



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

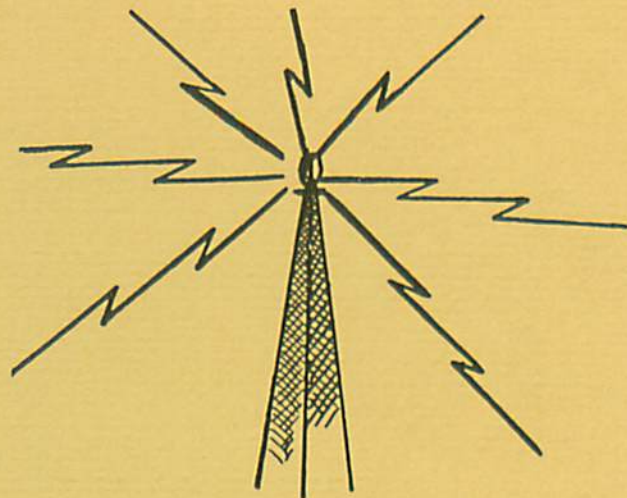
Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

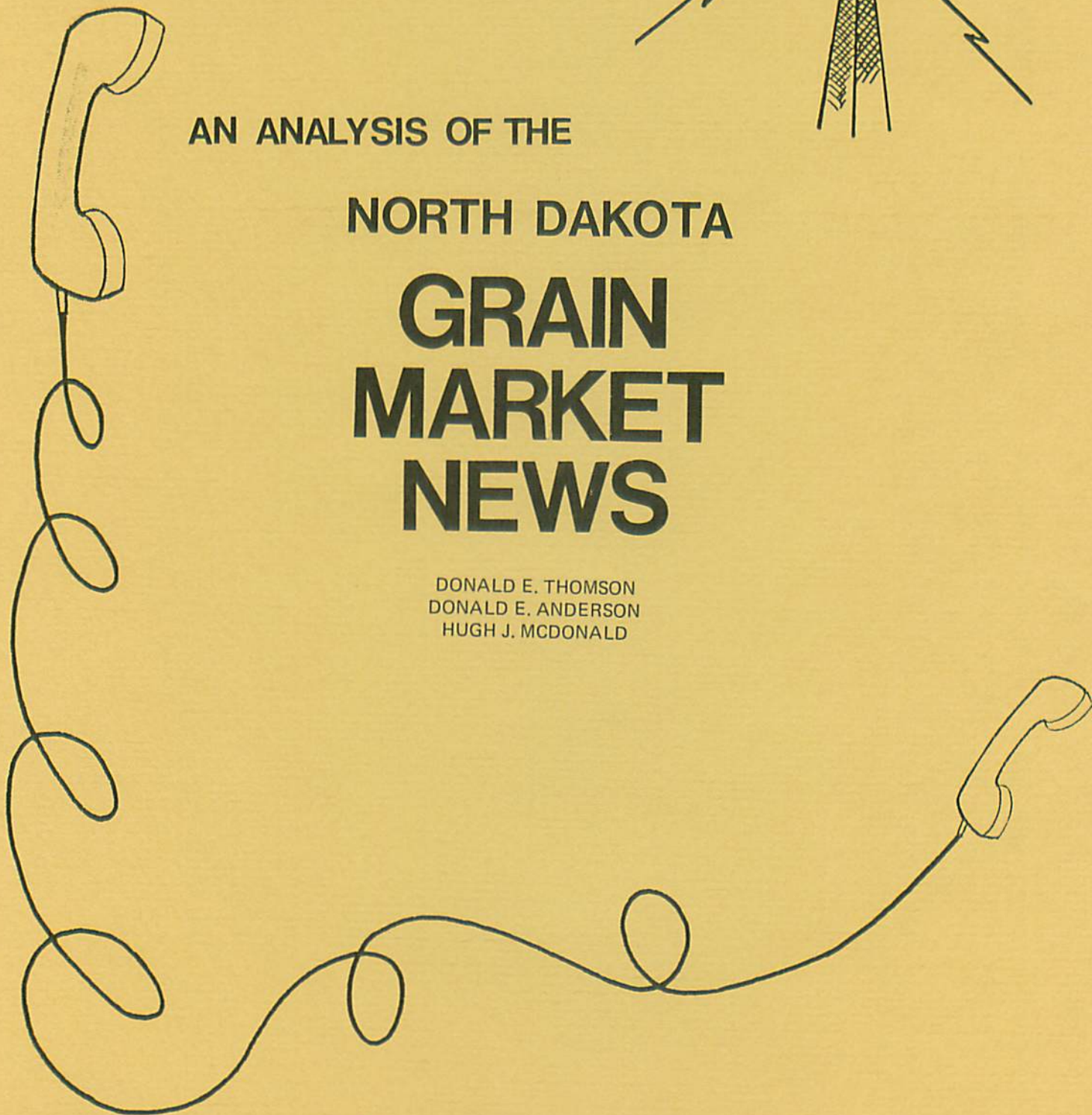
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*



