



# Increasing the public value of farm business management association databases through Extension Programming

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# WHAT IS MY EXPERIENCE WITH FARM LEVEL DATA?

- Michigan Farm Business management
- North Dakota Farm Business management
- Kansas (KFMA)
- Minnesota (FINBIN)
  
- USDA-ARMS
- USDA-APHIS dairy surveys



# A BIT MORE ABOUT FINBIN

**FINBIN**

⚡ Getting Started   ✓ About FINBIN   📶 About the Data   ☎ Contact

**Generate a Summary Report**  
**WHOLE FARM**  
**CROP**  
**LIVESTOCK**

**Generate a Benchmark Report**  
**WHOLE FARM**  
**CROP**  
**LIVESTOCK**

**Compare Your Farm**  
**FINANCIAL RATIOS**

## Welcome to FINBIN

FINBIN is one of the largest and most accessible sources of farm financial and production benchmark information in the world. FINBIN places detailed reports on whole farm, crop, and livestock financials at your fingertips.

With just a few clicks of the mouse, you can see reports such as:

- [Soybean cost and returns by tillage system](#)
- [Dairy cost and returns by size or location of herd](#)
- [Farm financial standards measures by type or size of farm](#)


The possibilities are endless. Select Whole Farm Reports, Crop Reports, or Livestock Reports to create your own custom report.

### Something's New

Welcome to the new FINBIN website. We hope you like the new look and feel of the site. We have made lots of changes in the background but the basic functionality of the site is unchanged: to provide the most powerful farm financial benchmarking tool possible with the most diverse set of peer group farms from a broad range of farms by farm type, size and location. The major change you will notice is that FINBIN will now work much better on your mobile devices. No more scrolling and fumbling to try to navigate the website. FINBIN will now format to the device you are using.

We hope you like the changes. [Let us know what you think.](#)

### 2015 FINBIN Report on Minnesota Farm Finances



**2015  
FINBIN**  
Report on  
Minnesota Farm Finances  
April, 2016



# FINBIN DATA PROVIDERS

## Data Providers



# HOW HAS FARM LEVEL DATA BEEN COLLECTED HISTORICALLY?

- Farm Business Management Associations
  - Private entity
    - Iowa, Illinois
  - Part of Extension
    - Kansas, Michigan, Nebraska?, Minnesota (SW)
  - Part of non-land grant University system
    - Minnesota, North Dakota



# WHY IS FARM LEVEL DATA SO IMPORTANT?

- Survey fatigue!
  - In the past 12 months MN dairy farmers have received surveys from:
    - USDA – Ag Census, APHIS
    - MN Commodity groups: Corn Growers, MN Milk, Milk processors (FARM program), etc.
    - UMN – Applied Economics, Dept. of Soil & Water, Dept. of Animal Science, Extension
    - And the list goes on....



# WHAT IS THE VALUE OF FBM DATA?

- Data is more detailed and cross-validated numerous times
  - Farmer enters it
  - FBM instructor verifies and discusses it with the farmer
  - The data collection group checks for outliers
    - E.g. FINBIN, etc.



