Tobacco Price Inquiry Training Materials

Below you will find links to a video, PowerPoint presentation, survey information sheet, and practice interviews for NASS’s Tobacco Price Inquiry. The practice interviews can be used to enter data in CATI or CAPI to get familiar with those data collection instruments.

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Strategic Planning and Business Services Division
Strategic Planning Branch
Workforce Performance and Staff Development Section
Survey Training
Tobacco Price Inquiry
March and December

United States Department of Agriculture
National Agricultural Statistics Service

Workforce Performance and Staff Development Section
Who Uses the Data?

• USDA uses prices received data to determine the value of agricultural production
• The Farm Service Agency (FSA) uses prices received estimates in computing disaster payments and other farm program payments
• Farmers use the data for planning purposes
• Grower associations use the data to help promote/further the tobacco industry
Survey Information

• Project Code: **172** - Prices Received: All Other Crops

• Questionnaires:
  – Mail around the 1\textsuperscript{st} of March and the 20\textsuperscript{th} of November
  – Web reporting option is available

• Release of data:
  – *Crop Values*, late February
  – Agricultural Prices, late May
Additional Information

- Types of Tobacco
  - Flue Cured
  - Fire Cured
  - Burley
  - Southern Maryland
  - Dark Air Cured
  - Pennsylvania Seedleaf

- Type of tobacco production varies geographically

- Tobacco is normally sold by the **pound** AND under **contract**
  - BUT auctions are again becoming more common
Additional Information

• “Curing” is the process by which green tobacco leaves are dried

• Three main methods of curing:
  – Air Cured: tobacco is hung in well ventilated barns to dry out
  – Flue Cured: tobacco is dried via an external heat source that is piped in via flues
  – Fire Cured: tobacco that is dried using burning/smoldering wood.
Screening

• Did this operation harvest any tobacco during the year?
  – If **YES**, Has this operation sold any of that tobacco crop?
    • If tobacco was sold, record sales and prices.
  – If **NO**, Has this operation been sold, rented, or .....

• The operator tells you they are “Out of Business” at the beginning of the interview.
  – Are they totally out of farming or did they just stop growing tobacco??
    • Be sure to go through all the screening questions
Survey Questions

• For each type of tobacco:
  – Quantity sold under contract AND
    • Average price OR total dollars received
  – Quantity sold at auction
    • Average price OR total dollars received

• Type(s) of tobacco will vary by state
  – But the same questionnaire is used for all states

• Has the total crop been marketed yet?
Reluctant Responses

• “I haven’t sold all my tobacco yet, call me back in another month.”
  – I can appreciate your wanting to give me the most complete information you can, and we may be contacting you again to find out that final number. By reporting even part of your sales, you are making more information available so that you and other farmers will be able to make well-informed decisions.
Reluctant Responses

• We had a terrible year because of the weather. My tobacco crop was not very good and I just don’t want to talk about it.
  – I am very sorry to hear that you had a bad year, but that is exactly why you should report. The Farm Service Agency (FSA) uses prices received estimates in computing disaster payments and other farm program payments. Your information along with the information from other growers like yourself is needed to make sure proper payments are made available in areas where crop failures occurred.
Things To Watch out For:

- Decimal points on the price per pound
- Extremely large quantities sold
- High/Low prices
- Most operations will only have one or two types of tobacco
Things To Remember:

• Be mindful of differences across your area
• Anything odd or unexpected? Be sure to leave notes explaining the situation
• Weather events
  – Be sure to leave a comment explaining the situation and if they will market their crop
Conclusion

- Questions, comments, concerns
- Practice before calling
- Thank you!!
Tobacco Price Inquiry Extra Information

Project Code: 172 - Prices Received

Releases:
*Crop Values*, late February, 3PM (Eastern)
Agricultural Prices, late May, 3PM (Eastern)

PURPOSE OF TOBACCO PRICE INQUIRY:
To provide information of tobacco quantities sold and prices received through contracts and sold at auction or open market by type and by state.

GENERAL:
Tobacco Price Surveys are conducted in December to get preliminary quantities and prices and in March to get final prices and quantities sold.

Tobacco is typically sold by the pound.

The majority of tobacco is sold through contracts to the large tobacco companies. However, some is sold on the open market, or at tobacco auctions.

Types of tobacco grown vary geographically, so not all types are grown in each state. However, there is only one version of the Tobacco Price Inquiry questionnaire used for all states, so all types of tobacco will be asked in all states in the survey.
Data collection notes:

• The majority of PA’s tobacco producers are Amish – Most of the Amish share one phone amongst multiple families.
• Most of PA’s tobacco is grown (sold) under production contracts.
• Connecticut variety is reported for/as Dark Air and Cigar filler.
• PA 41 and Connecticut when sold for Cigar Wrapper bring half again to twice as much as Cigar Filler. It is very helpful if the percentage or pounds of each can be put in a comment.
• There are many colloquial names for tobacco, so please be sure to put varieties not on the questionnaire in a comment with the pounds and price or total dollars received for this tobacco.
**Tobacco Price Inquiry Practice Interviews**

**Practice Interview 1:**
Who is responding? **Operator**
Let me verify the name, address, and phone number that I have for this operation. Is this information correct? **Yes**

Did this operation harvest any tobacco in 20XX? **Yes**
Has this operation sold any of the 20XX tobacco crop? **Yes**

*(If using Blaise or CAPI - Either skip or replace with this type of tobacco if a different type is asked)*

What was the quantity of Flue-cured tobacco that was sold under contract for 20XX? **13 tons**
Would you prefer to report the Average Price per Ton or the Total Dollars Received? **Average Price**
What was the Average Price for the Flue-cured tobacco that was sold under contract? **$2.38**

