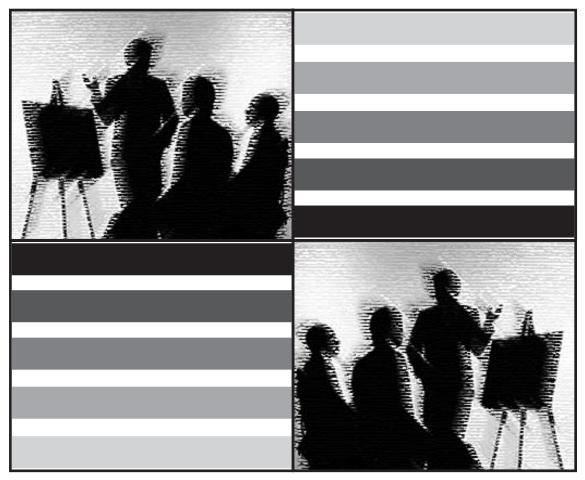
# Focus Group Survey Results: Typical Arkansas Crop Producer Production and Marketing Practices



Jason Hill Michael Popp Patrick Manning

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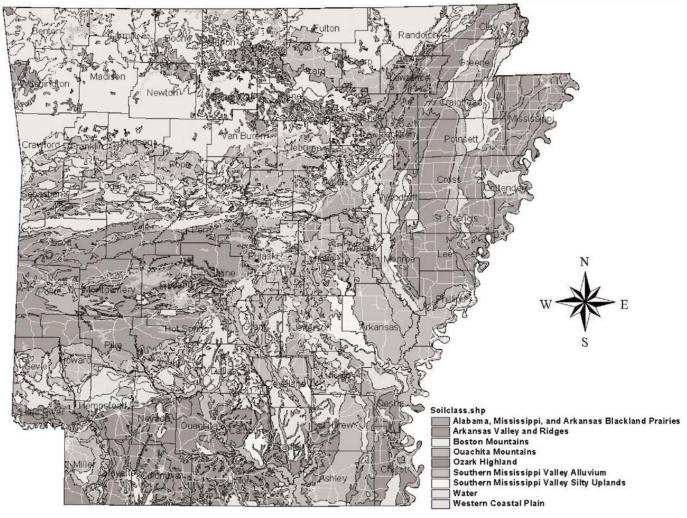


Fig. 2. Map of Arkansas soil classes used with Survey Instrument



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# Contents

| Summary   | 5   |
|---|-----|
| Introduction                                    | . 7 |
| Sampling Procedure and Survey Design            | 7   |
| Basic Farm Information<br>Farm Size and Type    | 8   |
| Rental Arrangements                             |     |
| Production Information                          |     |
| Conservation Tillage<br>Seed Cultivar Selection |     |
| Irrigation Decisions                            |     |
| Soil Mapping / Testing Practices                |     |
| Governmental Programs / Crop Insurance          |     |
| Crop Rotation Practices / Crop Selection        |     |
| Insurance, Risk Preference, and Marketing       | 18  |
| Summary and Concluding Remarks                  | 20  |
| Literature Cited                                | 22  |
| Appendix – Survey Instrument                    | 23  |

# List of Tables and Figures

Tables:

| Table 1. Number of farms, acreage and average farm size for selected counties, 1997 Agricultural Census                           | 8   |
|---|-----|
| Table 2. Small, large, and average farm sizes for counties surveyed, 2001   | 8   |
| Table 3. Principal survey-farm characteristics by county  | 9   |
| Table 4. Top five producing counties for selected crops in Arkansas, 2000   | 9   |
| Table 5. Average survey responses on rental and leasing arrangements by crop  | .10 |
| Table 6. Rental and lease arrangement expectations by farm type and crop  | .10 |
| Table 7. Average rankings of factors that impact amount of land rented/leased   | .11 |
| Table 8. Adoption of no-till and reduced-till systems   | .11 |
| Table 9. Reasons producers chose not to use conservation tillage  | .12 |
| Table 10. 2000 and expected 2001 GMO plantings as % of total plantings of specific crops  | .13 |
| Table 11. Reasons that farmers plant GMO varieties  | .13 |
| Table 12. Average number of varieties for selected crops in Arkansas  | .14 |
| Table 13. Soybean selection by maturity group and planting date   | .14 |
| Table 14. Reasons for planting early-season early-maturity soybeans   | .15 |
| Table 15. Sources of irrigation water   | .15 |
| Table 16. Common irrigation systems employed for different types of crops   | .16 |
| Table 17. Percentage of irrigation water reclaimed as tail water and annual irrigation changes                                    |     |
| Table 18. Factors influencing irrigation decisions  | .17 |
| Table 19. Percentage of producers using the irrigation scheduler or other extension software to follow irrigation recommendations | .17 |
| Table 20. Factors farmers use to differentiate across soil types or soil qualities  | .18 |
| Table 21. Number of different soil types or categories on a typical farm  |     |
| Table 22. Standard crop rotations   | .19 |
| Table 23. Factors determining the crop rotation used  | .19 |
| Table 24. Other crops that could be grown if marketing opportunities were available   | .20 |
| Table 25. Typical crops for which producers purchase crop/income insurance  |     |
| Table 26. Reasons that crop insurance is undesirable to some farmers  | .21 |
| Table 27. Average and range of percentage of crop sold using various marketing strategies   | .21 |
| Table 28. Important factors in allocating crop acreage  | .21 |
| Figures:  |     |

| Figure 1. | . Arkansas regions/counties covered by survey-respondent county agents, 2001 | 7                 |
|-----------|--|-------------------|
| Figure 2. | . Map of Arkansas soil classes used with Survey Instrument                   | Inside back cover |

# Summary

This report contains information from a 2001 focus group survey of production practices and marketing decisions of 'typical' representative Arkansas farms from selected counties in eastern Arkansas. While the National Agricultural Statistical Service (NASS) publishes similar information through the Arkansas Agricultural Statistics Service, reporting of these statistics is often not differentiated across crops or specific farm type. Therefore, one of the major objectives of this survey was to ascertain production practices for specific crops and farm types typical of row crop farms in eastern Arkansas. Responses were categorized into production regions dominated by either rice or cotton production. The results of this study may be useful in creating profiles of 'typical' Arkansas farms. It should thus prove useful in evaluating effects of various farm policies or changes in production methods on Arkansas rice and cotton farms.

Key words: farm size, rice production, cotton production, decision making

# Focus Group Survey Results: Typical Arkansas Crop Producer Production and Marketing Practices

Jason Hill, Michael Popp, and Patrick Manning<sup>1</sup>

# Introduction

A focus group session on agricultural production and marketing practices was conducted on January 18, 2001. It was intended to elicit production and marketing practices of 'typical' crop producers in eastern Arkansas that grow rice, cotton, soybeans, wheat and corn. One of the main goals was to provide a benchmark of these production practices as of 2001, as such information is typically not easily available from other sources. That is, it is hard to determine typical production practices from aggregated data published by the Arkansas Agricultural Statistics Service (AASS), the National Agricultural Statistics Service (NASS) and other public sources. The survey questionnaire attempted to ascertain information on a wide array of farm production decisions. The main topics included decision-making factors and practices related to:

- Land rental
- Conservation tillage
- Seed cultivar selection (GMO, maturity group, early season, etc)
- Planting dates
- Irrigation practices
- Soil mapping / testing
- Government programs
- Crop rotations
- Crop diversification ( specialty crops, etc )
- Insurance
- Risk reduction / marketing

## Sampling Procedure and Survey Design

Since the array of topics was very broad, the survey was conducted using a focus group session with Arkansas Cooperative Extension Service (CES) agents (see Appendix for survey instrument). Six Arkansas CES agents were selected to participate in the focus group on the basis of their work experience related to the issues outlined above. At the time of the session, the participants were responsible for extension of knowledge/research on crop production in their respective districts in northeastern, eastern and central Arkansas (see Figure 1). Corn, cotton, rice, soybean, and wheat are grown in this region and some of the surveyed counties are among Arkansas' top-producing counties in terms of crop acreage (AASS, 2001). At the onset of the focus group session, the CES agents were asked to describe the typical range of farm sizes (acres) they encounter in dealing with producers and subsequently to picture in their minds a 'typical' or modal operation (one county agent chose to describe two typical operations). This 'typical' operation then became the focus of the questions for the remainder of the survey.

The agents were told that they could ask further questions during the focus group session to reduce ambiguity about the questions.

Soil types in the surveyed region can be loosely placed into two broad categories: silt loams and clays. This is important as, historically, cotton production has been confined to regions with sandy loam and silt loam soils, while rice production is typically found on both clay soils and silt loam soils with a restrictive layer. All counties surveyed had both silt loam and clay soils. Soybeans, corn, and wheat are typically rotated with both rice and cotton in Arkansas to reduce weeds or insects and to improve soil fertility.

The results of this survey are summarized in the following sections of the paper and include summary statistics such as averages and ranges reported across all responses. Some information, where appropriate, will be separated by farm type or county to reflect a typical farm, either rice/soybean or cotton/soybean, etc. No statistical comparisons are possible given the small sample size associated with the focus group approach. To at least partially verify how typical or representative these responses of Arkansas producers are, survey statistics are compared to unpublished yet available data from AASS where possible.

- Rice forming region
- Cotton farming region
- History and cotton farming region



Figure 1. Arkansas regions/counties covered by survey-respondent county agents, 2001

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# **Basic Farm Information**

Basic farm information includes information on farm size and type of operation. In addition, rental and lease arrangements are considered basic farm information in the following sections.

#### Farm Size and Type

Average farm size varies widely in Arkansas as many operations may be part-time farms, hobby farms or full-time farms. The AASS does not typically differentiate types of farms in their publicly available information and therefore average farm size numbers may be somewhat misleading if a person were interested in average or typical farm size information for those farms that are operated on a fulltime basis. Evidence of this issue is demonstrated in Tables 1 and 2. Table 1 shows average farm sizes as reported by AASS for the counties included in the survey (AASS, 2001a). Table 2, by contrast, shows the small, average, and large farm sizes for operations where farming makes up a principal portion of family income as reported by the respondents to this survey. and may also grow rice, soybeans, wheat, corn, or sorghum, again in irrigated or non-irrigated production.

Respondents from eastern Clay, Lee and Mississippi counties were thus grouped into the cotton farm category with the remaining counties (western Clay, Mississippi, Prairie and St. Francis) classified as rice farms. The classification is done to be able to report some information on the basis of these two basic operation types. Further, information may also be reported on a crop-by-crop basis in order to exhibit differences in typical production and marketing practices by producers across crops. However, given the small sample size, no statistical tests will be performed to see whether there are significant differences in responses or not. In most tables, information is therefore presented on the overall responses as well as for the two farm categories.

#### Rental Arrangements

Table 5 summarizes the statistics related to land rental and leasing arrangements by crop. The findings suggest that there are large differences in cash rental rates and rental arrangements across crops. The crop share rental arrangement is markedly the most common for

| Table 1. Number of farms | acreage, and average | farm size for selected counties | . 1997 Agricultural Census. |
|--------------------------|----------------------|---------------------------------|-----------------------------|
|                          |                      |                                 |                             |

| County      | Number of farms | Land in farms (acres) | Average size of farms (acres) |
|-------------|-----------------|-----------------------|-------------------------------|
| Clay        | 611             | 323,578               | 530                           |
| Lee         | 273             | 279,643               | 1024                          |
| Mississippi | 462             | 489,158               | 1059                          |
| Prairie     | 420             | 301,851               | 719                           |
| St. Francis | 328             | 289,882               | 884                           |
| Total       | 2094            | 1,684,112             | 804                           |

#### Table 2. Small, large, and average farm sizes for counties as reported by respondents, 2001.

| Farm<br>size (acres) | Eastern<br>Clay | Western<br>Clay | Lee   | Mississippi | Prairie | St. Francis | Survey<br>average |
|----------------------|-----------------|-----------------|-------|-------------|---------|-------------|-------------------|
| Small                | 500             | 1,000           | 1,500 | 500         | 625     | 700         | 804               |
| Large                | 4,800           | 10,000          | 3,000 | 10,000      | 4,750   | 2,000       | 5,758             |
| Average              | 1,500           | 2,000           | 2,250 | 3,500       | 1,750   | 1,500       | 2,083             |

The implication is that the AASS summary statistics obscure the fact that some operations may be part-time and that some operations may not grow some crops while other operations specialize in certain crops. Agents were therefore asked to describe their typical farm in terms of principal crops grown, soil series encountered, planted acreage, extent of diversification of the operation, and number of personnel engaged in farming. This information is summarized in Table 3 for the seven typical farms generated during the focus group session. None of the respondents reported any diversification in off-farm businesses.

