

## Cotton Risk Management

Llano Estacado Cotton Conference (Preston) – 12 producers, 13,703 acres (90.0%) January 29  
 SMAC (Roschetzky) – 32 producers, 72,006 acres (46.4%) January 19  
 Quick books Training (Slough) – 3 producers, 5,500 acres (33.3%) July 15, 2015

<u>Questions (Knowledge)</u>	<u>Before</u>	<u>After</u>	<u>% Change</u>	
<i>Importance of knowing your cost of production in developing price targets</i>	2.88 (135.3)	3.31 (155.5)	14.3%	(47)
<i>How to incorporate market fundamentals in a marketing plan</i>	2.41 (105.4)	3.01 (132.3)	19.9%	(44)
<i>How to incorporate technical analysis in a marketing plan</i>	2.30 (73.6)	3.00 (96.0)	23.3%	(32)
<i>How to identify cost of production</i>	2.69 (94.2)	3.06 (107.2)	12.4%	(35)
<i>Benefits of writing a marketing plan</i>	2.35 (82.2)	3.12 (109.1)	25.5%	(35)
<i>Knowledge of the new farm bill cotton provisions</i>	2.56 (81.9)	3.06 (97.9)	16.7%	(32)
<i>Equipment costs per unit</i>	2.58 (82.6)	3.03 (97.0)	15.0%	(32)
<i>Importance of Budgeting</i>	3.20 (9.60)	3.80 (11.4)	20.0%	(3)
<i>Importance of knowing your constraints</i>	3.00 (9.00)	3.40 (10.2)	13.3%	(3)
<i>Importance of keeping track of your expenses</i>	3.20 (9.60)	3.80 (11.4)	20.0%	(3)

### Questions (Adoption)

#### *Develop a personalized cotton budget with breakeven cost of production*

Could = 46      Intend to adopt = 28      % Adoption = 60.9%

#### *Make decisions based on farm program educational meetings conducted by AgriLife Extension*

Could = 57      Intend to adopt = 35      % Adoption = 61.4%

#### *Develop a written marketing plan*

Could = 42      Intend to adopt = 22      % Adoption = 52.4%

#### *Utilize insurance decision tools developed by AgriLife Extension*

Could = 37      Intend to adopt = 19      % Adoption = 51.4%

#### *Participation in farm assistance programs to determine production levels/requirements/systems*

Could = 42      Intend to adopt = 26      % Adoption = 61.9%

#### *Utilize price risk management tools – options, futures, insurance*

Could = 32      Intend to adopt = 17      % Adoption = 53.1%

8 participants with return of \$5.39/acre = \$73,909.00 (Preston)

28 participants with return of \$12.97/acre = \$933,878.00 (Roschetzky)

Quick books – No Economic Data Collected (Slough)