The farmdoc Project: This is Still Your Father’s Extension Program?

Scott H. Irwin, University of Illinois
Conventional Wisdom in the 1980s and 1990s

Declining demand for agricultural Extension programs due to:
- Concerns about program quality and relevance
- Inadequate funding
- Outmoded delivery methods

McDowell (1992): Extension “… will be virtually dead in 10 years.”
The farmdoc Project

- Provides evidence that robust demand still exists for Extension programs dealing in traditional subject matter directed towards commercial agricultural producers
- Success of project largely due to development of a new program model
  - “e-Extension”
  - “integrated and web-first”
Project Overview
Purpose of farmdoc Project

Provide crop and livestock producers in the U.S. Cornbelt with **round-the-clock** access to **integrated** information and expertise to better manage their farm businesses.

Harnessing the power of the Internet for today’s farm business
Program Model

• Website is primary delivery mechanism
  – Similar “look and feel” to all sections
  – High standards for organization and presentation

• Extension meetings and publications reinforce material on website and direct people back to website

• Integrated team structure w/11 ACE faculty and staff members and a project manager

• 20 member advisory committee drawn from farming, agribusiness, and education
Before *farmdoc*

- Individual Faculty
- Meetings
- Personal contact
- Publications

Clients (Farmers and Others)

After *farmdoc*

- Faculty Team (Faculty with research, extension, and teaching appointments)
- *farmdoc* (website for all publications and decision tools)
- Meetings
- Personal contact

Clients (Farmers and Others)
Management Approach

• Similar to an academic journal
  – Team leader: senior editor
  – Faculty and staff members: editorial board
  – Project manager: managing editor

• Project manager is the day-to-day "gatekeeper"

• Monthly team meetings
Project Funding

- $150,000 annual budget for website and educational programs
  - C-FAR IT-SRI provided funding for first five years (1999-2003)
  - University of Illinois Extension now provides about half of annual funding
  - Competitive CSREES/RMA grants and private sponsorships provide other half of annual funding

- About $300,000/yr. of competitive funding (mainly USDA) for underlying research
Farm Decision Outreach Central (FARM.DOC) is a group of sites designed to provide comprehensive risk management information and analysis for producers, lenders, and agribusinesses in Illinois.

The site provides a one stop location for up-to-date price outlook information, evaluation of market advisory services, current government reports, historical fundamental data, crop and revenue insurance analysis, farm financial analysis, legal considerations, and instructional material.

Those providing input to this site include Darrel Good, Scott Irwin, Gary Schnitkey, Paul Ellinger, Donald L. Uchtman, and Chris Hurt. The site is designed and maintained by John Nwoha; please send suggestions, comments, and questions, to him at mailto:jnwoha@uiuc.edu.

FARM.DOC is produced at the University of Illinois, Urbana-Champaign.

Related sites include:
farmdoc version 2.0: 2000

improving farm decision-making under risk through education and research.

- Latest Market Advisory Service Report
- Illinois Regional Basis for Corn and Soybeans
- Illinois Farm Economics: Facts and Opinions
- 2001 Revised Crop Cost Estimates
- Proceedings for the Farm Income 2001

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Recommended Site Technology
Consumption of U.S. corn during the current marketing year is projected by the USDA to reach 11.890 billion bushels, $24 million above the record consumption of last year. More...

Projected Corn and Soybean Returns in 2007 (11/02/2006)
At present, corn and soybean prices for 2007 are projected to be much higher than in recent years. More...

2007 Crop Budgets Indicate Higher Returns for Corn and Wheat (11/02/2006)
Changes in relative prices have caused corn and wheat to have higher relative returns compared to soybeans. More...

Soybeans Move to Center Stage (10/30/2006)
Soaring corn and wheat prices have been the center of attention in recent weeks. Now, the soybean market appears to be playing catch-up. More...

Returns Exceed Costs For Dairy Producers In 2005, Profit Margins Likely To Turn Negative In 2006 (10/24/2006)
Lower feed costs helped offset lower milk prices resulting in total returns exceeding total economic costs for the second year in a row for Illinois dairy producers. More...
Publications on farmdoc

- Weekly Outlook
- Quarterly Grain Price Outlook
- Quarterly Livestock Price Outlook
- Illinois Farm Economics: Facts and Opinions
- Ag Law & Taxation Briefs
- Ag Policy Briefs
- Ag Policy Research Reports
- AgMAS Research Reports

Marketing & Outlook

November 6, 2006

CORN CONSUMPTION: WHO WILL BLINK?

Consumption of U.S. corn during the current marketing year is projected by the USDA to reach 11,890 billion bushels, 524 million above the record consumption of last year. If the U.S. crop is significantly smaller than the current forecast of 10.965 billion bushels, however, consumption may have to be less than forecast.