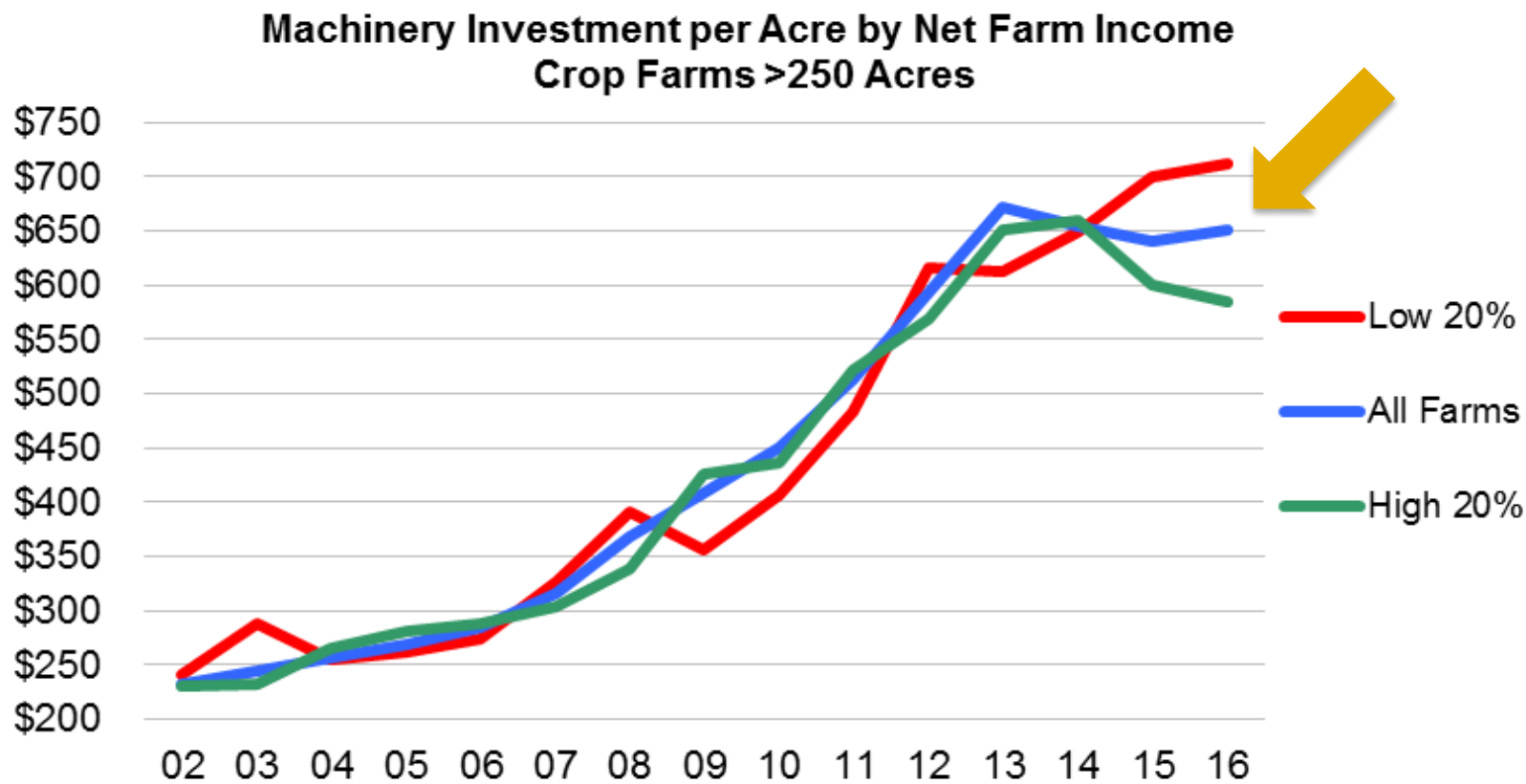
# HOW IS IT BEING USED CURRENTLY?

