

Commodity Issues 101 is a collection of short (30 to 45 minute), presentations primarily aimed at County Farm Bureau Boards but which are also well suited for larger Farm Bureau groups or the general public. They are designed to acquaint members with an issue, providing facts and information, along with Farm Bureau policy when applicable.

The goal of these presentations is first and foremost to provide accurate information and when appropriate, to better position members to discuss these issues and more actively participate in our grass-roots policy development process.

For more information about these presentations or to schedule one, contact:

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Commodities 101 presentations available in the 2009/2010 fiscal year include:

**1) Managing Crop Risk**

This presentation reviews the primary sources of crop risk, providing information and comparisons of various crop insurance alternatives along with introducing the concept of marketing plan development, ending with a review of the Revenue Protection Solution and how it can assist members in managing the increasing risks associated with crop production in Kansas.

**2) Managing Livestock Price Risk**

This presentation focuses on how the LRP Product (Livestock Risk Protection) can be used by cattle, sheep and goat producers in Kansas. It begins with an overview of the product and then runs through an example, comparing it to both a futures hedge, an options hedge and doing nothing prior to sale.

**3) An Introduction to Futures, Options and Hedging**

The cash prices we receive for the commodities we produce are derived from the relationship between futures prices and basis. As a result, whether we directly use futures contracts or not, farmers and ranchers are impacted by futures, options and hedging. This longer presentation (one hour) introduces and defines futures contracts and options and illustrates through examples how they work and can be used to manage price risk.

An optional and additional (one hour) **Marketing Workshop** is also available. This "market simulation," provides participants the opportunity to make multiple marketing decisions for a sample farm, and the opportunity to "on paper," implement various futures and options strategies and observe the results. *Note: This two hour combined presentation is very similar to the YFR Marketing Contest and has been presented to High School, FFA groups.*

**4) Bio-Fuels Update**

This presentation is designed to provide members with an update regarding bio-fuels (grain and cellulosic ethanol, and biodiesel) production in the U.S. and more specifically, Kansas. We'll review the number of current and planned plants, bio-fuel economics and policies and shed light on several issues and common criticisms of bio-fuels production.

### **5) Trade 101**

The first third of this 30-minute presentation focuses on **why** trade is good for both consumers and Kansas agriculture, the middle section provides a review of trade terminology and agreements while the last ten minutes is a discussion of trade issues and Farm Bureau policy.

### **6) NAIS, QSA's, PVP's and BVS**

It seems as though the issue of animal identification has become a maddening collection of acronyms. This brief presentation sorts through all the letters and provides members with an update of current animal identification efforts in the U.S., Kansas and within Kansas Farm Bureau. Its goal is to provide facts regarding timelines, costs and regulatory requirements with plenty of time for questions from members.

### **7) Animal Care and Management**

This brief presentation is designed to acquaint members with the difficult issue of Animal Care and Management, an issue that mixes concerns for humane handling, which Farm Bureau fully supports, to demands by some for out-right bans of animal agriculture and/or meat processing and consumption, which we vigorously oppose. The goal of this presentation is to increase member awareness of the growing threat that animal activists and their agenda pose, review our Farm Bureau policy, provide facts, definitions and "talking points," and encourage a balanced and continual discussion of both farm and industry level solutions for animal care and management issues.

### **8) Creating Value for Small Beef Operations**

Kansas has 31,000 cattle and calf operations with nearly half (14,500), having less than 50 head. Throw in the those herds with between 50 and 99 head and you're talking about 20,400 farms or ranches, representing nearly 66% of all cattle and calf operations in our state. For these operators, many of which are Farm Bureau members, obtaining premium prices or downstream production or carcass quality information is difficult if not impossible. This short presentation discusses the opportunities available for these smaller operations and shows how local County Farm Bureaus, with little investment, can play a leadership role in helping these farms and ranches help themselves.