

# Floyd County Ag Newsletter



CRISTEN BROOKS CEA-AG/NR \* 110 S WALL ST \* FLOYDADA, TX

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## Cotton Market Outlook and Risk Management Seminar to be Held March 11 in Floyd County



A cotton market outlook and risk management seminar will be held at the Floyd County Unity Center on March 11th, 2015 from 9am to 3pm.

Meeting topics will include, but are not limited to: 1) Current volatile world market 2) Fundamental forces affecting the cotton market 3) Current cotton market outlook 4) Marketing and Insurance Strategies 5) Hedging and Options Strategies

This will be an important meeting for the producers of Floyd County as many commodity markets are low right now and producers are seeking guidance on how to minimize risk and maximize profits in the upcoming year. Dr. John Robinson will have various strategies to help guide marketing plans as well as provide valuable insight into the world markets and the various factors at play.

Guest speaker will be Dr. John Robinson from Texas A&M. Dr. Robinson is a Professor and Extension Specialist/Cotton Marketing. He received B.S. and M.S. degrees in Entomology, and a Ph.D in Agricultural Economics, all from Texas A&M University. His prior experience includes research

and extension within the Texas A&M University System (College Station, Thrall, Vernon, Weslaco) and at Mississippi State University. His current extension program emphasizes risk management issues related to cotton, including cash markets, hedging, contracting, insurance, policy, and transportation/logistics. insurance, policy, and transportation/logistics.

There will be a \$15 fee to attend which includes lunch. RSVP is required to the Floyd County Extension Office by March 10th. You can call 806-983-4912 or email [Floyd-TX@ag.tamu.edu](mailto:Floyd-TX@ag.tamu.edu)

We look forward to seeing you there.

DR. JOHN ROBINSON WILL SPEAK AT THE 2015 COTTON MARKET OUTLOOK AND RISK MANAGEMENT SEMINAR.

MARCH 11TH 9AM-3PM AT THE UNITY CENTER IN MUNCY.

\$15 FEE, LUNCH PROVIDED

## Developing a Marketing Plan

By: Stan Bevers, Mark Waller, Steve Amosson and Dean McCorkle

It is essential for an agricultural producer to have a written marketing plan. Developing a good marketing plan will help you identify and quantify costs, set price goals, determine potential

price outlook, examine production and price risk, and develop a strategy for marketing your crop.

While producers have traditionally done a good job of producing, they have often neglected marketing. In the past, farm loan programs and deficiency payments

allowed producers to neglect or ignore the marketing side of their businesses. Now, with the uncertainty of farm programs and increased volatility in the markets, producers will have the right and the obligation to determine their own financial security. In these more uncertain and

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## Developing a Marketing Plan (Continued)



“IN ANY BUSINESS YOU MUST HAVE A SET OF GOALS AND OBJECTIVES. A MARKETING PLAN IS A ROADMAP TO WORK FROM”

and risky times, failing to plan may be the same as planning to fail.

In any business you must have a set of **goals and objectives**. A marketing plan is a **road map** to work from. It helps identify where you are going and how you are going to get there. Each marketing year has some similarity to previous years, but also some differences. You need that map to help you maintain perspective and stay on course.

The marketing plan should be written down. A plan not written down is only a dream you hope will come true. The plan must also be dynamic. As external market factors change, the marketing plan may need to be adjusted. Having a written plan provides **discipline** and is a good way to **check your logic** or the accuracy of your thought process after the year has ended. By putting the plan in writing and sharing it with your spouse, partners, etc., you

will have a reminder that you had committed to follow a specific plan of action (for example, selling a certain percent of the crop pre-harvest if prices reached a certain percent over your cost of production). Writing down both the original plan and the changes you make allows you to analyze your decisions and thought processes later. You will be able to identify what you did correctly; but more importantly, you will see the areas where your analysis, strategies or discipline have room for improvement. This is one of the most critical reasons for having a written plan. You can not fix a mistake until you know what it is, and without a written record, it may be difficult to identify what really went wrong. Once you get the various parts of the plan put together, you can start conducting **what if** or **sensitivity**

**analysis**. Since you know the future is uncertain, you may want to examine different possible price and yield scenarios and see how your strategies perform. You can also use the plan to help you determine what you need to do in the worst case scenario. This is extremely important, because you can not afford to let one big mistake put you out of business.

*To view the remainder of this article, including the components of a marketing plan and evaluation please visit this web site: <http://agecoext.tamu.edu/files/2013/10/rm3-3.pdf>*

## Soil, Water, and Forage Testing

Texas Agrilife Extension offers soil, water and forage testing. Please contact the Floyd County Extension Office for Forms and information.