- Benchmark reports
- State summaries
- Extension programming
- Research





# MACHINERY INVESTMENT



# CORN, CASH RENT, NFI PER ACRE

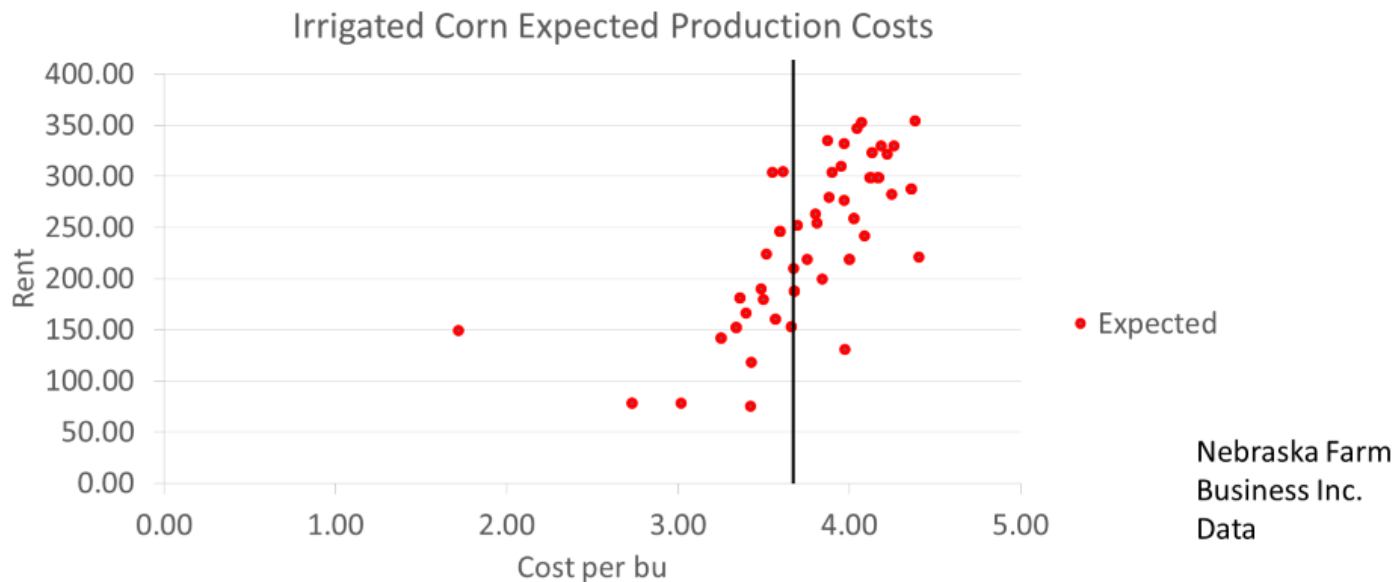
ASSUMES 2018 PROJECTED EXPENSES

## Yield per Acre

\$/Bu	155	170	185	200	215
2.50	-318	-281	-243	-206	-168
3.00	-241	-196	-151	-106	-61
3.50	-163	-111	-58	-6	47
4.00	-86	-26	34	94	154
4.50	-8	59	127	194	262

# NEBRASKA EXAMPLE

UNIVERSITY OF  
Nebraska  
Lincoln



Production costs are variable – FLAW of the AVERAGE ( Good book by Sam Savage). Cost and rent appear to be positively related. Black line represents projected price less basis. Only a percent of producers are in trouble.

For high cost producers, plenty of pressure to: lower costs, switch crops (likely to soybeans), burn equity, retire or have an auction.



# HOW DO WE EXTEND THIS WORK?

- Building public/private relationships to capitalize on economic and biological data
  - **MN DHIA –FINBIN data project *to identify how biological management decisions affect farm financial outcomes***
    - 94 dairy farms
    - 5 years DHIA records
    - 5 years FINBIN records



# TOP FARMER SURVEY-MN

- Survey distributed to MN FINBIN students
  - Management questions
  - No reference to finances nor prices
  - 394 responses, 337 when merged with FINBIN
  - Preliminary Outcomes:
    - Cash pricing majority of crops
    - Using multiple consultants
    - Farm start matters



# WHY SHOULD WE EXTEND RESEARCH BEYOND STATE ONLY PROJECTS?

- Research reporting for benchmarking grant
- Provides public value and support
  - Recommendations are not unilateral across all states
  - More detailed data than most public data sources
  - Cross-validation



# INFORMAL MULTI-STATE PROJECT IDEAS...

- MN, ND, NE, & UT
  - Joleen Hadrich, Billie Jo Shae, Cory Walters, Ryan Larsen
- Farm Performance measures
  - What factors explain why farms are consistently in the top 20% (or not)?
  - National cost of production benchmarks





# Questions

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