There are two differentiating features in Table 3. First, farms either grow cotton or they do not. Second, cotton is preferably grown on silt loam soils. On the other hand, rice is grown on both silt loam soils with a restrictive soil layer and clay soils. Table 4 lists the top five counties in terms of production for each of the crops in Table 3. Using this information, the respondents were grouped into two categories:

 Rice farms—operations that emphasize rice production and also grow soybeans, wheat, or corn either in rotation or on non-irrigated acreage; and

ii) Cotton farms-operations that focus on cotton production

all types of farms and crops while the cost share (as defined in the table) arrangement is the least common. In general, land suited for the most profitable crops, rice and cotton, commands higher cash rental rates than land not suited to their production. Land rented for wheat production tends to cost producers less than land rented for other crops. However, combining the soybean and wheat rental rates for double-cropped acreage results in even higher returns to landlords than those achieved on cotton. These statistics are slightly higher than averages reported by AASS at \$78/acre and \$47/acre on irrigated and non-irrigated acreage, respectively (AASS, 2001b).

Overall it appears that nearly two-thirds of land in production is rented or leased rather than owned. This makes capital investment decisions like irrigation and other land improvement decisions more difficult as both a landlord and the producer are involved.

Finally, even with footnote three in Table 5 included in the survey, the readers are cautioned that respondents likely did not differentiate whether the cash rental rates represent rates for irrigated or dryland production in the case of soybean and corn. The relatively large range in responses may indicate that the low and high end of the range represent cash rental rates for land without and with irrigation, respectively. Focus Group Survey Results: Typical Arkansas Crop Producer Production and Marketing Practices

|   | -               | •               |                   | -         | -             |                          |             |
|---|-----------------|-----------------|-------------------|-----------|---------------|--------------------------|-------------|
| Counties:   | Eastern<br>Clay | Western<br>Clay | Lee               | Missis    | ssippi1       | Prairie                  | St. Francis |
| Principal crops <sup>2</sup>                      | R, C, Ct,<br>S  | R, C, S,<br>W   | R, C,<br>Ct, S, W | Ct, S     | R, C,<br>S, W | R, C,<br>Ct, S,<br>W, GS | R, S,       |
| Dominant soil<br>series <sup>3</sup>              | SSL             | SL, SC,<br>TL   | TL, MC            | SL,<br>TL | SC,<br>MC     | SL, TL,<br>MC, CL        | SSL, MC     |
| Crop acres  | 1,600           | 2,000           | 3,000             | 4,000     | 6,000         | 1,800                    | 2,200       |
| # of personnel<br>engaged in farming <sup>4</sup> | 6               | 4               | 4                 | 8         | 9             | 3                        | 5           |

<sup>1</sup> One county agent filled out two questionnaires to reflect two typical operations. One growing cotton and the other with an emphasis on rice.

<sup>2</sup> R= Rice, C= Corn, Ct = Cotton, S= Soybean, W= Wheat, GS= Grain Sorghum.

<sup>3</sup> SSL= Sandy silt loams, SL= Sandy loam, SC= Sharkey clay, TL= Silt loam, MC= Mixed clay, CL= Clay loam.

<sup>4</sup> Personnel include full-time and part-time people working on the farm. Average responses were 4 full-time and 2 part-time employees. The overall total employees engaged on typical farms was 5.6 per operation.

| Rank                                    | Corn                         | Co          | otton                          | Rice                         | Sorghum                   | So         | ybean           | Wheat                     |
|---|------------------------------|-------------|--------------------------------|------------------------------|---------------------------|------------|-----------------|---------------------------|
|   | (in thousands<br>of bushels) |             | s of 480lb bales)<br>edweight) | (in thousands of of bushels) | (in thousands<br>bushels) | (in thousa | nds of bushels) | (in thousands of bushels) |
|   |                              | Irrigated   | Non-irrigated                  |                              |                           | Irrigated  | Non-irrigated   |                           |
| 1                                       | Clay                         | Mississippi | Mississippi                    | Poinsett                     | Phillips                  | Arkansas   | Crittenden      | Arkansas                  |
|   | 2,869                        | 170         | 111                            | 7,601                        | 1,299                     | 6,377      | 1,755           | 5,547                     |
| 2                                       | Monroe                       | Desha       | Craighead                      | Arkansas                     | Monroe                    | Cross      | Mississippi     | Crittenden                |
|   | 1,924                        | 141         | 35                             | 7,393                        | 697                       | 4,846      | 1,584           | 4,351                     |
| 3                                       | Woodruff                     | Craighead   | Crittenden                     | Cross                        | Crittenden                | Poinsett   | Lee             | Mississippi               |
|   | 1,755                        | 126         | 21                             | 6,151                        | 632                       | 4,156      | 1,170           | 4,025                     |
| 4                                       | Jackson                      | Phillips    | Phillips                       | Jackson                      | Prairie                   | Lonoke     | Lawrence        | St. Francis               |
|   | 1,193                        | 101         | 21                             | 5,535                        | 618                       | 3,780      | 1,091           | 3,098                     |
| 5                                       | Randolph                     | Ashley      | Poinsett                       | Lawrence                     | Mississippi               | Prairie    | Clay            | Jackson                   |
|   | 1,176                        | 93          | 19                             | 5,335                        | 579                       | 3,354      | 979             | 2,943                     |
| State Total                             | 22,750                       | 1,141       | 284                            | 86,112                       | 9,940                     | 65,567     | 17,633          | 59,400                    |
| Top 5<br>counties<br>(% of State Total) | 39.2                         | 55.3        | 72.4                           | 37.2                         | 38.5                      | 34.3       | 37.3            | 33.6                      |

Table 4. Top five producing counties for selected crops in Arkansas, 2000.

Table 6 presents summary responses on expected changes in rental arrangements by crop and type of farm. Focus group members were asked to compare this year's level of rental and lease arrangements to those they expect over the next five years. There appears to be a trend towards an overall increase in the amount of land rental for all crops. Only land rented for wheat production shows the possibility of declining. Cotton appears to show the strongest expected increase over the next five years.

In summary, Table 7 illustrates which factors are important to producers in determining the extent of their involvement in rental/leasing agreements. Availability of labor and management time and available operating capital appear to be the most important factors as indicated by their relatively high average rankings. There also seems to be a difference in the rankings between farm types. Rice farmers think that the cost of land rental or leasing and available labor and management time are the most important factors, while cotton farmers find these factors to be somewhat less important. Cotton farms tend to place available operating capital as the most important factor. This is likely a function of more input-intensive production for cotton production, which is also reflected in the slightly higher importance ranking of input price changes on cotton farms as compared to rice farms. Respondents also mentioned other factors that play a role in land rental. These other factors, in the bottom rows of the table, include irrigation availability and productivity of land. Many farmers will refuse to rent land if irrigation is not guaranteed as banks often require irrigation before allowing operating loans.

|                         |                  |  |                        | Percentage of rer                        | nted/leased land |                |
|-------------------------|------------------|--|------------------------|--|------------------|----------------|
| Crop                    | Responses<br>(#) | Percent of land<br>rented or leased <sup>1</sup><br>versus owned | Cash rent <sup>2</sup> | Rental fee <sup>3</sup><br>(\$ per acre) | Crop<br>share⁴   | Cost<br>share⁵ |
| Rice<br>avg<br>range    | 6                | 67<br>33 - 100   | 13<br>0 - 25           | 95<br>80 - 100                           | 85<br>75 - 100   | 3<br>0 - 10    |
| Soybean<br>avg<br>range | 7                | 64<br>20 - 95  | 11<br>0 - 25           | 65<br>40 - 80                            | 87<br>75 - 100   | 2<br>0 - 10    |
| Wheat<br>avg<br>range   | 6                | 53<br>12 - 95  | 12<br>0 - 25           | 54<br>30 - 75                            | 86<br>75 - 100   | 3<br>0 - 10    |
| Cotton<br>avg<br>range  | 3                | 77<br>50 - 95  | 10<br>0 - 20           | 100<br>100                               | 90<br>80 - 100   | 0<br>0         |
| Corn<br>avg<br>range    | 4                | 65<br>0 - 95   | 8<br>0 - 15            | 65<br>30 - 85                            | 90<br>80 - 100   | 3<br>0 - 10    |

Table 5. Average and range of survey responses on rental and leasing arrangements by crop.

<sup>1</sup> Indicates how much of the crop land for each crop is leased or rented versus owned. That is, a farmer may grow 300 acres of soybeans of which he rents 200 acres. The entry would be 2/3 or 67%.

<sup>2</sup> Of the rented land, how much is rented on a cash basis. If 100 of the 200 acres he/she rents is on a cash basis for the indicated rental fee, the entry is 50%.

<sup>3</sup> Respondents were asked to present an average cash rental cost if there was more than one set of rates or write down for different crops (i.e. sovbean - dryland cost is \$xx/acre... on irrigated sovbean cost is \$vv/acre).

<sup>4</sup> Crop share identifies an arrangement where the landlord receives a share of the crop only. No costs are shared. Indicates the % of land rented under this type of arrangement. If the farmer crop-share rents 50 of the 200 rented acres, then the entry is 25%.

<sup>5</sup> Cost share identifies an arrangement where the landlord shares some or all costs of production in addition to the harvest. Indicates the % of land rented under this type of arrangement. If the farmer rents 40 of the 200 rented acres, then the entry is 20%.

|         | Responses | R                       | ate of change <sup>1</sup> per year in % | 6               |
|---------|-----------|-------------------------|--|-----------------|
| Crop    | (#)       | Rice farms <sup>2</sup> | Cotton farms <sup>3</sup>                | All respondents |
| Cotton  | 3         | 0                       | 8.3                                      | 8.3             |
| Rice    | 6         | 3.5                     | 7.5                                      | 4.8             |
| Soybean | 7         | 2.5                     | 6.7                                      | 4.3             |
| Corn    | 4         | 5.0                     | 2.5                                      | 3.8             |
| Wheat   | 6         | (-0.5)                  | 5.0                                      | 1.3             |

#### Table 6. Rental and lease arrangement expectations by farm type and crop.

1 Rate of change across respondents is calculated by taking a simple average of the categorical responses (i.e. the survey used ±5%, ±2%, no change, and other in %. If there were three respondents who indicated a +5%, no change, and 4% under the other category, the rate reported as an average for this response group would be 3%.

2 Rice farms are the response group from Clay (western), Mississippi, Prairie and St. Francis counties.

Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

# **Production Information**

Production information includes conservation tillage practices; seed cultivar selection (e.g. use of GMO varieties, MG selection for soybean, planting date information on soybeans); irrigation decisions; soil mapping/testing practices; participation in government programs; crop rotation practices; and crop selection methods.

