Prices Paid Survey Overview

• Provides estimates of the average costs of agricultural inputs (fuel, seed, feed, machinery, fertilizers and chemicals).

• Provides a measure of change in average prices paid by farmers for goods and services.

• Government price support programs and Federal Marketing Orders use Prices Paid by Farmers data to set market standards and level of program payments.

• Places farmers on equal footing with agri-businesses, bankers, credit associations, and policy makers.
  
  – Producers are also able to use the data when making decisions on purchases, sales, and capital investments.
Overview, cont.

• Contacting agricultural input suppliers
  – Majority of other surveys target agricultural producers
  – Generally, businesses such as: farm equipment dealers; fuel providers; seed sales; feed mills; fertilizer and chemical dealers

• Some of these enterprises overlap: a diversified agribusiness may produce feed, sell fuel and seed, and be a fertilizer/chemical dealer
  – This operation may be included in the sample for one OR MORE of the Prices Paid Surveys
General Survey Information

- Project Code **171** - Prices Paid Survey
- Mailings:
  - Questionnaire: February 25th
    - Web reporting option and instructions in mail package
- Release: *Agricultural Prices* - April 29, 3:00 P.M.
Interviewer’s Manual

• Prices Paid has its own dedicated manual
• Lots of good material
  – An overview of the program and procedures
  – Each PP survey gets its own chapter
    • Completing the interview
    • Pricing factors
    • Terms and definitions
    • Descriptions, trade/common names, etc.
Survey Questions

• Each item: We ask for total units sold and total value of sales (or the average price per unit).
  • Some operators may be reluctant or even unable to provide total sales figures.
  • Let the operator know these numbers will only be used for behind-the-scenes statistical analysis and will not be published in the release.
  • If they still don’t want to or actually can’t report the numbers, then at the least try to obtain average unit pricing for the item(s).
Survey Questions

• Be sure to stress that we are looking for sales to Farmers/Ranchers
  – Prices for sales to the general public, for home use, may be higher than prices to farmers
  – Please leave notes if the operation only sells to home gardeners, homeowners, or the general public for home use
Prices Paid for Fuels

• Did this operation sell fuel to farmers/ranchers in the U.S. during 2021?

• If so, there are four categories. Report total gallons sold in 2021 and price (total dollars sold OR average price per gallon) of:
  – Gasoline pumped at service station
  – Gasoline, bulk delivery
  – Diesel, bulk delivery
  – LP Gas, bulk delivery

• Per gallon prices reported up to 3 decimal places (e.g. $2.169)

• Gas - include taxes

• Diesel & LP gas (propane) - exclude taxes
Retail Seed Price Inquiry

• Did this operation sell seed to farmers/ranchers in the U.S. during 2021?

• What was the total amount sold to farmers/ranchers in 2021?
  – Then, report either total dollars sold or average price per unit to the nearest cent
    • Include technology fees and seed treatments
    • Exclude sales tax

• Crops: Corn, Soybeans, Winter Wheat (2021 fall seeded price), Spring Wheat, Alfalfa, Kentucky Bluegrass, Tall Fescue, Annual Ryegrass
Prices Paid for Feed

• Did this operation sell livestock or poultry feed to farmers/ranchers in the U.S. during 2021?
• Report total amount sold in 2021 and total value of sales OR average price per unit.
  – Exclude state sales tax and delivery charges.
• Feed categories:
  – Complete feed
    • Poultry, hog, beef cattle, dairy feed
  – Concentrates
    • Cottonseed meal, soybean meal
  – Supplements and Additives
    • Wheat bran, corn meal, alfalfa pellets, molasses, stock salt, trace mineral, distillers grain
• Various reporting units (lbs, cwt, etc)
  – Be careful with units and pricing here! (ex: An item might be priced by the cwt, but sold in 50lb bags, etc)
Did this operation sell **new** tractors or farm machinery to farmers/ranchers in the U.S. during 2021?

Report:
- Number of [item] sold?
- Price of **NEW** machinery manufactured during 2021/2022.
  - Total value of sales **OR** Average price per unit
    - Only report prices for items listed
    - Exclude sales tax

May encounter some regional/trade “vernacular”, but the terms should be generally understood
- (ex: Forage Harvester may be called “chopper” or “silage cutter” depending what region you’re in)
Tractors and Farm Machinery, Cont’d.

• Typically broken out by type and size within each category:
  – Tractors
  – Tillage Equipment
  – Planting equipment
  – Hay and Forage Equipment
  – Harvesting Equipment
  – Other Equipment

CS/IH = Case/International Harvester
JD = John Deere
MF = Massey Ferguson
Tractors and Farm Machinery, Cont’d.