It is rare that the U.S. crop is small enough that total supply (production plus carryover stocks) is small enough to require a reduction in consumption from the level of consumption during the previous year. That scenario unfolded only four times in the past 30 years: 1983-84, 1993-94, 1995-96, and 2002-03. Consumption was lower than the previous year on five other occasions, but supplies were large enough in each of those years to accommodate an increase in consumption. For the current marketing year, supplies are not small enough to force a year-over-year reduction in consumption, but may be small enough that consumption will have to be less than currently projected.
### Decision Tools on farmdoc

Full list of Tools: Click [here](#)

Recent FAST Tools Updates

Spreadsheets titles from two latest updates are shown. For more comprehensive lists, see the Full List of Tools above or section lists below.

To Download Spreadsheets: Check the box next to the spreadsheet, then scroll down to the bottom of the page and click "Download."

<table>
<thead>
<tr>
<th>Download</th>
<th>Tool</th>
<th>Size</th>
<th>Date</th>
<th>User Guide</th>
<th>Demo</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Benchmark Ratio Analysis</td>
<td>2354k</td>
<td>11/3/2006</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Provides key ratio calculations and benchmarks for Illinois farms based on Sales, Age, Farm Type, Tenure, and All Farms.</td>
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<tr>
<td></td>
<td>Corn-Soybeans Rotation Tool</td>
<td>732k</td>
<td>11/3/2006</td>
<td></td>
<td>Demo</td>
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<tr>
<td></td>
<td>The user can evaluate the economic returns of changing corn-soybeans rotations.</td>
<td></td>
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<tr>
<td></td>
<td>Crop Budgeting Tool</td>
<td>7470k</td>
<td>11/3/2006</td>
<td></td>
<td>Demo</td>
</tr>
<tr>
<td></td>
<td>Computes budget per-acre returns from different crops to help determine crops to plant and cash rent prices.</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Grain Bin Analysis</td>
<td>739k</td>
<td>11/3/2006</td>
<td></td>
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<tr>
<td></td>
<td>Evaluates the feasibility of purchasing a grain bin.</td>
<td></td>
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<tr>
<td></td>
<td>Prepares a family budget that produces a balance sheet and an income statement.</td>
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<tr>
<td></td>
<td>Wheat Rotation Tool</td>
<td>730k</td>
<td>11/3/2006</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>ReMoVing Loan Calculator</td>
<td>717k</td>
<td>10/23/2006</td>
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<tr>
<td></td>
<td>Calculates principal and interest balances for revolving loans.</td>
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</tbody>
</table>
2006 iFARM Crop Insurance Premium Calculator: North Central Region Crops

Describe insurance policy:
- Iowa
- Greene
- Corn

APH Yield
- 165
(Actual Production History Yield) in bu/acre

Submit

The above selections will give farmer-paid premiums for basic units. Premiums also are available for other units. These selections are made on the next web page.

Last Updated: 03/03/2006

<table>
<thead>
<tr>
<th>Coverage Level</th>
<th>APH ($/acre)</th>
<th>RA BP ($/acre)</th>
<th>RA HP ($/acre)</th>
<th>CRC ($/acre)</th>
<th>GRP ($/acre)</th>
<th>GRIP ($/acre)</th>
<th>GRIP-HP ($/acre)</th>
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</thead>
<tbody>
<tr>
<td>50%</td>
<td>0.75</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>55%</td>
<td>0.97</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>60%</td>
<td>1.32</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>65%</td>
<td>1.97</td>
<td>1.94</td>
<td>3.61</td>
<td>2.25</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70%</td>
<td>2.67</td>
<td>3.52</td>
<td>5.94</td>
<td>4.51</td>
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<td></td>
<td></td>
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<tr>
<td>75%</td>
<td>3.87</td>
<td>6.19</td>
<td>9.85</td>
<td>6.13</td>
<td>2.82</td>
<td>3.72</td>
<td>4.70</td>
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<tr>
<td>80%</td>
<td>5.79</td>
<td>10.67</td>
<td>16.26</td>
<td>13.70</td>
<td>4.21</td>
<td>8.59</td>
<td>10.15</td>
</tr>
<tr>
<td>85%</td>
<td>8.79</td>
<td>18.02</td>
<td>26.59</td>
<td>21.40</td>
<td>5.13</td>
<td>12.93</td>
<td>15.03</td>
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<tr>
<td>90%</td>
<td>7.42</td>
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</table>

Making the following selections and clicking on "SUBMIT" will provide estimated insurance premiums per acre. These are not quotes. A number of assumptions had to be made to estimate the following per acre premiums. These assumptions will not be applicable to all farms. Actual quotes must be obtained from qualified insurance agents.

Click any state above for a detailed image of its counties.

To generate a new table, select the variables below and click here Recalculate.
If you want to change the price, click here Change. Click here to cancel Cancel.