#### Conservation Tillage

Conservation tillage is rapidly increasing in popularity due to many factors. In this section, the focus of the survey was on finding how many producers use conservation tillage, their reasons for adopting the tillage methods, and their expectations for the future. First, in Table 8, respondents were asked the estimated current level of conservation tillage being used by farmers for certain crops in their region. Second, the respondents were asked to describe the practices Focus Group Survey Results: Typical Arkansas Crop Producer Production and Marketing Practices

|  |                  |                    | Average ranking1   |               |
|--|------------------|--------------------|--------------------|---------------|
|  | Responses        | Rice               | Cotton             |               |
| Factor   | (#)              | farms <sup>2</sup> | farms <sup>3</sup> | All responses |
| Available operating<br>capital   | 7                | 3.0                | 3.0                | 3.0           |
| Available amount of<br>labor and management<br>time                                | 7                | 3.3                | 2.7                | 3.0           |
| Land rent  | 7                | 3.3                | 2.3                | 2.9           |
| Land available for rent  | 7                | 2.8                | 2.7                | 2.7           |
| Government programs<br>(e.g. LDP and price<br>support)                             | 7                | 2.8                | 2.3                | 2.6           |
| Input prices<br>(e.g. if diesel price<br>increases, would you<br>farm less acres?) | 7                | 2.3                | 2.7                | 2.4           |
| Crop prices  | 7                | 2.3                | 2.3                | 2.3           |
| Other factors mentioned I  | by respondents4: |                    |                    |               |
| Irrigation availability  | 1                | 4.0                | N/A                | N/A           |
| Productivity of land   | 1                | 4.0                | N/A                | N/A           |

Table 7. Average rankings of factors that impact amount of land rented/leased

<sup>1</sup> The following numerical values correspond to various levels of importance: 4 = Very Important, 3 = Important, 2 = Somewhat Important, 1 = Not Important.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

<sup>4</sup> Respondents had room to include other factors they deemed important.

#### Table 8. Adoption of no-till and reduced-till systems

| Crop    | Responses<br>(#) | Averag | e percentage of adoption & practice(s) employed          |
|---------|------------------|--------|--|
| Rice    | 6                | 52     | Practices include mostly stale seed-bed and reduced till |
| Corn    | 4                | 49     | Reduced-till   |
| Soybean | 7                | 46     | Mostly no-till, some reduced-till                        |
| Cotton  | 3                | 43     | Reduced-till   |
| Wheat   | 6                | 22     | Mostly no-till, some reduced-till                        |

Additional comments:

1. Soybeans are no-till planted behind wheat.

2. No-till is used for soybeans if previous season's harvest left minimal ruts in fields.

3. Cotton fields are rebedded after harvest and planted conservation tillage the following spring.

4. As labor becomes harder to obtain, no-till practices have continued to increase on larger farms.

5. Minimum tillage is used only when weather conditions are acceptable in the fall.

they saw in the fields. Based on the responses, rice appears to have the highest adoption rate for conservation tillage, while wheat shows the lowest adoption rate.

Note that the response rate on this question was relatively low especially on corn and cotton. This is likely due to the operation types that were queried. Cotton and to a lesser degree corn are not typically in crop rotations on rice farms. Further, the average use rates for conservation tillage are relatively high compared to currently available public information on this issue. The USDA Natural Resource Conservation Service reports as much as a quarter of production under conservation tillage in Arkansas in 1996 (USDA, 1996). This is approximately half the amount reported herein and may be a reflection of rapid changes in conservation tillage practices on farms. Again the farm type surveyed in this study may also play a role in the sense that hobby farms – or mixed crop and livestock operations that are potentially less likely to invest in no-till equipment – are not included.

The additional comments section provides further insights into this issue as well. Field condition and labor requirements seem to play an important part in the decision. Table 9 summarizes the responses given for the factors involved in choosing not to use conservation tillage methods. The most important factor in the decision not to use conservation tillage is the cost of more expensive no-till equipment. This factor was the most important for both rice and cotton farms. Other factors mentioned by respondents included pest management, ruts in the field from harvest, and reduced yields. All of these factors were ranked as either very important or important by the various respondents and reflect issues similar to those reported in the comments section of Table 8. While the complement of reduced yield and increased cost would be detrimental to the adoption of conservation tillage, no-till is expected to reduce cost especially with over-the-top herbicide applications and reduced tillage costs. Further, some respondents mention that labor availability can be an issue. With relatively recent herbicide technologies and GMO crops, the use of conservation tillage may continue to increase as herbicide applications substitute for mechanical weed control. One of the concerns with the use of no-till production - slower field speeds during planting - appears not to be a major concern and in fact is refuted as an issue by one of the respondents.

#### Seed Cultivar Selection

This section attempted to identify the impacts, if any, of recent difficulties in marketing of GMO (Genetically Modified Organisms) or transgenic crops on the planting decisions of farmers for the 2001 crop year. Table 10 shows the 2000 level of GMO acreage and the expected changes for the 2001 growing season (in square brackets) for each crop excluding wheat, as no GMO varieties are available for this crop. From the table, it is apparent that soybeans and cotton are grown using mostly GMO varieties. All GMO crops are expected to increase in acreage except corn where responses were both positive and negative across respondents. The overall trend is negative and may be related to the recent marketing concerns related to GMO corn. The use of GMO varieties for soybean is slightly higher on rice farms than cotton farms. This may reflect a trend toward the use of glyphosate to control red rice in rice/soybean crop rotations.

The rankings of the reasons that farmers plant GMO crops are given in Table 11. Farmers from both rice and cotton farms agree that weed control is the most important reason for planting GMO crops. This is mainly attributed to the availability of Roundup Ready® corn, cotton, and soybeans. Another very important reason farmers grow GMO varieties is that these varieties are easier to manage. Less physical work is needed to produce a crop when using Roundup Ready® varieties. Visual appeal is considered of lesser concern than the previous factors. Coordination of planting and harvest as well as

|  |               |                         | Average ranking <sup>1</sup> |                 |
|--|---------------|-------------------------|------------------------------|-----------------|
| Factor   | Responses (#) | Rice farms <sup>2</sup> | Cotton farms <sup>3</sup>    | All respondents |
| No-till equipment too expensive  | 7             | 3.3                     | 2.0                          | 2.7             |
| Weed control more difficult  | 7             | 1.8                     | 1.7                          | 1.7             |
| Risk of not being able to apply chemical at proper time due to weather | 7             | 1.8                     | 1.7                          | 1.7             |
| Fewer acres can be planted<br>with no-till equipment                   | 6             | 1.3                     | 1.0                          | 1.2             |
| Other factors mentioned by resp  | ondents4:     |                         |                              |                 |
| Reduced yields   | 1             | N/A                     | 4.0                          | 4.0             |
| Presence of ruts in field  | 1             | N/A                     | 4.0                          | 4.0             |
| Pest management  | 1             | N/A                     | 3.0                          | 3.0             |

#### Table 9. Reasons producers chose not to use conservation tillage.

<sup>1</sup> The following numerical values correspond to various levels of importance: 4 = Very Important, 3 = Important, 2 = Somewhat Important, 1 = Not Important.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

<sup>4</sup> Respondents had room to include other factors they deemed important.

- 1. The statement, fewer acres can be planted with no-till equipment, is false.
- 2. Most producers use a mix of tillage systems. One field may have a set of conditions that no-till fits good, whereas the next field may require conventional tillage.
- 3. Complete no-till use in rice production maybe impractical. Example: wet fall harvest conditions tend to leave fields rutted. Minimum till is more practical.
- 4. Some fields need conservation tillage/no-till practices while others need conventional tillage.
- 5. Cost of equipment and lower yields have added to grower reluctance to adopt this technology.

Focus Group Survey Results: Typical Arkansas Crop Producer Production and Marketing Practices

|         |           | Perce                   | entage of total acreage in GN | IO, 2000        |
|---------|-----------|-------------------------|-------------------------------|-----------------|
|         | Responses | [F                      | Rate of change1 expected for  | 2001]           |
| Crop    | (#)       | Rice farms <sup>2</sup> | Cotton farms <sup>3</sup>     | All respondents |
| Cotton  | 3         | N/A                     | 83.3<br>[5.7]                 | 83<br>[5.7]     |
| Soybean | 7         | 77.5<br>[2.5]           | 73.3<br>[8.3]                 | 76<br>[5.0]     |
| Corn    | 3         | 5.0<br>[5.0]            | 12.5<br>[-5.0]                | 10<br>[-1.7]    |
| Rice    | 5         | 0.3<br>[0.7]            | 0<br>[6.0]                    | 0.2<br>[2.8]    |

#### Table 10. 2000 and expected 2001 GMO plantings of specific crops.

Rate of change across responses is calculated by taking a simple average of the categorical responses (i.e. the survey used ±5%, ±2%, no change and other in %. If three respondents indicated a +5%, no change and 4% under the other category, the rate reported as an average for this response group would be 3%).

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

|  |               |                         | Average ranking <sup>1</sup> |                 |
|--|---------------|-------------------------|------------------------------|-----------------|
| Factor   | Responses (#) | Rice farms <sup>2</sup> | Cotton farms <sup>3</sup>    | All respondents |
| Weed control for crop planted  | 7             | 4.0                     | 4.0                          | 4.0             |
| Weed control for<br>subsequent crop (i.e. red<br>rice control when using<br>Roundup Ready® beans<br>the year before) | 7             | 4.0                     | 3.7                          | 3.9             |
| Ease of management   | 7             | 3.8                     | 3.7                          | 3.7             |
| Visual appeal of clean field   | 7             | 3.0                     | 2.3                          | 2.7             |
| Makes coordination of<br>planting and field<br>preparation easier  | 7             | 2.5                     | 2.7                          | 2.6             |
| Allows more acreage to be<br>covered with the same<br>equipment  | 6             | 2.0                     | 2.0                          | 2.0             |
| Other factors mentioned by res   | spondents4:   |                         |                              |                 |
| nsect management in cotton   | 1             | N/A                     | 4.0                          | 4.0             |

#### Table 11. Reasons that farmers plant GMO varieties.

<sup>1</sup> The following numerical values correspond to various levels of importance: 4 = Very Important, 3 = Important, 2 = Somewhat Important, 1 = Not Important.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

<sup>4</sup> Respondents had room to include other factors they deemed important.

#### Additional comments:

1. GMO's are here to stay and overall make pest control more flexible/manageable.

- 2. Improved weed control is most important.
- 3. Acceptance of GMO soybeans and weed resistance will have a major impact. If mills have to segregate GMO soybeans from non-GMO soybean varieties, GMO adoption will likely be curtailed.

potential associated size implications are considered least important. This is in line with previous comments regarding conservation tillage where size implications of technology are considered to be of lesser importance.

Seed variety selection is an important part of crop production from a perspective of seed quality and yield potential appropriate for growing conditions faced by the producer. Table 12 presents the average number of varieties used by crop and farm type. Table 13 highlights the use of different maturity group seed varieties for soybeans and the average planting dates for soybeans. Some producers choose to plant early season early maturity soybeans. Reasons for planting this type of soybean are given in Table 14.

The average number of crop varieties planted varied greatly across crops and to a lesser extent across farm type (see Table 12). The average number of varieties varied from a high of 5 in soybeans, to a low of 2.3 in wheat. Rice and corn exhibited larger differences than other crops when compared by farm type. The additional comment suggests that new varieties are planted on an experimental basis only. Adoption of new varieties is thus expected to require at least one crop production season. to follow the wheat harvest in late spring. Lack of irrigation may cause some farmers to plant their soybean crop earlier in the spring to avoid much of the dry summer months. Due to these and many other reasons, the planting date for soybeans may vary from late March to July. May is the most frequent planting date followed by June. Very few soybeans are planted in late March or July (with these dates again showing the fewest responses). Farm type seems to have an impact on planting dates, because the third most common planting

| Table 12. Average number of varieties for selected crops in Arkansas | Table 12. Average | ge number o | of varieties fo | or selected cro | ps in Arkansas. |
|--|-------------------|-------------|-----------------|-----------------|-----------------|
|--|-------------------|-------------|-----------------|-----------------|-----------------|

|         |               | Average number of varieties planted |                           |                 |  |  |
|---------|---------------|-------------------------------------|---------------------------|-----------------|--|--|
| Crop    | Responses (#) | Rice farms <sup>1</sup>             | Cotton farms <sup>2</sup> | All respondents |  |  |
| Soybean | 7             | 5.3                                 | 4.7                       | 5.0             |  |  |
| Corn    | 4             | 3.5                                 | 2.5                       | 3.0             |  |  |
| Cotton  | 3             | n/a                                 | 2.7                       | 2.7             |  |  |
| Rice    | 6             | 3.0                                 | 2.0                       | 2.7             |  |  |
| Wheat   | 6             | 2.3                                 | 2.5                       | 2.3             |  |  |

<sup>1</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>2</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

Additional comments:

1. Most producers plant 1 or 2 varieties on most of their land, but also plant a few acres of newer top-performing varieties to see how they will perform on their farm.

