

Section 2.6: Appendix A: Initial Survey Instrument and Additional Questions

1. Is the percentage of total digestible nutrients (TDN%) a factor in your purchasing of feed inputs? (For example, corn or grain sorghum.) **Yes / No**
2. Do you calculate the TDN% per bushel or ME per pound of grain used for the feed or feed inputs you sell? **Yes / No** If yes, please fill out the following Table.

	PERCENTAGE OF TOTAL DIGESTIBLE NUTRIENTS OR METABOLIZED ENERGY				
TYPE OF FEED	No. 2 YELLOW CORN	No. 2 RED WINTER WHEAT	No. 1 SOYBEANS	No. 2 BARLEY	No. 2 GRAIN SORGHUM
BEEF					
DAIRY					
POULTRY					
SHEEP					
SWINE					

3. What was your bid price for wheat and barley in mid-September (15th) 1994 and projected for mid-June (15th) 1995?

	MID-SEPTEMBER 1994	MID-JUNE 1995
US No. 2 RED WINTER WHEAT		
US No. 2 BARLEY		

4. What was your bid price for corn and grain sorghum in mid-April (15th) 1995 and projected for mid-September (15th) 1995?

	MID-APRIL 1995	MID-SEPTEMBER 1995
US No. 2 YELLOW CORN		
US No. 2 GRAIN SORGHUM		

5. Transaction costs include marketing information, such as market news, DTN/FarmDayta, and agricultural market news letters. Other transaction costs include transportation equipment, contracting, ensuring delivery, and additional handling costs. The following table lists these costs. Please rank the costs in order of importance, 1 being the most important.

TRANSACTION COSTS	RANK (1 to 9)			
	CORN	WHEAT	BARLEY	GRAIN SORGHUM
MARKETING INFORMATION				
TRANSPORTATION				
CONTRACTING				
ENSURING DELIVERY				
BIN TYPE				
DRYING EQUIP.				
BIN UN/LOADING EQUIPMENT				
ADDITIONAL LABOR				
OTHER				

Please explain what costs you included in OTHER. _____

6. Are barley's transaction costs higher than wheat's transaction costs? **Yes / No**
If yes, please explain why. _____
7. Are grain sorghum's transaction costs higher than corn's transaction costs? **Yes / No**
If yes, please explain why. _____

8. What percentage of marketing activity is covered by cash, forward contracts, futures, and options on futures? Please use the following table to answer this question.

	PERCENTAGE OF TOTAL MARKETING ACTIVITY			
	CORN	WHEAT	BARLEY	GRAIN SORGHUM
CASH				
FORWARD CONTRACTING WITHOUT CONTRACT TO PROCESSOR				
FORWARD CONTRACTING WITH CONTRACT TO PROCESSOR				
FUTURES				
OPTIONS ON FUTURES				

9. Please rank the following grains in terms of the risk associated with your marketing activities, where 1 is equal to the greatest risk. Equivalent levels of risk may be indicated by using the same number.

	RANK
CORN	
WHEAT	
BARLEY	
GRAIN SORGHUM	

10. What is the major source of increased risk? _____

11. Based on the following spot prices for US No. 2 yellow corn, what would you pay per bushel for US No. 2 barley and US No. 2 grain sorghum?

SPOT PRICE FOR US No. 2 YELLOW CORN (\$ / BUSHEL)	ESTIMATED PRICE (\$ / BUSHEL)	
	US No. 2 BARLEY	US No. 2 GRAIN SORGHUM
1.50		
2.00		
2.50		
3.00		
3.50		

Answers to the following questions are for classification purposes only.

12. Where does your supply of corn, wheat, barley, and grain sorghum come from? Please fill out the following Table.

DISTANCE FROM ELEVATOR	PERCENTAGE OF TOTAL SUPPLY			
	CORN	WHEAT	BARLEY	GRAIN SORGHUM
Within a 10 mile radius & still in Virginia				
to 20 mile radius & still in Virginia				
to 30 mile radius & still in Virginia				
to 40 mile radius & still in Virginia				
to 50 mile radius & still in Virginia				
to 60 mile radius & still in Virginia				
Greater than 60 miles & still in Virginia				
Outside of Virginia				

13. Do you sell any of the grain supplied by Virginia producers outside of the state? Please circle Yes or No.

CORN	YES	NO
WHEAT	YES	NO
BARLEY	YES	NO
GRAIN SORGHUM	YES	NO

14. What percentage of the total quantity of grain supplied by Virginia producers is sold outside of the state? Please fill in the following Table.

	PERCENTAGE
CORN	
WHEAT	
BARLEY	
GRAIN SORGHUM	

15. For survey purposes only, please list feed processors who buy barley and/or grain sorghum. This information will only be used to identify processors for our survey and will be kept confidential. _____

16. Please estimate the percentage of your feed volume by commodity and end-use. (If percentage is unavailable, please rank by importance from 1 to 7, 1 being highest volume and 7 being the lowest.)

