.2
MS	442	80.3	3.2	0.9	15.6
NE	274	79.2	7.0	3.8	10.0
TX	501	93.8	3.8	0.8	1.6
Computerized information services (For example:DTN, ACRES, Brock Report)?			**DOLLARS**		
	OBS	**$0**	**<$500**	**$500-999**	**$1000 or more**
IN	400	46.0	12.5	27.8	6.7
MS	445	62.5	7.8	16.2	13.5
NE	276	55.1	12.1	22.4	10.4
TX	498	77.3	12.1	6.2	4.4