About the Lab:

The Texas Agrilife Extension Service Soil, Water and Forage Testing Laboratory is housed in the Department of Soil and Crop Sciences at Texas A&M University. The laboratory began operations in 1946 primary as a soil testing laboratory. Over the

next 34 years, irrigation water testing, plant and forage analysis, and other clientele requested analyses have been added.

The laboratory's primary mission is to provide research based analysis and non-bias recommendations for agronomic and non-agronomic soil analysis, plant tissue analysis, forage nutritive analysis, and non-drinking water analysis. The laboratory also aids the research and extension com-

munities with analysis needs. We also work closely with a number of Texas A&M University service laboratories, other state agency laboratories, and private laboratories with method development, troubleshooting and quality assurance/quality control issues, as well as, forwarding clientele to insure their needs are met.

Web: [soiltesting.tamu.edu](http://soiltesting.tamu.edu)

Email:

[soiltesting@ag.tamu.edu](mailto:soiltesting@ag.tamu.edu)



## Weed Control Video Series

Texas A&M AgriLife Extension is very excited to release the first of four (4) You-tube video links produced to educate producers about **Palmer amaranth (pigweed/careless weed)**. The videos will include discussion from experts in the field including Specialists, Researchers, Integrated Pest Management Agents, County Extension Agents, and Commodity Leaders. We appreciate their time and effort in making these videos

possible. The first presentation is "History and Biology of Palmer amaranth" and the discussion of how it grows and reproduces. All the videos focus on resistance and steps to manage this problem. Upcoming videos include the following;

Weed Control prior to Emergence (release the week of Feb 9th)

Control of Weeds after Emergence (release the week of

Feb 16<sup>th</sup>)

New Technologies and Economics (release the week of Feb 23<sup>rd</sup>)

For access to the video series please use this link:

<http://youtu.be/QbA45TgJEgg>



Palmer Amaranth  
(Pigweed)

## 2015 Cropping Option Alternatives to Cotton

By: Calvin Trostle, Extension Agronomy, 806-746-6101

With low prices on cotton for 2015, numerous producers are evaluating shifting some acres out of cotton to grain or specialty crops. This is not an easy decision, especially if you have been almost exclusively cotton, don't have harvest equipment for grain, you factor in your historical base acres, and also try meet landowner expectations if

you are renting.

If you are considering some other crop options, Texas A&M AgriLife Extension agronomist Dr. Calvin Trostle has published annually in June "Alternative Crop Options after Failed Cotton/Late-Season Crop Planting for the Texas South Plains," <http://lubbock.tamu.edu/files/2014/06/Hailout-Replant-LatePlant-Guide-TX-S-Plains-Trostle-Kelley-AgriLife-2014.pdf> Although this document is oriented to-

ward replanting (and last recommended planting dates, for example), there is a large amount of "First Things" information for about a dozen grain and specialty crops that are produced in the region. If you are needing additional information about possible alternative cropping decisions, especially in a primary crop situation, contact us in the county Extension office or Dr. Trostle.

"WITH LOW PRICES ON COTTON FOR 2015, NUMEROUS PRODUCERS ARE EVALUATING SHIFTING SOME ACRES OUT OF COTTON TO GRAIN OR SPECIALTY CROPS. "

## 2015 Extension Budgets for Cotton and Alternative Crops

By: Calvin Trostle

Hand-in-hand with the above agronomic information is the all-important budget information for South Plains crops. Texas A&M AgriLife Extension ag. economics colleagues based at Lubbock have for several years compiled a

series of budgets for irrigated and dryland crops. Their host website for this information is <http://agrilife.org/southplainsprofit> I recommend you download the file to your computer (right click on the link then choose 'Save Link As...'). When you open

the file it you will find a row of "Tabs" across the bottom of the screen, and starting on the left will be

- Instructions, Menu, Universal Input Prices, Irr Alfalfa, Irr Blackeyes, ...

Scroll to the right across these



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**We're on the web!**

**[floyd-tx.tamu.edu](http://floyd-tx.tamu.edu)**

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## **2015 Extension Budgets (Continued)**

tabs on the bottom you will go through the irrigated crops then the dryland. Be sure to read the instructions, and among other things you can change A) the universal input prices (which will take effect across all budgets, e.g. tractor use, irrigation cost per inch, N fertilizer cost for liquid or dry, and the commodity price per market unit, etc.), or B) the individual budget input prices you want like yield goal, actual units of N, seed, hours of equipment use, etc.



## **New Floyd County Agriculture Blog**

To stay up to date on the latest agriculture information from the Floyd County Extension Office please book mark the new blog web site!

**[www.floydcountyag.wordpress.com](http://www.floydcountyag.wordpress.com)**