Soybeans are grown by many different types of farmers as a secondary crop in rotation with either rice or cotton. They are also grown as a primary crop by some farmers. These differences in farming practices contribute to the wide variety of soybean maturity groups (MG) and planting dates utilized by Arkansas farmers. In Arkansas, MG III through MG VI are grown. Maturity group V is the most common for both rice and cotton farmers. The number of responses for MG III and MG VI suggest that these maturity groups are less common and may be used more in specific crop rotations that fit weather and field conditions.

Due to the different maturity groups grown in the state, there is also a wide difference in the planting date for soybeans. Planting may occur later and involve different maturity groups if soybeans are period is not the same for the two groups. Rice farms plant more soybeans in early April, while cotton farms plant more during mid-April. Overall, rice farms seem to plant soybeans earlier in the season than cotton farms.

In Table 14, reasons for planting early season early maturity varieties are given. Respondents were asked to respond only if early season early maturity soybeans were planted in their county. Drought avoidance was found to be the most important reason for planting these varieties. The second and third most important factors involved the efficient use of equipment and labor during the harvest period and planting period. The "earlier to market for a better cash price" was the least important factor for both rice and cotton farms. Farmers may have contracted production and therefore seasonal cash prices

|                     |               | Percentage              | e of soybeans planted     |                 |
|---------------------|---------------|-------------------------|---------------------------|-----------------|
| Maturity Group (MG) | Responses (#) | Rice farms <sup>1</sup> | Cotton farms <sup>2</sup> | All respondents |
| MG III              | 2             | 10.0                    | 10.0                      | 10.0            |
| MG IV               | 7             | 18.8                    | 25.0                      | 21.4            |
| MG V                | 7             | 68.8                    | 68.3                      | 68.6            |
| MG VI               | 2             | 40.0                    | 10.0                      | 25.0            |
| Planting Date       |               |                         |                           |                 |
| Late March          | 2             | 5.0                     | 1.0                       | 3.0             |
| Early April         | 3             | 20.0                    | 5.0                       | 10.0            |
| Mid April           | 5             | 15.0                    | 21.7                      | 19.0            |
| Мау                 | 7             | 57.5                    | 40.0                      | 50.0            |
| June                | 7             | 28.5                    | 33.3                      | 30.6            |
| July                | 2             | 1.0                     | 4.0                       | 2.5             |

Table 13. Soybean selection by maturity group and planting date.

<sup>1</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>2</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

Additional comments:

1. Maturity Group IV soybeans are increasing in popularity.

2. Most producers in my county (Prairie) produce Group V soybeans; Group III and Group IV have not caught on as in other counties.

|  |              | Average ranking <sup>1</sup> |                           |                 |  |  |
|--|--------------|------------------------------|---------------------------|-----------------|--|--|
| Factor   | Responses(#) | Rice farms <sup>2</sup>      | Cotton farms <sup>3</sup> | All respondents |  |  |
| Drought avoidance  | 6            | 4.0                          | 3.7                       | 3.8             |  |  |
| Improved use of equipment and labor during harvest                           | 6            | 3.0                          | 3.3                       | 3.2             |  |  |
| Improved use of equipment and labor during planting                          | 6            | 3.0                          | 3.0                       | 3.0             |  |  |
| Crop rotation aspects (i.e.<br>can prepare field for winter<br>wheat better) | 6            | 3.0                          | 2.7                       | 2.8             |  |  |
| Water conservation   | 6            | 2.7                          | 2.7                       | 2.7             |  |  |
| Earlier to market for better seasonal cash price                             | 5            | 2.0                          | 2.3                       | 2.2             |  |  |

| Table 14. Reaso | ns for planting early sea | son early maturity soybeans. |
|-----------------|---------------------------|------------------------------|
|-----------------|---------------------------|------------------------------|

<sup>1</sup> The following numerical values correspond to various levels of importance: 4 = Very Important, 3 = Important, 2 = Somewhat Important, 1 = Not Important.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

#### Additional comments:

1. Many farmers are planting Group IV soybeans because of their top yield potential / profit potential.

2. Rice harvest is a big player in Group IV production. Farmers don't want soybean to interfere with rice harvest.

3. Early harvested crop aids timing of land leveling.

provide little incentive, or marketing is of lesser importance than production issues for this crop at least among this respondent group.

#### Irrigation Decisions

Irrigation is one of the most important aspects to crop production in Arkansas. Hot, dry growing seasons produce a need for irrigation of most crops. In this study we asked our respondents to identify and rank the use of different sources of irrigation water (see Table 15). In some counties, certain types of irrigation sources are not available, such as surface water from rivers. The most used irrigation was the underground well or aquifer. It was the most used on both rice and cotton farm types. The least used irrigation source is rivers. This could be due to the very shallow water table in fields near the river and an associated reduced need for irrigation. The use of manmade surface storage or reservoirs is becoming more popular, especially in rice production regions. The use of drain ditches and tail water recovery by some respondents also indicates producer interest in conserving water or looking for alternatives sources to well/aquifer water.

| Table 15. Sources of irrigation water. |                    |                              |                         |                              |                 |  |  |
|--|--------------------|------------------------------|-------------------------|------------------------------|-----------------|--|--|
|  |                    | Responses with<br>irrigation |                         | Average ranking <sup>1</sup> |                 |  |  |
| Source                                 | Responses (#)      | source available (#)         | Rice farms <sup>2</sup> | Cotton farms <sup>3</sup>    | All respondents |  |  |
| Well /<br>aquifer                      | 7                  | 7                            | 4.0                     | 4.0                          | 4.0             |  |  |
| Manmade<br>surface<br>storage          | 7                  | 5                            | 1.3                     | 1.0                          | 1.2             |  |  |
| River                                  | 7                  | 5                            | 0.7                     | 0.5                          | 0.6             |  |  |
| Other factors                          | mentioned by respo | ndents4:                     |                         |                              |                 |  |  |
| Drain ditches                          | 1                  | 1                            | 2.0                     | N/A                          | 2.0             |  |  |

<sup>1</sup> The following numerical values correspond to various levels of usage: 4 = most used, 1 = least used, 0 = not used but available, n/a = not available. Average rankings were calculated from only those respondents where the irrigation source was available. Example: If 3 out of 7 respondents said rivers were available, the average ranking would be calculated from the 3 respondents. The other 4 would be disregarded.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

<sup>4</sup> Respondents had room to include other factors they deemed important.

#### Additional comments:

1. All cotton is irrigated in Mississippi county; 1/3 of soybeans are irrigated.

2. Mississippi County has lots of shallow groundwater of excellent quality.

3. Wells are the most common source in Prairie County. More tail-water recovery ditches are being utilized.

Table 16 addresses what specific irrigation methods, if any, are most common for each crop. Arkansas farms mainly use border, flood, furrow, and center-pivot irrigation systems on the majority of their cropland. The values presented in the table are the average rank given by all respondents, with the higher numbers representative of increased importance. Flood irrigation was found to be the most common irrigation system for rice, but furrow irrigation was the most important for corn, soybeans, and cotton. The relatively low rankings for irrigated in Arkansas because it is planted in the fall, lies dormant in winter, and then matures the following spring (note 0% entry in acreage irrigated across the entire growing season). One reason that wheat may be irrigated early in the season is to promote adequate germination in the fall. If conditions are too dry, irrigation would aid in establishing a good stand before winter.

in irrigated acreage with all respondents reporting 10 % or less change per year.

Irrigation decisions are influenced by many factors. Table 18 portrays some of the factors respondents were asked to rank in terms of importance. The most important factor for both rice and cotton farms was the access to irrigation water used on the field. Some fields may be too far from wells or other irrigation sources to receive water. Another important factor was that rental agreements may not allow for irrigation investment. Some landowners don't want to spend large amounts of money to irrigate their farms because there are not enough financial rewards given current low commodity prices. Recall that nearly two-thirds of cropland is rented and therefore rental/leasing arrangements take on a large role in irrigation decisions.

|          | Irrigation type rankings <sup>1</sup> |        |       |        |              |                        |  |  |
|----------|---------------------------------------|--------|-------|--------|--------------|------------------------|--|--|
| Crop     | Responses (#)                         | Border | Flood | Furrow | Center pivot | irrigated <sup>2</sup> |  |  |
| Rice     | 5                                     | 1.5    | 4.2   | 1.5    | 1.8          | 100                    |  |  |
| Corn     | 3                                     | 2.0    | 2.3   | 4.0    | 3.0          | 92.5                   |  |  |
| Soybeans | 5                                     | 1.5    | 2.8   | 4.0    | 3.2          | 68.6                   |  |  |
| Cotton   | 3                                     | 2.0    | 2.3   | 4.0    | 2.7          | 65.0                   |  |  |
| Wheat    | 4                                     | 1.3    | 2.0   | 1.7    | 1.0          | 0.0                    |  |  |

| Table 16. | Common irrigation | systems emplo | yed for different t | ypes of crops. |
|-----------|-------------------|---------------|---------------------|----------------|
|-----------|-------------------|---------------|---------------------|----------------|

Notes: Overall the responses to this table appear somewhat inconsistent, which is likely a function of the way the question was asked (note the use of center-pivot irrigation on rice). No definitions for the irrigation methods were provided and therefore respondents may have experienced some ambiguity about the different irrigation methods. Further, it may have been better to ascertain specific acreage levels irrigated by each irrigation method for each crop rather than the use of common and least common categories. The reader is thus cautioned regarding the accuracy of these responses.

<sup>1</sup> The following numerical values correspond to various levels of usage: 5 = most common to 1 = least common

<sup>2</sup> Percentage of total acres of the given crop that are irrigated on an average farm.

In some areas of Arkansas where agricultural water demand has exceeded supply, farmers have taken steps to conserve water or to reuse it. We asked respondents to estimate the total percentage of irrigation water that is reclaimed by farmers and reused as tail water. Some of the regions in this study do not have a need to reclaim tail water at the present time due to sufficient water supplies. Other areas in Arkansas such as Arkansas and Prairie counties already are experiencing the increased need to conserve or reclaim their irrigation water. Table 17 shows the average estimated percentage of irrigation water reclaimed and used as tail water. It also shows the percentage change in irrigated acreage from year-to-year. The change in irrigated acreage from one year to the next could be caused from lack of irrigation water, ongoing precision leveling efforts (with expected reductions in water use), or many other reasons not covered by our study. Most of the respondents reported less than 5% tail water recovery, which is likely indicative of adequate water supply for most of the regions in this survey. There is also very little annual change

The least important factor reported by the respondents is that the soil characteristics are adequate for dryland production. Dryland production on the majority of Arkansas farms will nearly always yield not only less than irrigated land but also lead to greater production risk (one of the reasons why lenders prefer to lend for irrigated production). One possible exception is land near a major river such as the Arkansas, Mississippi, or White rivers where the water table is near the soil surface, in reach of a crop's roots.

Some of the differences in rankings across operation types are likely a function of the difference in reliance on irrigation. Note that over 30% of soybeans and cotton are grown non-irrigated in the state whereas all rice and nearly all corn are irrigated.

