

# **Data Users Meeting**

## **Summary of Questions and Comments**

### **Rosemont, Illinois**

### **October 20, 2008**

**Note:** The following write-up presents a topical summary of issues discussed during the afternoon open forum. Discussions have been consolidated by topic.

#### **Cattle**

A data user expressed concerns regarding large swings in the grading levels on Kansas' cattle. Which series, the old or new, is correct? Warren Preston replied that the total number of cattle graded has declined. The grade is a function of the animals presented for grading. Training is always an issue for grading and constant work on consistency among graders. Are DDG's affecting grades? That has yet to be determined.

#### **Chemical Usage**

A participant wanted to know if there are plans to continue the suspended Chemical Usage data series. Cynthia Clark stated that until additional funds are provided there are no immediate plans to continue the series although NASS is working with EPA on the feasibility of a reduced survey. NASS will continue to work cooperatively with ERS on the Production Practices and Cost Report version of the ARMS survey. Wheat will be surveyed in 2009 and will contain a chemical usage, fertilizer usage and a Pest Management Section.

#### **Dairy**

A data user wanted to know if users could get government storage numbers for butter and cheese on the Cold Storage report. The milk feed price ratio should be in the milk price--how will NASS handle this? Would like the Milk Production report to get back to being released around the 15<sup>th</sup> like in previous years? Dan Kerestes replied that NASS watches government stocks and will publish these numbers when stocks are large enough. The milk feed price ratio is in the 2008 Farm Bill and will be in a payment calculation. The Milk Production report goes out as close to the 15<sup>th</sup> that NASS can make it given the check data that needs to be sent to the Field Offices. Getting data from Dairy Product Plants is the limiting factor in getting Dairy Products out sooner.

#### **Cost of Production Data**

A data user asked if any work was being done by ERS to put out more timely Cost of Production data. The Cost of Production data for hogs needs review. The hog industry should not exist in the United States if Cost of Production data are correct. Hog industry would also like export information for DDGS. Greg Pompelli replied with yes and no. The ARMS data is the basis for this data and some crops go 6-8 years between times they are looked. This span of time is a problem---bound by ARMS survey and resources or lack of resources. Staff is limited to five people. Wheat and soybean data is coming soon.

#### **Crop Condition**

A participant wanted to know the guidelines for crop condition. Lance Honig stated that NASS collects and publishes Crop Conditions until harvest equals 50 percent.

### **Census Bureau Data Collection**

A participant commented that with regards to the Census Bureau's electronic reporting--is there any optimism to put out census data more than 2 months behind? Is there any work on putting corn milling statistics together on a monthly basis? Carol Aristone replied that the Bureau of Census always strive for releasing data as fast as possible but a data exchange with Canada and joint releases with other agencies limit what can be done. Regarding corn milling there is a dispute between commerce and Energy Information Administration (EIA). EIA has the authority on this but needs to know what data they need to provide.

Another data user commented that EIA should be here next year.

### **Export Data**

A data user wanted to know if there will be any push to get weekly export sales of pork. Patrick Packnett stated that this is not required and no plans are currently in place to make this happen. It was thought when this was visited the last time that this would help the competition more than it would the US. So, it was not pursued. Trade would like to see a weekly report but this, needs to be initiated by phone calls and emails to the appropriate people.

A data user stated that they would like export inspections as net data. Warren Preston stated that FGIS provides data for AMS to report. AMS does not have a database to report net exports.

### **Farm Field Maps**

A participant wanted to know if it was possible for analysts to get farm field maps like they do in Idaho for potatoes. Lance Honig was not sure of the exact answer--- not sure if they were looking for cropland data layer maps?

### **Farm Service Agency (FSA) Data**

A data user wanted to know if NASS looked at how current data fits with FSA to make NASS interpret the 2008 data differently than in past years. Lance Honig stated that 1 year does not indicate a total change in a data series.

A data user was interested in knowing why wasn't FSA certified data available on the web? Jerry Norton stated that FSA data is not final until sometime in December. It could be misleading to post the data until it is final. FSA would need to address the possibility of getting that data out on the web once it is final.

Also, a data user asked why the change with FAS circulars? Formerly, it was 1,000 MTs and now in million MTs. Patrick Packnett stated that the on-line data extract should have common units.

### **Mandatory Pricing vs. Voluntary Pricing**

Data users were interested in knowing the success of mandatory pricing versus voluntary pricing. What is the Department of Justice's position on mandatory pricing and mergers? Warren Preston stated that it is resulting in data that otherwise would not have but there are still some timeliness issues. It still isn't doing everything it was thought it would do but at the same time has not exposed any sweetheart deals. It provides more complete price reports. ERS did a study on mandatory pricing. No great change in prices was reported. General thought is the system works.