<table>
<thead>
<tr>
<th>County</th>
<th>Crop</th>
<th>APH Yield</th>
<th>Unit</th>
<th>Protection Level</th>
<th>Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select County</td>
<td>Select Crop</td>
<td>165</td>
<td>Basic</td>
<td>100</td>
<td>Select Practice</td>
</tr>
</tbody>
</table>
farmdoc Extension Meetings

- Regional “farm income” meetings held at 5 locations around Illinois each December; over 3,000 attendees
- Over 30 FAST Tools training workshops offered annually
- Multi-day “young and innovative farmer” workshops initiated in 2006
farmdoc in the Classroom

ACE 398: University of Illinois Resources for Today’s Farm Business

• Two-hour seminar for juniors and seniors interested in a farming career in Illinois

• Emphasizes economic, business, legal, and production topics important to operating farm businesses

• Majority of instructors from the farmdoc team

• 30 students in 2005, 23 students in 2006, 21 students in 2007
Project Evaluation
farmland Page Requests:
January 1999-February 2007

11.3 million total page requests
2.9 million page requests in 2006
30,000 unique visitors per month in 2006

Mar 07 = 356,000

+26% +32% +40%
## Page Request Regression Model

### Coefficients

<table>
<thead>
<tr>
<th></th>
<th>Coefficients</th>
<th>t Stat</th>
<th>p-value</th>
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</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>38,798.43</td>
<td>3.49</td>
<td>0.00</td>
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<tr>
<td>Trend</td>
<td>202.07</td>
<td>0.59</td>
<td>0.56</td>
</tr>
<tr>
<td>Trend2</td>
<td>22.56</td>
<td>6.68</td>
<td>0.00</td>
</tr>
<tr>
<td>Jan</td>
<td>12,927.04</td>
<td>1.12</td>
<td>0.27</td>
</tr>
<tr>
<td>Feb</td>
<td>17,900.56</td>
<td>1.55</td>
<td>0.13</td>
</tr>
<tr>
<td>Mar</td>
<td>28,019.74</td>
<td>2.35</td>
<td>0.02</td>
</tr>
<tr>
<td>Apr</td>
<td>-19,955.80</td>
<td>-1.68</td>
<td>0.10</td>
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<tr>
<td>May</td>
<td>-21,059.34</td>
<td>-1.77</td>
<td>0.08</td>
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<tr>
<td>Jun</td>
<td>-35,673.77</td>
<td>-3.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Jly</td>
<td>-28,479.32</td>
<td>-2.39</td>
<td>0.02</td>
</tr>
<tr>
<td>Aug</td>
<td>-23,784.75</td>
<td>-2.00</td>
<td>0.05</td>
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<tr>
<td>Sep</td>
<td>-17,207.05</td>
<td>-1.45</td>
<td>0.15</td>
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<tr>
<td>Oct</td>
<td>-3,045.99</td>
<td>-0.26</td>
<td>0.80</td>
</tr>
<tr>
<td>Nov</td>
<td>-75.93</td>
<td>-0.01</td>
<td>0.99</td>
</tr>
</tbody>
</table>

### Trend in Page Requests

- 2007 Trend = +4,500 requests/mo.

### Seasonal Pattern of Page Requests
FAST Tools Page Requests: January 2002-February 2007

Page Requests per Month

0 10,000 20,000 30,000 40,000 50,000 60,000 70,000 80,000

Jan-02 Jul-02 Jan-03 Jul-03 Jan-04 Jul-04 Jan-05 Jul-05 Jan-06 Jul-06 Jan-07
Distribution of Page Requests by Section: January 2002-February 2007
# Most Popular Publications in January 2007

<table>
<thead>
<tr>
<th>Rank</th>
<th>Publication</th>
<th>Page Requests</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Weekly Outlook</td>
<td>24,911</td>
</tr>
<tr>
<td>2.</td>
<td>Illinois Farm Economics: Facts &amp; Opinions</td>
<td>18,781</td>
</tr>
<tr>
<td>3.</td>
<td>Ag Law &amp; Taxation Briefs</td>
<td>10,169</td>
</tr>
<tr>
<td>4.</td>
<td>Lease Forms</td>
<td>9,357</td>
</tr>
<tr>
<td>5.</td>
<td>AgMAS Research Reports</td>
<td>5,005</td>
</tr>
<tr>
<td>6.</td>
<td>Quarterly Grain Price Outlook</td>
<td>4,544</td>
</tr>
<tr>
<td>7.</td>
<td>Quarterly Livestock Price Outlook</td>
<td>3,748</td>
</tr>
<tr>
<td>8.</td>
<td>Ag Policy Briefs &amp; Reports</td>
<td>1,511</td>
</tr>
</tbody>
</table>
The farm gate: A new sister site

- World-wide publicity when launched in December 2005
- 625,000 total page requests since launch
- 5,000 to 8,000 unique visitors per month
- Daily posts now being re-published at Farms.com, which receives about 20,000 unique visitors daily
What Have We Learned?

- Team approach required
- Adequate funding base essential
- Do not stray from the vision
- Benefits of branding
- Most intensively used by younger and/or computer savvy farmers
- A radical departure from traditional “high touch” Extension programs
- Only a few comprehensive sites are needed within the US
Future Directions

- ARMS initiative with ERS
- Project evaluation
  - Web surveys
  - Willingness-to-pay
  - Case studies
- Regional and national co-operation
Thank You