The University of Arkansas CES is a very helpful source of information for farmers. The CES provides many different computer software programs to aid farmers in decision making. These programs include irrigation tools such as the irrigation scheduler (Cahoon et al.), which is helpful in determining when to irrigate a

Table 17. Percentage of irrigation water reclaimed as tail water and annual irrigation changes.

|  |    | Numbe  | r of responses per ca | itegory <sup>1</sup> |
|--|----|--------|-----------------------|----------------------|
| Factor   | <5 | 5 - 10 | 11 - 20               | More than 20         |
| Average amount of irrigation<br>water reclaimed and reused (%) | 5  | 2      | 0                     | 0                    |
| Yearly change in irrigated acreage (%)                         | 4  | 3      | 0                     | 0                    |

<sup>1</sup> Number of respondents selecting the corresponding percentage category.

| Focus Group Sur | vev Results: | Typical Arl | kansas Crop | Producer | Production at | nd Marketing Practices |
|-----------------|--------------|-------------|-------------|----------|---------------|------------------------|
|                 | J            | JI          |             |          |               |                        |

|   | Average ranking <sup>1</sup> |                         |                           |                 |  |  |  |  |
|---|------------------------------|-------------------------|---------------------------|-----------------|--|--|--|--|
| Factor  | Responses (#)                | Rice farms <sup>2</sup> | Cotton farms <sup>3</sup> | All respondents |  |  |  |  |
| Access to irrigation water on he field                    | 7                            | 2.5                     | 3.3                       | 2.9             |  |  |  |  |
| Rental agreement does not allow for irrigation investment | 7                            | 2.5                     | 3.0                       | 2.7             |  |  |  |  |
| Crop prices too low                                       | 7                            | 2.0                     | 2.3                       | 2.1             |  |  |  |  |
| Vatural rainfall adequate for<br>Iryland production       | 7                            | 1.8                     | 2.0                       | 1.9             |  |  |  |  |
| Vater quality too poor                                    | 7                            | 1.5                     | 2.0                       | 1.7             |  |  |  |  |
| Fuel, labor and equipment costs too high                  | 7                            | 1.8                     | 1.7                       | 1.7             |  |  |  |  |
| Soil characteristics adequate<br>or dryland production    | 7                            | 1.3                     | 1.7                       | 1.4             |  |  |  |  |

Table 18. Factors influencing irrigation decisions.

The following numerical values correspond to various levels of importance: 4 = Very Important, 3 = Important, 2 = Somewhat Important, 1 = Not Important.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

Additional comments:

- 1. Many farmers want more irrigation, but landlords do not want to invest in a well. Most lenders are requiring fields to be irrigated. Irrigated acreage in Mississippi County has gone up 25% in the last decade.
- 2. Land leveling and irrigation improvements are continuing at a rapid pace.
- 3. Many new wells are being installed due to farmers talking landlords into investing in the improvement. Lenders are also requiring more irrigation for farmers to get loans.

crop. Table 19 shows the respondents' estimation of the percentage of farmers in their county using a CES irrigation software tool. All respondents reported that less than 50% of farmers are using this type of software.

#### Soil Mapping / Testing Practices

Soil mapping and testing can be a way for farmers to save money and increase yields on their farms. It is a relatively inexpensive procedure that can reduce the need for fertilizers on some fields or can explain yield differences across fields with different nutrient levels. In Table 20, respondents were asked to rank various factors used by farmers to differentiate across soil types or soil qualities. There were slight differences between farm types. Rice farmers compared to cotton farmers felt that surface drainage and fertility were more important. This difference in opinion is likely a reflection of the difference in primary soil type used in production of rice compared to cotton (see Table 3). The two farm types both believed that subsurface water permeability was the least important factor.

Table 21 shows the number of different soil types on a typical farm for each respondent and for each farm type. Compared to all

counties, Lee County was found to differ the most in soil characteristics with 5 to 7 different soil types on a typical farm. Several respondents reported only about 3 soil types per farm. Comparisons across farm type reveal that cotton farms tend to have about 1 more soil type per farm than rice farms.

#### Governmental Programs / Crop Insurance

Governmental conservation programs include the Conservation Reserve Program (CRP), the Environmental Quality Incentives Program (EQIP), and the Wetland Reserves Program (WRP). These programs provide income to farmers on land that has marginal productivity or that has been determined to be unsuitable for farming. Very few of the seven respondents reported that farmers had land enrolled in these programs. Only one respondent reported that a typical farm has land enrolled in the WRP. Two respondents said that typical farms have land enrolled in CRP and EQIP programs in their county. Four respondents reported that a typical farm in their county wouldn't have any land enrolled in conservation programs. Only eastern Clay, Lee, and Prairie counties reported that typical farmers have land in conservation programs. Based on the responses in this

Table 19. Percentage of producers using the irrigation scheduler or other CES software to follow irrigation recommendations.

|                           |     | Number of respon |                                |              |
|---------------------------|-----|------------------|--------------------------------|--------------|
|                           |     | Number of respon | nses <sup>1</sup> per category |              |
| Farm type                 | <10 | 10 - 25          | 26 - 50                        | More than 50 |
| Rice farms <sup>2</sup>   | 1   | 2                | 1                              | 0            |
| Cotton farms <sup>3</sup> | 1   | 1                | 1                              | 0            |
| Total                     | 2   | 3                | 2                              | 0            |

<sup>1</sup> Number of respondents selecting the corresponding percentage category.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

|                               |              |                         | <i>,</i> ,                   |                 |
|-------------------------------|--------------|-------------------------|------------------------------|-----------------|
|                               |              |                         | Average ranking <sup>1</sup> |                 |
| Factor                        | Responses(#) | Rice farms <sup>2</sup> | Cotton farms <sup>3</sup>    | All respondents |
| Surface drainage              | 7            | 3.8                     | 3.3                          | 3.6             |
| Water holding capacity        | 7            | 3.5                     | 3.7                          | 3.6             |
| Texture (sandy vs. clay)      | 7            | 3.5                     | 3.7                          | 3.6             |
| Fertility (yield potential)   | 7            | 3.8                     | 3.3                          | 3.6             |
| Subsurface water permeability | 7            | 2.8                     | 2.7                          | 2.7             |

Table 20. Factors farmers use to differentiate across soil types or soil qualities.

<sup>1</sup> The following numerical values correspond to various levels of importance: 4 = Very Important, 3 = Important, 2 = Somewhat Important, 1 = Not Important.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

survey, more land is enrolled in the CRP and EQIP programs than in the WRP programs. Most of the land in the surveyed counties is very suitable to farming. Additional comments provided by respondents to this question included: 1) Not much ground in Mississippi County is in any of these programs. 2) There may be a few acres in WRP & EQIP in Mississippi County.

Reasons for enrolling land in conservation programs were also elicited. All respondents stated that money was the main factor in enrolling land in conservation programs. If program payments were better than alternative investment opportunities for the land, then conservation programs would be utilized. Concerns about environmental impacts and the expected improvement in soil for the future are only of minor importance when deciding whether or not to enroll a parcel of land in conservation programs. One respondent commented: It depends on whether the farmer/landlord can make more growing a crop or being in a conservation program. Money is everything.

| Table 21. Number | of different soil types or categories |
|------------------|---------------------------------------|
|                  | on a typical farm.                    |

| County                               | Number of soil types |  |  |  |  |
|--------------------------------------|----------------------|--|--|--|--|
| Clay (eastern)                       | 4                    |  |  |  |  |
| Clay (western)                       | 3                    |  |  |  |  |
| Lee                                  | 5 - 7                |  |  |  |  |
| Mississippi (cotton)                 | 3                    |  |  |  |  |
| Mississippi (rice)                   | 4                    |  |  |  |  |
| Prairie                              | 3                    |  |  |  |  |
| St. Francis                          | 3                    |  |  |  |  |
| Rice farm <sup>1</sup> average       | 3.3                  |  |  |  |  |
| Cotton farm <sup>2</sup> average 4.3 |                      |  |  |  |  |
| All respondent average 3.7           |                      |  |  |  |  |

<sup>1</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>2</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

#### Additional comments:

 Depends on which side of the county you are in; the river bottoms could have 3 different soils within the same field. (Prairie County)

#### Crop Rotation Practices / Crop Selection

Crop rotation is a very important part of farm management. If crops are not rotated then weed and disease pressure will likely increase on a field or farm. Typical rotations vary between farm type, soil type, and across operations. A rice farm, for example, will typically choose a rotation involving rice and soybeans. In addition, some operations will double crop the land with a winter wheat crop. Some farmers may plant grain sorghum or corn in addition to rice, soybeans, and wheat. Cotton farms on the other hand typically rotate cotton with soybeans or corn. These rotations along with several other variations are given in Table 22. Some of the rotations can become quite complicated and involve many different crops.

Table 23 summarizes the different decision criteria that producers focus on when determining crop rotations on farms. The importance of these factors differs somewhat across farm types. Rice farms ranked weed pressure and crop prices to be the most important. Cotton farms on the other hand felt that crop prices and irrigation availability are the most important. Overall, crop prices appear to be the most important factor regardless of farm type.

With the above results in mind, producers were asked what alternative crops they consider in selecting the crops they grow. Having more crops in a crop rotation may allow for benefits of added diversification in terms of reducing risk without sacrificing returns. Other trade-offs related to increased diversification or growing several different crops may be the efficient utilization of specialized equipment and other economies of size (i.e. a farmer growing 4 crops on a thousand acres may be more efficient at growing crops than a farmer growing 8 crops on the same size farm as equipment may be sized and used more efficiently on larger acreages for individual crops). Table 24 summarizes the different crops that farmers would consider growing if prices were to increase for them. Grain sorghum and corn were the most popular choices for the respondents. One respondent felt that farmers would grow edible beans and peas if the profit potential increased. Lentils and canola, even though suggested on the list of other crops, were not mentioned.

#### Insurance, Risk Preference, and Marketing

Crop insurance is a tool used by many farmers to decrease the risk associated with crop failures. Many farmers purchase crop insurance to help protect them in situations of drought, fire, hail or other natural, insurable disasters. Table 25 shows the typical crops that are insured by farmers. Wheat and cotton are the most commonly insured crops with rice and soybeans less common. Corn is the least insured crop. Rice farms typically insure soybeans more than cotton Focus Group Survey Results: Typical Arkansas Crop Producer Production and Marketing Practices

|              |              |              |  | Crops rotated <sup>1</sup> |      |        |      |        |      |        |      |        |    |
|--------------|--------------|--------------|--|----------------------------|------|--------|------|--------|------|--------|------|--------|----|
|              |              |              |  | Yea                        | r 1  | Yea    | r 2  | Yea    | r 3  | Year   | · 4  | Year   | 5  |
| Rotatio<br># | on<br>County | % of<br>farm |  | Spring                     | Fall | Spring | Fall | Spring | Fall | Spring | Fall | Spring | Fa |
| 1            | E. Clay      | 10           | Silt loam and some clay                            | R                          |      | R      |      | S      |      |        |      |        |    |
| 2            | E. Clay      | 65           | Sandy and sandy silt loams                         | Ct                         |      | Ct     |      | С      |      |        |      |        |    |
| 3            | E. Clay      | 15           | Silt loam and clay (good water-holding capacities) | S                          | W    | S      | W    | С      | W    |        |      |        |    |
| 4            | E. Clay      | 10           | Sandy silt loams                                   | С                          | W    | S      |      |        |      |        |      |        |    |
| 5            | Miss.        | 100          | Loams  | Ct                         |      | Ct     |      | S      |      |        |      |        |    |
| 6            | Lee          | 50           | Well drained soils                                 | Ct                         |      |        |      |        |      |        |      |        |    |
| 7            | Lee          | 10           | Well drained soils                                 | Ct                         |      | С      |      | С      |      |        |      |        |    |
| 8            | Lee          | 30           | Clay (poor drainage)                               | R                          |      | S      |      |        |      |        |      |        |    |
| 9            | Lee          | 10           | Good surface drainage                              | S                          | W    | S      | W    | S      |      |        |      |        |    |
| 10           | W. Clay      | 80           | Silt loams and Sharkey clays                       | R                          |      | S      |      |        |      |        |      |        |    |
| 11           | W. Clay      | 20           | Silt loams and Sharkey clays                       | С                          | W    | S      |      | R      |      | С      | W    | G      |    |
| 12           | Miss.        | 20           | Clay soils   | S                          | W    | S      | W    | С      |      |        |      |        |    |
| 13           | Miss.        | 40           | Clay   | R                          |      | R      |      | S      |      |        |      |        |    |
| 14           | Miss.        | 40           | Clay loam  | С                          |      | С      |      | S      |      |        |      |        |    |
| 15           | Prairie      | 100          | Silt loams   | R                          |      | S      | W    | S      |      |        |      |        |    |
| 16           | St. Francis  | 50           | Silt loam (good water-<br>holding capacity)        | S                          |      | S      |      | R      | W    |        |      |        |    |
| 17           | St. Francis  | 50           | Clay   | R                          |      | S      |      |        |      |        |      |        |    |