	PERCENTAGE / RANK OF TOTAL FEED VOLUME			
	CORN	WHEAT	BARLEY	GRAIN SORGHUM
BEEF				
DAIRY				
POULTRY				
SHEEP				
SWINE				
EXPORT				
OTHER				

17. Please estimate the percentage of your total feed sales, in dollars, by commodity and end-use. (If percentage is unavailable, please rank by importance from 1 to 7, 1 being largest dollar amount and 7 being the lowest.)

	PERCENTAGE / RANK OF TOTAL FEED SALES (\$)			
	CORN	WHEAT	BARLEY	GRAIN SORGHUM
BEEF				
DAIRY				
POULTRY				
SHEEP				
SWINE				
EXPORT				
OTHER				

18. What is the minimum level of each of the following grains you would be willing to handle?

CORN _____ **WHEAT** _____
BARLEY _____ **GRAIN SORGHUM** _____

19. What is each bins capacity? For the past four years, what grain has been assigned to each bin? Please use the following table to answer these questions.

BIN NUMBER	BIN CAPACITY (BU)	GRAIN ASSIGNED PER BIN			
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

20. What is the elevator's total holding capacity? _____

21. Has the total amount of corn handled by your elevator declined over the past five years?
Yes / No
22. Has the total amount of corn produced in Virginia handled by your elevator declined over the past five years? **Yes / No**
23. What was the total amount of corn, wheat, barley, and grain sorghum handled in crop years 1992, 1993, 1994? What percentage of the total amount handled was produced in Virginia? Please use the following table to answer the questions.

	CROP YEAR: 1992		CROP YEAR: 1993		CROP YEAR: 1994	
	Total Handled (Bu)	% Produced in Virginia	Total Handled (Bu)	% Produced in Virginia	Total Handled (Bu)	% Produced in Virginia
CORN						
Food						
Feed						
Unknown						
WHEAT						
Food						
Feed						
Unknown						
BARLEY						
Food						
Feed						
Unknown						
GRAIN SORGHUM						
Food						
Feed						
Unknown						

The twenty-one firms identified as previously handling grain sorghum and/or barley were also included in the study. Additional questions were included in the instrument to determine **why** these firms stopped buying and selling grain sorghum and/or barley. The twenty-one firms were asked to respond to the following questions during a phone interview:

1. Do you agree with any of the following statements?

The **(blank)** was a factor in our decision to stop handling grain sorghum.

Costs associated with the grain
Risk associated with the grain
Handling capacity of your operation
Nutritional content of the grain
Lack of local supply
Demand for grain as a feed source
Other _____

2. Do you agree with any of the following statements?

The **(blank)** was a factor in our decision to stop handling barley.

Costs associated with the grain
Risk associated with the grain
Handling capacity of your operation
Nutritional content of the grain
Lack of local supply
Demand for grain as a feed source
Other _____

The remainder of the interview depended on the on the firm's response to the first two questions.

Costs:

3. Transaction costs include marketing information, such as market news, DTN/FarmDayta, and agricultural market news letters. Other transaction costs include transportation equipment, contracting, ensuring delivery, and additional handling costs.

Were any of the following transaction costs a factor in your decision not to handle grain sorghum and/or barley?

TRANSACTION COSTS	BARLEY	GRAIN SORGHUM
MARKETING INFORMATION		
TRANSPORTATION EQUIPMENT		
CONTRACTING		
ENSURING DELIVERY		
BIN TYPE		
DRYING EQUIPMENT		
BIN UN/LOADING EQUIPMENT		
ADDITIONAL LABOR		
OTHER		

Please explain what costs you included in OTHER. _____

4. Were barley's transaction costs higher than wheat's transaction costs? **Yes/No** If yes, please explain why. _____
5. Were grain sorghum's transaction costs higher than corn's transaction costs? **Yes/No** If yes, please explain why. _____

Risk Management:

6. Do you use futures and/or options on futures in order to manage price risk? **Yes/No**
7. Please rank the following grains in terms of the risk associated with your marketing activities, where 1 is equal to the greatest risk. Equivalent levels of risk may be indicated by using the same number.

	RANK
CORN	
WHEAT	
BARLEY	
GRAIN SORGHUM	

8. What is the major source of increased risk? _____

Nutritional Value:

9. Did you ever conduct any tests in order to evaluate the nutritional value of grain sorghum?
Yes/No

10. Did you ever conduct any tests in order to evaluate the nutritional value of barley? **Yes/No**

11. Did you find that the nutritional value of grain sorghum to be less than that of corn? **Yes/No**

12. Did you find the nutritional value of barley to be less than that of wheat? **Yes/No**

13. Considering the price of grain sorghum, could the feed value of grain sorghum compete with corn, wheat, and soybeans? **Yes/No**

14. Considering the price of barley could the feed value of barley compete with corn, wheat, and soybeans? **Yes/No**

Demand:

15. What industries did you sell grain sorghum to? For example, beef, dairy, poultry, or for export.

What industries did you sell barley to? For example, beef, dairy, poultry, or for export.