What was the quantity of Flue-cured tobacco that was sold at auction or open market for 20XX? **0**
What was the quantity of Fire-cured tobacco that was sold under contract for 20XX? **0**

What was the quantity of Fire-cured tobacco that was sold at auction or open market for 20XX? **6 cwt**
Would you prefer to report the Average Price per Cwt or the Total Dollars Received? **Total Dollars**
What was the Total Dollars received at auction for 6 cwt of Fire-cured tobacco for 20XX? **$800**

What was the quantity of Burley tobacco that was sold under contract for 20XX? **0**
What was the quantity of Burley tobacco that was sold at auction or open market for 20XX? **0**

What was the quantity of Southern Maryland tobacco that was sold under contract for 20XX? **3,000 lbs**
Would you prefer to report the Average Price per Pound or the Total Dollars Received? **Total Dollars**
What was the Total Dollars received under contract for 3,000 pounds of Southern Maryland tobacco for 20XX? **$6,000**
What was the quantity of Southern Maryland tobacco that was sold at auction or open market for 20XX? **2 tons**
Would you prefer to report the Average Price per Ton or Total Dollars Received? **Average Price**
What was the Average Price for the Southern Maryland tobacco that was sold at auction or open market? **$1.73**

What was the quantity of Dark Air-cured tobacco that was sold under contract for 20XX? **0**
What was the quantity of Dark Air-cured tobacco that was sold at auction or open market for 20XX? **0**

What was the quantity of Pennsylvania tobacco that was sold under contract for 20XX? **900 lbs**
Would you prefer to report the Average Price per Pound or the Total Dollars Received? **Average Price**
What was the Average Price for the Pennsylvania tobacco that was sold under contract? **$1.98**

What was the quantity of Pennsylvania tobacco that was sold at auction or open market for 20XX? **3 cwt**
Would you prefer to report the Average Price per Cwt or the Total Dollars Received? **Total Dollars**
What was the Total Dollars received at auction for 3 cwt of Pennsylvania tobacco for 20XX? **$300**

Has the total 20XX tobacco crop been marketed? **No**
Do you make any day-to-day decisions for another farm or ranch? **No**
Would you rather have a brief summary emailed to you at a later date? **No**
Practice Interview 2:
Who is responding? Operator
Let me verify the name, address, and phone number that I have for this operation. Is this information correct? Yes

Did this operation harvest any tobacco in 20XX? Yes
Has this operation sold any of the 20XX tobacco crop? Yes

What was the quantity of Flue-cured tobacco that was sold under contract for 20XX? 12 tons
Would you prefer to report the Average Price per ton or Total Dollars Received? Average Price
What was the Average Price for the Flue-cured tobacco that was sold under contract? $2.12

What was the quantity of Flue-cured tobacco that was sold at auction or open market for 20XX? 34 tons
Would you prefer to report the Average Price per ton or Total Dollars Received? Average Price
What was the Average Price for the Flue-cured tobacco that was sold at auction or open market? $2.19

What was the quantity of Fire-cured tobacco that was sold under contract for 20XX? 0

What was the quantity of Fire-cured tobacco that was sold at auction or open market for 20XX? 9 cwt
Would you prefer to report the Average Price per cwt or the Total Dollars Received? Total Dollars
What was the Total Dollars received at auction for 9 cwt of Fire-cure tobacco for 20XX? $1,750

What was the quantity of Burley tobacco that was sold under contract for 20XX? 5,300 lbs
Would you prefer to report the Average Price per pound or the Total Dollars Received? Average Price
What was the Average Price for the Burley tobacco that was sold under contract? $2.06

What was the quantity of Burley tobacco that was sold at auction or open market for 20XX? 3,300 lbs
Would you prefer to report the Average Price per pound or the Total Dollars Received? Total Dollars
What was the Total Dollars received at auction for 3,300 pounds of Burley tobacco for 20XX? $6,150
What was the quantity of Southern Maryland tobacco that was sold under contract for 20XX? **4 tons**

Would you prefer to report the Average Price per ton or the Total Dollars Received? **Total Dollars**

What was the Total Dollars received under contract for 4 tons of Southern Maryland tobacco for 20XX? **$4,300**

What was the quantity of Southern Maryland tobacco that was sold at auction or open market for 20XX? **0**

What was the quantity of Dark Air-cured tobacco that was sold under contract for 20XX? **0**

What was the quantity of Dark Air-cured tobacco that was sold at auction or open market for 20XX? **8 cwt**

Would you prefer to report the Average Price per cwt or the Total Dollars Received? **Average Price**

What was the Average Price for Dark Air-cured tobacco that was sold at auction or open market? **$130.68**

What was the quantity of Pennsylvania tobacco that was sold under contract for 20XX? **4,000 lbs**

Would you prefer to report the Average Price per pound or the Total Dollars Received? **Total Dollars**

What was the Total Dollars received under contract for 4,000 pounds of Pennsylvania tobacco for 20XX? **$8,520**
What was the quantity of Pennsylvania tobacco that was sold at auction or open market for 20XX?  3 tons
Would you prefer to report the Average Price per ton or the Total Dollars Received?
**Average Price**
What was the Average Price for the Pennsylvania tobacco that was sold at auction or open market?  $3,200.23

Has the total 20XX tobacco crop been marketed?  No
Do you make any day-to-day decisions for another farm or ranch?  No
Would you rather have a brief summary emailed to you at a later date?  No

**Practice Interview 3:**
Who is responding?  Daughter, Janie Farmer
Let me verify the name, address, and phone number that I have for this operation. Is this information correct?  Yes

Did this operation harvest any tobacco in 20XX?  Yes
Has this operation sold any of the 20XX tobacco crop?  No

Do you make any day-to-day decisions for another farm or ranch?  No
Would you rather have a brief summary emailed to you at a later date?  No