#### Table 22. Standard crop rotations.

<sup>1</sup> Rice = R, Soybeans = S, Cotton = Ct, Wheat = W, Corn = C, and Grain Sorghum = G.

|  |               | letermining the crop r  | otation used.                |                 |
|--|---------------|-------------------------|------------------------------|-----------------|
|  |               |                         | Average ranking <sup>1</sup> |                 |
| Factor   | Responses (#) | Rice farms <sup>2</sup> | Cotton farms <sup>3</sup>    | All respondents |
| Changes in crop prices                             | 7             | 3.5                     | 4.0                          | 3.7             |
| Availability of irrigation                         | 7             | 3.3                     | 4.0                          | 3.6             |
| Agreement with landowners                          | 7             | 3.3                     | 3.7                          | 3.4             |
| Weed pressure                                      | 7             | 4.0                     | 2.3                          | 3.3             |
| Soil type  | 7             | 3.0                     | 3.3                          | 3.1             |
| Changes in production costs                        | 7             | 3.0                     | 3.3                          | 3.1             |
| Disease pressure                                   | 7             | 2.8                     | 3.0                          | 2.9             |
| Capital constraints                                | 7             | 2.3                     | 3.0                          | 2.6             |
| Changes in soil fertility                          | 7             | 2.3                     | 1.7                          | 2.0             |
| Requirements of government<br>programs (CRP, etc.) | 7             | 1.5                     | 2.3                          | 1.9             |

#### Table 23. Factors determining the crop rotation used.

<sup>1</sup> The following numerical values correspond to various levels of importance: 4 = Very Important, 3 = Important, 2 = Somewhat Important, 1 = Not Important.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

Additional comments:

1. Rotations are chosen based upon making money and pest management.

2. Disease pressure ranks 4 where problems exist, otherwise it ranks 1.

3. Profitability is the major force. (Mississippi County)

4. Typical crop rotations in my county are 1 year of rice followed by 2 years of soybeans. Wheat is grown on about 40,000 - 50,000 acres. Soybeans are usually rotated following wheat if there is enough water for irrigation. (Prairie County)

# Table 24. Other crops that could be grown if marketing opportunities were available.

| Possible crops                    |
|-----------------------------------|
| Grain sorghum                     |
| None                              |
| Corn and grain sorghum            |
| Corn, grain sorghum and rice      |
| Any crop that would be profitable |
| Corn and grain sorghum            |
| Corn, edible beans and peas       |
|                                   |

<sup>1</sup> Respondents were asked to choose from corn, sorghum, canola, edible beans, peas, lentils, or other.

farms with the opposite true for corn. Some of the differences in insurance decisions may be due to irrigated vs. non-irrigated production. Since most corn is irrigated (at least according to the responses in this study), less insurance may be necessary. Further, higher valued crops (like rice and cotton) tend to be insured more heavily.

Since the question did not differentiate among types of insurance, little can be said about whether producers use private hail insurance and/or multiple-peril crop insurance nor did the respondents state what coverage level is typically chosen. A more comprehensive survey would be required to elicit these issues on a crop-specific basis.

Table 26 shows the reasons that farmers choose not to insure their crops. The top reason that farmers choose not to insure their crops is that insurance premiums are too high. Other major reasons included that risk is not sufficiently reduced and that the sign-up process is too time consuming. The least common reason was that insurance programs are not available for the desired crop. The number of responses ranged from 2 to 4 (i.e. not all seven respondents provided a ranking in each category). This further illustrates that the top three issues were of most concern to producers. Finally, one respondent argued that producers use insurance fraudulently.

Risk management is an important issue for producers. In addition to diversification and insurance, farmers may also use futures, options, and other marketing contracts either through cooperatives or forward contracts with elevators, etc. as well as through the government programs (i.e. the marketing loan program or loan deficiency payment (LDP) program). Table 27 provides estimates of the extent farmers use these different marketing strategies for each of their crops. A large percentage of crops is sold using marketing loan rates as current low market prices often trigger the marketing loan rate payments, which effectively provides a price floor to producers. Cooperative marketing appears to be used more often for rice, cotton, and corn than for the other crops. Given the nature of these high- revenue and capital-intensive crops, cooperatives appear to not only be a sound investment for producers but also a much used marketing alternative. Use of forward contracts is also a highly used marketing strategy especially for wheat. Use of futures and options for purposes of hedging is not very common. One respondent mentioned that his typical producer would hedge 10% of his/her production across all crops.

Unfortunately the survey did not elicit what percentage of the crop is sold directly in the cash market as a means to determine how much of all production is sold using the complement of marketing strategies listed in the table. Further emphasis on this issue may be warranted.

To summarize most of the issues in this survey, respondents were also asked in Table 28 how they decided which crop to grow. The various decision factors differed somewhat across farm type. Soil type and crop prices appear to be the two key determinants for rice farms. On cotton farms, the decision criteria with an average ranking greater than important (3.0) extended further down the list. On cotton farms, irrigation availability, equipment concerns, and government price supports played more of a role than they do on rice farms. Weather expectations played a minor role.

# Summary and Concluding Remarks

This report summarizes production and marketing characteristics of typical Arkansas rice and cotton farms. For many of the decisions farmers make, the importance of various aspects about the decisions were identified. The sample of respondents included five Arkansas Cooperative Extension Agents and one University of Arkansas research agronomist covering a relatively large crop production region in Arkansas' Mississippi river delta. While this type of focus group survey is not as representative of the whole population of Arkansas farms, it highlights some differences across AASS data and data for typical farms (at least as perceived by this respondent group). The report highlights differences across various crop-enterprise and farm types. The following is a brief summary of the key findings from the survey:

#### Farm Size and Type

• The average farm size for surveyed counties according to the Arkansas Agricultural Statistics Service for 1998 was 804 acres. The average size of farms according to this survey for the same counties is about 2,083 acres. Differences in the average farm size for the two sources are related to the definition of a typical farm. The AASS statistics include all farms, which may distort the size of farm for which crop production is the primary source of income.

#### Rental Arrangements

- The crop share rental arrangement is the most common for all farm types and crops.
- Sharing both the crop and the costs to generate the crop is the

#### Table 25. Typical crops for which producers purchase crop/income insurance.

|                           | Percentage of respondents insuring crop if grown <sup>1</sup> |         |        |       |      |  |  |
|---------------------------|---|---------|--------|-------|------|--|--|
| Farm type                 | Rice  | Soybean | Cotton | Wheat | Corn |  |  |
| Rice farms <sup>2</sup>   | 50  | 75      | N/A    | 100   | 33   |  |  |
| Cotton farms <sup>3</sup> | 100   | 33      | 100    | 100   | 50   |  |  |
| Total <sup>4</sup>        | 66  | 57      | 100    | 100   | 40   |  |  |

<sup>1</sup> Percentage of respondents that insured the crops they were growing as indicated in Table 3. If a respondent said they grew the crop and did not list it among insured crops, it was counted as a non-insured crop.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

<sup>4</sup> Overall average among all eligible respondents.

|   |               | Average ranking <sup>1</sup> |                           |                 |  |  |  |
|---|---------------|------------------------------|---------------------------|-----------------|--|--|--|
| Factor  | Responses (#) | Rice farms <sup>2</sup>      | Cotton farms <sup>3</sup> | All respondents |  |  |  |
| Insurance premiums are too high                                 | 4             | 3.5                          | 3.5                       | 3.5             |  |  |  |
| Does not reduce risk sufficiently to<br>be interesting          | 4             | 2.5                          | 3.0                       | 2.8             |  |  |  |
| Sign-up process too time consuming and difficult                | 4             | 2.5                          | 2.5                       | 2.5             |  |  |  |
| Insurance regulations restrict<br>production practices too much | 2             | 1.0                          | 3.0                       | 2.0             |  |  |  |
| Insurance program not available for<br>crops of interest        | 3             | 1.0                          | 1.0                       | 1.0             |  |  |  |

| Table 26. | Reasons that crop | o insurance is | s undesirable to | some farmers. |
|-----------|-------------------|----------------|------------------|---------------|
|-----------|-------------------|----------------|------------------|---------------|

<sup>1</sup> The following numerical values correspond to various levels of importance: 4 = Very Important, 3 = Important, 2 = Somewhat Important, 1 = Not Important.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

#### Table 27. Average and range of percentage of crop sold using various marketing strategies.

|                        |              |               | Pe              | rcentage of crop sc | old using various m | arketing strategie | S                |
|------------------------|--------------|---------------|-----------------|---------------------|---------------------|--------------------|------------------|
| Meth                   | od           | Responses (#) | Rice            | Soybeans            | Cotton              | Wheat              | Corn             |
| Futures                | Avg<br>Range | 7             | 9.2<br>0 - 30   | 7.9<br>0 - 30       | 18.8<br>0 - 40      | 3.8<br>0 - 10      | 8<br>0 - 20      |
| Options                | Avg<br>Range | 7             | 4.0<br>0 - 15   | 8.6<br>0 - 20       | 6.3<br>0 - 20       | 5.0<br>0 - 15      | 7.5<br>0 - 15    |
| Contract               | Avg<br>Range | 7             | 36.7<br>10 - 60 | 47.5<br>10 - 90     | 38.8<br>25 - 50     | 70<br>50 - 90      | 48.8<br>35 - 60  |
| Marketing <sup>1</sup> | Avg<br>Range | 7             | 37.5<br>10 - 50 | 16.8<br>0 - 50      | 31.7<br>10 - 50     | 15<br>0 - 50       | 28<br>0 -90      |
| LDP <sup>2</sup>       | Avg<br>Range | 7             | 78<br>20 - 100  | 74.3<br>30 - 100    | 76.3<br>25 - 100    | 83.3<br>60 -100    | 77.5<br>30 - 100 |

<sup>1</sup> "Marketing" = using seasonal pools and other pricing arrangements through a producer cooperative.

<sup>2</sup> "LDP" = using government programs as a price floor (selling at the higher of market or loan rate prices)

Table 28. Important factors in allocating crop acreage.

|  |               | actors in anocating     | crop acreage.                |                 |
|--|---------------|-------------------------|------------------------------|-----------------|
|  |               |                         | Average ranking <sup>1</sup> |                 |
| Factor   | Responses (#) | Rice farms <sup>2</sup> | Cotton farms <sup>3</sup>    | All respondents |
| Soil type                                      | 7             | 3.5                     | 3.7                          | 3.6             |
| Crop prices                                    | 7             | 3.5                     | 3.7                          | 3.6             |
| Irrigation availability                        | 7             | 3.0                     | 4.0                          | 3.4             |
| Equipment                                      | 7             | 3.0                     | 3.3                          | 3.1             |
| Government price support                       | 7             | 2.8                     | 3.7                          | 3.1             |
| History  | 7             | 3.0                     | 3.0                          | 3.0             |
| Labor availability (both quality and quantity) | 7             | 3.0                     | 3.0                          | 3.0             |
| Management, time, and effort                   | 7             | 3.0                     | 3.0                          | 3.0             |
| Weed / disease pressure                        | 7             | 3.0                     | 3.0                          | 3.0             |
| Operating capital                              | 7             | 2.8                     | 3.3                          | 3.0             |
| Planting / harvest weather<br>expectations     | 7             | 2.3                     | 3.0                          | 2.6             |

<sup>1</sup> The following numerical values correspond to various levels of importance: 4 = Very Important, 3 = Important, 2 = Somewhat Important, 1 = Not Important.