A follow-up comment was made that although the DOJ has asked for some data and information--they have not had any questions or comments on the system itself.

### **Dairy Products/Milk Production**

A participant asked when looking at Milk Production report alongside slaughter--is there a correlation between dairy cow slaughter and milk cow numbers? Dan Kerestes answered no, when you see both slaughter numbers and the milk cow numbers positive it simply means that some cows were sent to the slaughter market and replaced by younger cows. These can come from the milk heifer supply or the other heifer supply. Economics of the industry drives producer decisions so looking at data for the past 30 months about half the time the data moves the same direction.

A data user wanted to know when AMS will have rules for Dairy Products regarding export support. Warren Preston stated that AMS does not know at this point.

A data user asked when will MILC payment rules be made and will calculations be made on preliminary or final NASS numbers? No, FSA rep here to answer although using final numbers was thought to be best.

### **Objective Yield**

A participant wanted to know the percent of Objective Yield plots harvested for corn and beans in 2008 compared to previous years. Joe Prusacki stated that it was much lower in 2008 compared to previous years. In September 2008, only 20 percent were in the mature category 6 and 50-75 percent in the mature category 7 in October. 2008 looked more like September and a half. For 2008, no beans were in the lab in October.

### **Price Forecasting/Projections**

A data user stated that USDA reports contain price projections and wanted to know--how are ranges determined and with the volatility in the market is it being tempered in anyway? Jerry Bange stated that WAOB is forecasting MYA price not current price. The ranges are no set thing almost an art to how they are derived and vary based on circumstances. Make use of NASS data but is tough when only 30-40 percent of the crop has been marketed. No tempering is being done.

In regards to price forecasting from earlier is there consideration being given to narrow the ranges? Jerry Bange stated that traditionally the ranges start wider and narrow as the year goes on. Models from 2 years ago do not work in years like the current one so wider ranges are necessary. As mentioned earlier those ranges are somewhat of an art.

### **Satellite Imagery**

A data user wanted to know if NASS has increased its involvement in satellite imagery. Joe Prusacki responded with yes, we can make use of image data for District estimates during the forecast year. It also helps us with our county estimates, and was a big help in dealing with the major flooding in the Midwest earlier this year.

### **Stat Canada**

A participant wanted to know if we see ourselves moving closer to Stats Canada. Joe Prusacki stated that NASS will visit with Stat Canada next week to review which reports are candidates to be put out at the same time. NASS has ongoing discussions with Canada about ways to make our stats more comparable with Canadian data. On NASS's website, there is a link to a joint US/Mexican/Canadian website.

### **Soybeans**

A data user requested an explanation on how soybean acres are determined when the September Stocks report is released? Joe Prusacki stated that NASS does a comprehensive review of everything available to them – survey data, census export data, FSA acreage data, and the balance sheet. There is a band around the acreage and stocks.

Follow-up question to that was why the acreage wasn't right last January and why were there changes to soybeans in the October 2008 crop report? Joe Prusacki stated that in January 2008, NASS was working through the stocks year and the best estimate as of January 12 was put out. After January 12, the industry began calling NASS saying something is out of balance. At the end of the stocks year, it all has to balance.

For 2008 soybean acres, NASS made acreage updates based on FSA acreage data. FSA pushed the signup back from August 15 to September 15, 2008. Farmers continue to sign up their acres even after the cut-off date. By October we have a good feel for FSA data. NASS worked with FSA data and analysts to verify the data that was provided to NASS. FSA data is actual signed up acres and is thought to be a minimum. In September 2008 NASS put all the pieces together to put out best number it could. It was also noted FSA collects data for purposes other than what NASS uses the data for.

A data user wanted to know if soybean acreage was reviewed and were there other crops that we looked at. Lance Honig said that in September only the 2007 soybean crop was open for revision. For the October 2008 Crop Production report, corn, soybeans, sorghum, and other oilseed acreage was open planted acreage revisions. NASS does review some of the principal crops, corn was not adjusted as much as beans. Corn is looked at in October and while peanuts and rice are looked at in September.

A data user asked if there is any communication between Census, AMS, or ERS on soybean exports. An ERS representative stated that ERS is doing some work through studies.

Follow-up comment to that was the myth of input costs being 20 percent needs to be updated badly. Thought is that is an unrealistic percent now. People would like to see updates on plans prior to next year.

### **Winter Wheat**

A participant wanted to know if NASS have any intentions to ask Winter Wheat intentions in September. Joe Prusacki stated that currently, this is not being considered.