• Be sure they are reporting **NEW** equipment and not used equipment
  – Leave notes if they only sell used equipment

• If they don’t have the exact item listed (different size or different attachments/options) don’t report it. Prices could be much different. Leave notes
  – Example: When asked about the number of Field Cultivators 20-25 feet flexible (folding) that they sold, they say they only sold 16 foot non-folding field cultivators.
    • Leave a note but don’t report these on the form as the price would likely be lower for the type they sold
Fertilizers and Agricultural Chemicals

• Did this operation sell **fertilizers** or **agricultural chemicals** to farmers/ranchers in the U.S. during 2021?

• Report amount sold and total value of sales **OR** current avg. prices, only for items listed in the table.
  • **Include** cost of application for ground limestone
  • **Exclude** cost of application for Nitrogen Solutions and Anhydrous Ammonia
  • **Exclude** sales tax and delivery charges
  • Report prices for the ACTIVE INGREDIENTS specified.
    • Chemical trade names are provided to assist with the reporting process and are only *examples* of what may exist for each active ingredient.
Fertilizers and Agricultural Chemicals

- If fertilizer is reported in pounds instead of tons, probe to be sure the respondent is selling to farmers for farm use.
- Chemical unit sizes are very important and can vary greatly from product to product. Be sure to get them recorded correctly.
  - If the respondent sells a product in a unit that is not listed leave info in a note so the RFO can convert the values to the standard the survey requires.
Fungicides, Herbicides, Insecticides

• For the fungicides, herbicides, insecticides:
  – Questionnaire asks for the Active Ingredient then gives trade names as examples
    • Such as: Dicamba, 4 lbs/gallon – Banvel
  – Not necessarily all encompassing trade name examples: some generics available, etc.
  – Phrase it as “Did you have any XYZ, such as...”
    • Ex: “Did you sell any Permethrin insecticides, such as Ambush?”
Fungicides, Herbicides, Insecticides

- Each section has a table of different units split between liquid and dry:
  - Liquid units:
    - Gallon, pint, liter, drum (30 gal)
  - Dry units:
    - Pounds, Cwt, Fifty Pound Bag, etc

- Use this table to fill in the appropriate unit code corresponding to what products or agricultural chemicals were sold.

- Report prices to the nearest cent.
Fungicides, Herbicides, Insecticides

• If a product is sold in a unit that is not listed do not report it unless you/the respondent can convert it to a specified unit.
  • Either way, leave all the information in a note so the RFO staff can convert/verify it.
  • For example: The operator reports that he/she sold 500 boxes of Captan, 50% WP. Each box contained 12, half ounce dry packets. Each box sold for $50.
    • So... you could do the math (and leave a note).
      500 boxes X 12 (.5 Oz) = 3,000 Dry Oz (total amount sold)
      500 boxes X $50 = $25,000 (total value of sales)
      OR
    You could just leave all the details in a note for the RFO.
Things to remember

• This is a different population
  – May encounter more “gatekeepers”

• Anything strange or unexpected:
  – Different units, multiple values, only prices including/excluding services or options, etc.
  – Be sure to leave a comment explaining the situation
    • When in doubt, comment it out!
Things to watch out for:

- Sales to Non-Famers/Ranchers
- High or low prices
- Odd units
  - Possible confusion on “package” sizes
  - Leave notes
- May sell more than one type of an individual item or basically the same item made by a different company.
  - Example: sells both John Deere and Kubota tractors. Report the brand with the higher volume of sales.
Out of Business

• If respondent says they’re out of business:
  – Confirm they have not sold any: fuel, feed, fertilizers, insecticides, fungicides, herbicides, tractors, machinery, or seed to U.S. farmers/ranchers in the last 12 months.

• They might not have sold fuel or tractors, but could have sold feed or fertilizer, etc. Watch for these instances.

• If they haven’t: confirm that they do not plan to sell any of those items to farmers/ranchers in the U.S. in the future.
Reluctant Responses

• “Why should I respond?”
  – This is very important information used to evaluate rural America’s economic conditions
  – The final data are used by many different entities: universities, economic research groups, policy makers, production organizations, ag lenders, advisory services, etc.
  – All of the reports are combined to determine the average prices farmers pay
  – All reports are confidential and data you report are used only for statistical purposes
Special Request for OoB Records

• 2022 Census of Agriculture
  – Mails out this December
  – We need to contact every operation that was in business for any part of 2022
  – If an operation is Out of Business
    • Please ask if they were in business at any time during 2022 and leave a note
    • We can update the record to still be mailed the Census form
In Summary:

• Different population, different types of questions
• Work through some practices on your iPad. Pay special attention to:
  – Different reporting units and prices per
  – Chemical names and trade names
  – Working through the lists of items
  – Completing the selected items
• Be prepared for operations in multiple surveys
  – Record as much info as possible in these cases
• Use what you already know/the experience you have to make the interview(s) work