<sup>2</sup> Rice farms are the response group from Clay (western), Mississippi, Prairie, and St. Francis counties.

<sup>3</sup> Cotton farms are the response group from Clay (eastern), Lee, and Mississippi counties.

least common type of rental arrangement.

- Cash rental fees for rice or cotton production are higher than rental rates on land used for other crops.
- Nearly all respondents stated that farms intend to increase the amount of land rented for all crops over the next five years.
- Available operating capital as well as labor/management time and land rent are the most important factors in determining how much land will be rented.

## Conservation Tillage

- Soybeans have the highest percentage of land that is no-tilled.
- Rice, corn, and cotton used mostly reduced till practices.
- Wheat uses the least amount of conservation tillage.
- The main reason farmers choose not to employ conservation tillage is the cost of equipment.
- Overall, the reported use of conservation tillage is much higher than expected.
- Farm-size implications associated with conservation tillage equipment are not considered important by most respondents. This attitude was mirrored in responses to similar issues in other questions as well.

# Seed Cultivar Selection

- Use of transgenic seed varieties is most heavily concentrated in cotton and soybeans.
- GMO corn is expected to decrease on cotton farms for 2001.
- The highest expected increase for any GMO crop is 8.3% for soybeans.
- Top reasons for planting GMO varieties are weed control and ease of management.
- Soybeans tend to have a higher number of varieties planted than other crops.
- Wheat tends to have the least number of varieties.
- Most common are Maturity Group V soybeans and a majority of soybeans are planted in May.
- Early season, early maturity soybeans are grown mainly to escape drought.
- Rice farms were more likely to plant earlier in the season than cotton farms.

# Irrigation Decisions

- Wells are the most common irrigation source and rivers are the least common.
- Flood irrigation is a standard practice for rice while furrow irrigation is most often used in corn, soybeans, and cotton.
- Very little tail-water is recovered in the surveyed area, which is likely a function of plentiful water supplies in the surveyed region.
- Access to irrigation water and rental arrangements are the main factors for making irrigation decisions.
- Financial institutions are thought to encourage further use of irrigation by restricting lending on non-irrigated production.
- Fewer than 10% of producers are expected to use the irrigation scheduler or other software to follow irrigation recommendations.

# Soil Mapping/Testing

- Drainage, water-holding capacity, texture, and fertility are equally important in differentiating soil types.
- Cotton farms tend to have more soil types on a farm than rice farms.

### Governmental Programs

Very few farms in the survey area have land enrolled in conservation programs.

Land is enrolled in conservation programs because the program payments are higher than alternative uses for the land.

# Crop Rotation Practices / Crop Selection

- Rice farms typically rotate rice with soybeans and sometimes wheat.
- Cotton farms generally rotate cotton with corn or soybeans.
- Rotations can be quite complex and may involve several different crops.
- Changes in crop prices along with irrigation availability are the main reasons given for determining crop rotations.
- Farmers would grow more acreage of grain sorghum and corn if marketing opportunities were improved or higher prices were available.

# Insurance, Risk Preference, and Marketing

- Higher valued and non-irrigated crops are more frequently insured than are crops of lower value or those that are irrigated.
- Farmers chose not to purchase crop insurance because of high insurance premiums and insignificant reduction of risk.
- Use of cooperatives for collective marketing of crops is more pronounced for rice and cotton than for other commodities.
- Forward contracting is quite common for wheat.
- Use of futures and options for hedging is the least used marketing strategy. •
- Government programs are relied upon to provide a price floor.

To improve the validity and reliability of some of this data, the survey should likely include more regions in the state and be repeated from year to year. Further, some of the questions need to be revised to capture additional detail. Finally, repetition of this kind of survey over time can elicit reactions to upcoming agricultural production concerns. An internet survey method and automated report generation may also speed up the generation of these types of surveys.

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# Appendix — Survey Instrument

Focus Group Survey Results: Typical Arkansas Crop Producer Production and Marketing Practices

| _   | cus Group Survey  | Name:   |
|-----|---|---|
| Jar | n. 18, 2001, Brinkley, AR                               | Phone/E-mail:   |
| Ba  | sic Farm Information                                    |   |
| I.  | What area of the state do you cover for extension purp  | oses? (See attached soil map and shade in your area)  |
| 2.  | Estimate a typical range and average of aeres eropped   | for farms you deal with?                              |
|     | Smallacres Averageacres                                 | s Large acres   |
| 3.  | Briefly describe a typical farm from your area: (Note t | he location of the farm you have in mind with an "X") |
|     | Principal crops:  |   |
|     |   |   |
|     | Soils:  |   |
|     |   |   |
|     | Size of operation (crop acres & other businesses so     | business, seed business, etc.):                       |
|     |   |   |
|     | Number of people working on farm (full-time, part-tin   | ne, skilled, unskilled):                              |

4. Estimate what percentage of land is rented/leased on this typical farm on a crop by crop basis

|         |     | % of crop land rented                  | Ind                         | dicate Break                     | ip of Rentee                 | f/Leased L       | and      |
|---------|-----|--|-----------------------------|----------------------------------|------------------------------|------------------|----------|
| c       | rop | or leased <sup>1</sup> versus<br>owned | % Cash<br>Rent <sup>2</sup> | Fee <sup>3</sup><br>(S per acre) | % Crop<br>Share <sup>4</sup> | % Cost<br>Share* | % Other* |
| Rice    |     |  |                             |                                  |                              |                  |          |
| Soybean |     |  |                             |                                  |                              |                  |          |
| Wheat   |     |  |                             |                                  |                              |                  |          |
| Cotton  |     |  |                             |                                  |                              |                  |          |
| Other   |     |  |                             |                                  |                              |                  |          |
| Other   |     |  |                             |                                  |                              |                  |          |

- <sup>1</sup> Indicate how much of the crop land for each crop is leased or rented vs. owned. That is a farmer may grow 300 acres of soybeans, of which he rents 200 acres. The entry would be 2/3 or 67%.
- Of the rented land, how much is rented on a eash basis. If this farmer would have 100 acres on a eash basis the entry is 50%.
- What is the rental cost per acre. Use an average if there are more than one set of rates or write down for different crops (i.e. soyhean dryland cost is \$xx/acre... on irrigated soybean cost is \$yy/acre).
- <sup>4</sup> Crop share identifies an arrangement where the landlord receives a share of the crop only. No costs are shared. Indicate the % of land rented under this type of arrangement. If the farmer crop share rents 50 acres then the entry is 25%.
- <sup>5</sup> Cost share identifies an arrangement where the landlord shares some or all costs of production in addition to the harvest. Indicate the % of land rented under this type of arrangement. If the farmer rents 40 acres this way then the entry is 20%.
- <sup>6</sup> Other. Any rental arrangement that does not fit the eash rent, crop share or cost share categories. Indicate the % of land rented under this type of arrangement. If the farmer rents the remaining 10 acres in this fashion then the entry is 5%.

 What do you expect this farmer will lease/rent over the next five years compared to 2000? (Please circle response or indicate!)

| Crop    |      |      | Rat       | e of Chan | ige per ye | ar      |
|---------|------|------|-----------|-----------|------------|---------|
| Rice    | + 5% | + 2% | No Change | - 2 %     | - 5%       | Other % |
| Soybean | + 5% | + 2% | No Change | - 2 %     | - 5%       | Other % |
| Wheat   | 1.5% | 1.2% | No Change | - 2 %     | - 5%       | Other%  |
| Cotton  | + 5% | L 2% | No Change | - 2 %     | - 5%       | Other%  |
| Other   | + 5% | + 2% | No Change | - 2 %     | - 5%       | Other % |
| Other   | + 5% | + 2% | No Change | - 2 %     | - 5%       | Other % |

 What changes the amount of land that is rented or leased periodically? In other words, what factors determine how much land will be rented? Please provide a ranking for each of the following factors... (4 Very Important, 3 Important, 2- Somewhat Important, 1 – Not Important)

| Factor  | Ranking<br>(1 = Very Important, 3 = Important, 2 =<br>Somewhat Important, 1 = Not Important) |
|---|--|
| Land rent   |  |
| Crop prices   |  |
| Government programs (e.g. LDP and price support programs)                 |  |
| Input Prices (e.g. if diesel increases a lot, would you familiess acres?) |  |
| Available operating capital   |  |
| Available amount of labor and management time                             |  |
| Land available for rent   |  |
| Other   |  |

# **Production Information**

### Conservation Tillage

 In your opinion, what percentage of this producer's land is farmed using no-tillage (using zero-till equipment) and/or reduced tillage (fewer passes) systems? Please describe the most common methods in the table below...

| Crop    | Level of Adoption of no-till or reduced-till systems |  |
|---------|--|--|
| Ricc    | % Practice   |  |
| Soybean | % Practice   |  |
| Wheat   | % Practice   |  |
| Cotton  | % Practice   |  |
| Other   | % Practice   |  |
| Other   | % Practice   |  |

 What do you think are some aspects why producers do not choose reduced tillage programs compared to conventional tillage systems? Please provide a ranking for each....

| Factor   | Ranking<br>(4 – Very Important, 3 – Important, 2 –<br>Somewhat Important, 1 – Not Important) |
|--|--|
| Weed control more difficult than with conventional tillage                         |  |
| No-till equipment too expensive  |  |
| Risk of not being able to apply chemical at the right time because of poor weather |  |
| Fewer acres can be planted with no-till equipment                                  |  |
| Other  |  |
| Other  |  |

Additional Comments:

# Seed Cultivar Selection

 With questions arising regarding marketing of GMO or transgenic crops, what do you expect this farmer will plant in terms of transgenic varieties in 2001 compared to 2000? Please circle response or indicate ...

| Сгор    | Current Level<br>(% of crop acreage in GMO<br>where applicable) |           | R    | ate of Chang | e     |      | Pleas<br>Indica<br>+ or | te |
|---------|---|-----------|------|--------------|-------|------|-------------------------|----|
| Rice    | %   | + 5%      | + 2% | No Change    | - 2 % | - 5% | Other                   | %  |
| Soybean | %   | 1.5%      | 1.2% | No Change    | -2%   | - 5% | Other                   | _% |
| Wheat   | %   | $\pm 5\%$ | + 2% | No Change    | - 2 % | - 5% | Other                   | %  |
| Cotton  | %   | + 5%      | + 2% | No Change    | - 2 % | - 5% | Other                   | %  |
| Other   | %   | + 5%      | 1.2% | No Change    | - 2 % | - 5% | Other                   | %  |
| Other   | %   | + 5%      | + 2% | No Change    | - 2 % | - 5% | Other                   | %  |

10. What do you expect are this farmer's reasons for growing GMO crops? Please provide a ranking...

| Factor  | Ranking<br>(4 = Very Important, 3 = Important, 2 =<br>Somewhat Important, 1 = Not Important) |
|---|--|
| Weed control (for the crop planted)   |  |
| Weed control for subsequent crop in the crop rotation (i.e. red<br>rice control when using Roundup Ready beans the year before) |  |
| Ease of management  |  |
| Visual appeal of clean field  |  |
| Makes coordination of planting and field preparation easier   |  |
| Allows more acreage to be covered with the same equipment   |  |
| Other   |  |
| Other   |  |

Seed Cultivar Selection (cont'd)

11. Please estimate and summarize what this farmer in your area will plant in terms of cultivar seed selection in 2001. Please indicate the total number of varieties, the information on maturity group for soybeans only, and any other seed selection criteria you may have. An example is provided. Not all categories may apply to all crops.

| Crop                        | Total # of<br>Varieties | Soybeans<br>MC III | s Only (Indi<br>MG IV | icate % of pl<br>MG V | lanted acreag<br>MG VI | Soybeans Only (Indicate % of planted acreage for each category)<br>MC III MC IV MC V MC VI Other MC | Describe Other              |
|-----------------------------|-------------------------|--------------------|-----------------------|-----------------------|------------------------|---|-----------------------------|
| Example:<br>Soyhean<br>Rice | و                       | 20%                | 50%                   |                       | 30%                    |   | All MG IV are carly season. |
| Soybean                     |                         |                    |                       |                       |                        |   |                             |
| Wheat                       |                         |                    |                       |                       |                        |   |                             |
| Cotton                      |                         |                    |                       |                       |                        |   |                             |
| Other                       |                         |                    |                       |                       |                        |   |                             |
| Other                       |                         |                    |                       |                       |                        |   |                             |
|                             |                         |                    |                       |                       |                        |   |                             |

12. Please indicate when this producer plants their soybeans

| Planting Period | % of Soybean acreage planted during this period |
|-----------------|---|
| Late March      |   |
| Early April     |   |
| Mid April       |   |
| May             |   |
| June            |   |
| July            |   |

13. What do you think are reasons for this producer to grow early season early maturity soybean?

Please provide a ranking for each of the following factors... If producers typically don't grow early season early maturity soybeans in your area skip this question and go to question 14.

| Factor   | Ranking<br>(4 – Very Important, 3 – Important, 2 –<br>Somewhat Important, I – Not Important) |
|--|--|
| Improved use of equipment and labor during planting                    |  |
| Improved use of equipment and labor during harvest                     |  |
| Drought avoidance  |  |
| Water conservation   |  |
| Crop rotation aspects (e.g. can prepare field for winter wheat better) |  |
| Earlier to market for better seasonal eash price                       |  |
| Other  |  |
| Other  |  |

Additional Comments:

Irrigation Decisions

- 14. Please provide some information about typical irrigation practices, sources and usage.
  - What are the main sources of water? Please indicate which sources are used and rank their importance across producers in your area for the production year 2000. Use only one rank per source please (i.e. rank from 1 to 4 and/or set to zero for not used).

| Source                  | Is it available? | Rank<br>(Most used – 4 to least used – 1, not used – 0) |
|-------------------------|------------------|---|
| Well/Acquifer           | ⊓ Yes ⊓ No       |   |
| River                   | □ Ycs □ No       |   |
| Manmade Surface Storage | ⊔ Ycs ⊔ No       |   |
| Other                   | 🗆 Yes 💷 No       |   |

## On a crop by crop basis, what is the most common type of irrigation system used on this farm and what percentage of the acreage is irrigated?

Please rank the irrigation type from "5" – most common to "I" – least common and indicate how much of the acreage for a particular crop is irrigated regardless of irrigation system.

| Crops   | Border | Flood | igation Type<br>Center Pivot | Other | % of Acreage<br>Irrigated |
|---------|--------|-------|------------------------------|-------|---------------------------|
| Rice    |        |       |                              |       |                           |
| Soybean |        |       |                              |       |                           |
| Wheat   |        |       |                              |       |                           |
| Cotton  |        |       |                              |       |                           |
| Other   |        |       |                              |       |                           |
| Other   |        |       |                              |       |                           |

3. What percentage of irrigated water do you think is reclaimed and reused as tail water?

Please check only one

□ < 5% □ 5% - 10% □ 11% - 20% □ More than 20% □ Other \_\_\_\_\_%

| Iſ | yes, | by | how | much | (Please | check | only | one) | ł |
|----|------|----|-----|------|---------|-------|------|------|---|
|----|------|----|-----|------|---------|-------|------|------|---|

| $\Box \le 5\%$ | □ 5% - 10% | □ 11% - 20% | □ More than 20% | □ Other | % |
|----------------|------------|-------------|-----------------|---------|---|
|----------------|------------|-------------|-----------------|---------|---|

5. What are significant factors when making irrigation decisions on this farm?

Please provide a ranking for each of the following factors...

| Factor  | Ranking<br>(4 – Very Important, 3 – Important, 2 –<br>Somewhat Important, 1 – Not Important) |
|---|--|
| Access to irrigation water on the field   |  |
| Rental agreement doesn't allow for irrigation investment  |  |
| Crop prices too low   |  |
| Water quality too poor  |  |
| Not enough water available to irrigate everything during peak<br>demand (i.e. summer months)              |  |
| Fuel, labor and equipment costs too high  |  |
| Natural rainfall adequate for dryland production  |  |
| Soil characteristics (stored soil moisture and water holding<br>capacity) adequate for dryland production |  |

6. What percentage of producers in your area do you think use the irrigation scheduler or other extension software to follow cooperative extension recommendations?

Please check only one

□ < 10% □ 10% - 25% □ 26% - 50% □ More than 50% □ Other %

Soil mapping/testing practices

15) What percentage of producers in your area have had their fields soil mapped?

 $\Box \le 10\%$   $\Box 10\% - 25\%$   $\Box 26\% - 50\%$   $\Box$  More than 50%  $\Box$  Other %

16) How would a typical farmer differentiate across soil type/quality?

Please provide a ranking for each of the following factors...

| Factor                           | Ranking<br>(4 – Very Important, 3 – Important, 2 –<br>Somewhat Important, 1 – Not Important) |
|----------------------------------|--|
| Surface drainage                 |  |
| Water holding capacity           |  |
| Subsurface water permeability    |  |
| Texture (sandy vs. clay)         |  |
| Fertility (i.e. yield potential) |  |
| Other                            |  |
| Other                            |  |
| Other                            |  |

Additional Comments:

17) If you had to categorize soil type/quality for the typical farm, how many different categories would you have?

□ 1 □ 2 □ 3 □ 4 □ 5 - 7 □ 8 or more

Government Programs / Crop Insurance

18) Does the typical producer have any land enrolled in the following conservation programs? If so, indicate acreage for this farm in the following table.

| Conservation Program                    | Are they enrolled?   | Acres |
|---|----------------------|-------|
| CRP (conservation reserve)              | □ Ycs □ No           |       |
| EQIP (Environmental Quality Incentives) | $\cup$ Yes $\cup$ No |       |
| WHIP (Wildlife Habitat Incentives)      | □ Ycs □ No           |       |
| WRP (Wetland Reserves)                  | $\cup$ Yes $\cup$ No |       |
| SIP (Stewardship Incentive)             | □ Ycs □ No           |       |
| Other                                   | $\cup$ Yes $\cup$ No |       |

Additional Comments:

19) If this farm has acreage enrolled in government programs, what are the major reasons?

Please provide a ranking for each of the following factors...

| Factor  | Ranking<br>(4 = Very Important, 3 = Important, 2 =<br>Somewhat Important, 1 = Not Important) |
|---|--|
| Expected improvement in soil quality for the future               |  |
| Program payments better than alternative investment opportunities |  |
| Concern about environmental impacts                               |  |
| Other   |  |
| Other   |  |

Additional Comments: \_\_\_\_\_

| Selection |
|-----------|
| /Crop     |
| Practices |
| Rotation  |
| deu.      |

L Ycs 20) Are there standard crop rotations (sequence of crops grown on a field over time) on this farm?

°N N

... If so, what are the rotations?

| Rotation<br>// | % of<br>Farm' | Soil / Land<br>Description <sup>2</sup> | -           | Ycar 2 | :     | Vcar 3 |      | Vcar 4 | 4    | Ycar 5 | 5<br>1 |
|----------------|---------------|---|-------------|--------|-------|--------|------|--------|------|--------|--------|
|                |               |   | Spring Fall | Spring | l'Ell | Spring | IIE. | Spring | Fall | Spring | 1121   |
| -              |               |   |             |        |       |        |      |        |      |        |        |
| 2              |               |   |             |        |       |        |      |        |      |        |        |
| £              |               |   |             |        |       |        |      |        |      |        |        |
| 4              |               |   |             |        |       |        |      |        |      |        |        |
| 5              |               |   |             |        |       |        |      |        |      |        |        |

Notes:

1 %, of crop land that typically will be farmed using that rotation.

<sup>2</sup> Type of land (e.g. well drained mostly clayey soil, poorly drained silt loam, etc.) <sup>3</sup> This describes what crop(s) will be planted in year 1 and at what time. e.g. a rotation that repeats itself every three years like a rice-soybean-wheat-soybean rotation might look like this:

| Rotation | % of | Soil / Land Description <sup>2</sup> | Year I | ę.j   | Year 2  | .2    | Year 3  | 3    | Ycar 4 | +     | Ycar 5 | 5    |
|----------|------|--------------------------------------|--------|-------|---------|-------|---------|------|--------|-------|--------|------|
| #        | Farm |                                      | Spring | Ifall | Spring  | Fall  | Spring  | Fall | Spring | Ifall | Spring | Fall |
| -        | 2.5% | Soil that is mostly clay,            | Ricc   |       | Soybcan | Wheat | Soybcan |      |        |       |        |      |
|          |      | holds water well and is              |        |       |         |       |         |      |        |       |        |      |
|          |      | leveled.                             |        |       |         |       |         |      |        |       |        |      |

21) What factors determine what type of erop rotation is used? Please provide a ranking for each of the following

factors...

| Factor   | Ranking<br>(4 – Very Important, 3 – Important, 2 –<br>Somewhat Important, 1 – Not Important) |
|--|--|
| Weed pressure  |  |
| Disease pressure                                     |  |
| Soil type  |  |
| Changes in soil fertility                            |  |
| Changes in crop prices                               |  |
| Changes in production costs                          |  |
| Capital constraints                                  |  |
| Agreement with landowners                            |  |
| Requirements of government programs (e.g. CRP, etc.) |  |
| Availability of irrigation                           |  |
| Other  |  |
| Other  |  |
| Other  |  |

22) What other crops would this farm grow if marketing opportunities were more available?

| Please check all that apply. |          |                |        |           |
|------------------------------|----------|----------------|--------|-----------|
| ⊔ Corn ⊔ Sorghum             | ⊔ Canola | □ Edible beans | ⊔ Peas | ⊔ Lentils |
| □ Other                      |          |                |        |           |

Additional Comments: \_\_\_\_\_

# Insurance, Risk Preference and Marketing

... If yes, for what crops do they seek insurance? Please check all that apply

□ Rice □ Soybean □ Cotton □ Wheat □ Other \_\_\_\_\_\_

... If not, what are the reasons that insurance is undesirable? Please provide a ranking for each of the following factors...

| Factor   | Ranking<br>(4 = Very Important, 3 = Important, 2 =<br>Somewhat Important, 1 = Not Important) |
|--|--|
| Insurance premiums are too high  |  |
| Does not reduce risk sufficiently to be interesting  |  |
| Sign-up process too time consuming and difficult   |  |
| Insurance program not available for crops of interest (please note which crop(s) in the additional comments section below) |  |
| Insurance regulations restrict production practices too much   |  |
| Other  |  |
| Other  |  |
| Other  |  |

Additional Comments:

24) When making production/marketing decisions, which of the following risk reduction methods are common? Please indicate if producers in your area use the following method, for what crop(s) and for what percentage of production.

| Method                     | Is it used? | Crop(s) and Percentages in parantheses |
|----------------------------|-------------|--|
| Futures                    | ⊔ Ycs ⊔ No  |  |
| Options                    | □ Ycs □ No  |  |
| Contract                   | 🗆 Yes 💷 No  |  |
| Marketing Coop             | □ Ycs □ No  |  |
| LDP & other Gov't programs | ⊔ Ycs ⊔ No  |  |
| Other                      | □ Ycs □ No  |  |

25) What are the most important factors for erop acreage allocation?

Please provide a ranking for each of the following factors...

| Factor   | Ranking<br>(4 – Very Important, 3 – Important, 2 –<br>Somewhat Important, 1 – Not Important) |
|--|--|
| Soil type                                      |  |
| History  |  |
| Labor availability (both quality and quantity) |  |
| Management, Time and Effort                    |  |
| Equipment                                      |  |
| Crop Prices                                    |  |
| Government Price Support                       |  |
| Planting/Harvest Weather Expectations          |  |
| Weed/Disease Pressure                          |  |
| Operating Capital                              |  |
| Irrigation Availability                        |  |
| Other  |  |
| Other  |  |

Additional Comments: \_\_\_\_\_