AN ANALYSIS OF THE
NORTH DAKOTA
**GRAIN
MARKET
NEWS**

DONALD E. THOMSON
DONALD E. ANDERSON
HUGH J. MCDONALD



Department of Agricultural Economics
and
Cooperative Extension Service
North Dakota State University
Fargo, North Dakota

FOREWORD

All segments of the North Dakota grain industry require current, up-to-date market information to assist them in formulating improved marketing strategies and decisions. Market reports previously available were not adequate for the North Dakota farmer. There was need for a source of market information that was easily accessible, one in which producers could place confidence and which provided more complete current information. To meet this need, a research project to develop a grain market news service for North Dakota grain producers was initiated jointly on July 1, 1974, by the North Dakota Cooperative Extension Service; the North Dakota State Wheat Commission; and the Department of Agricultural Economics, North Dakota State University. Funds for the research were provided by the State Wheat Commission and the Cooperative Extension Service. The project was modeled on a market news service developed in Montana in 1971-73.

The authors appreciate the information for use in initiating the project provided by Robert Brastrup, Sr., and Keith Kelly of the Montana Wheat Research and Marketing Committee. Also, that provided by W. D. Hughes and Richard Reiners, grain market news reports of the United States Department of Agriculture at Portland and Minneapolis, and representatives of many commercial grain marketing firms. In addition, the authors appreciate the continuing efforts of James Kenward and Tony Jesme of the Communications Department of the Cooperative Extension Service in arranging for and providing the NDGMN service to user radio stations.

TABLE OF CONTENTS

	<u>Page</u>
Highlights	ii
Operations	1
Resources Required	1
Usage	2
Telephone	2
Radio	3
Surveys	3
Code-a-Phone Surveys	3
NDGMN Listeners' Survey	4
All Producers' and Elevator Operators' Survey	9
Appendices	13
Appendix A	15
Appendix B	15
Appendix C	16
Appendix D	16
Appendix E	17
Appendix F	19

Highlights

On August 1, 1974, twice daily news reports commenced under the name "North Dakota Grain Market News" referred to hereafter in this report as "NDGMN." One North Dakota radio station broadcast the messages the first day and at present 12 are doing so.

Initial surveys revealed enthusiastic approval of the NDGMN, but desire for information on grains other than spring and durum wheat. Listeners also reported the telephone line was too busy. The reports were changed as requested and a second telephone line was installed, which more than doubled ease of accessibility to the NDGMN. A maximum use test showed that during the peak demand hours many more than two lines would be required to accommodate all potential users.

Known North Dakota listeners were surveyed by mail questionnaire in March, 1975. Ninety-three percent of the respondents were farm owners or operators and the remainder was persons in other agriculturally related professions, including nine elevator operators. Users listened an average of 4.0 times per week by telephone and 4.9 times per week by radio. They indicated it took an average of 4.3 consecutive times dialed to be connected. The most frequently given reasons for listening to the NDGMN were that it gave more news and comment, more complete prices, and was more convenient than other reports. Ninety-five percent of all respondents felt their knowledge of factors affecting grain prices had been improved by the NDGMN and 58 percent thought it had affected their marketing practices.

A postal card survey was made in June, 1975, to measure usage of the NDGMN by the general population of grain producers and elevator operators, as differentiated from known listeners. This survey indicated 58 percent of the responding wheat producers and 64 percent of the elevator operators listened to the NDGMN by telephone or radio or both. Comments by the wheat producers were 72 percent in approval of the NDGMN, with only 2 percent disapproving. The elevator operators' comments were 66 percent approval and 2 percent disapproval. Nineteen percent of the producers and 20 percent of the elevator operators' comments were that the NDGMN telephone lines were too busy. Producer telephone usage of the North Dakota Grain Market News (NDGMN) has been at near equipment capacity since its inception. Thirty-seven percent of the responding grain producers and 39 percent of the elevator operators listen to the NDGMN on the telephone. More calls probably would be received if there were additional telephone lines. The radio broadcasts of the NDGMN now being made by 12 North Dakota radio stations are heard by 47 percent of the responding grain producers and 58 percent of the elevator operators.

The first year's expenditure of \$30,778.64 fixes the cost of the NDGMN for that year at \$.77 for each address on the North Dakota State Wheat Commission mailing list. Stated another way, the 152,469 telephone calls received cost \$.20 each. The increased budget for 1975-76 raises the costs to an estimated \$.90 per person on the mailing list or \$.25 per call. In addition, the NDGMN was available by radio to the entire population of the state at the cost only of relaying the messages to the broadcasting stations (a very nominal cost per person hearing a broadcast).

Utilization of the service is very high with most users well satisfied. A key factor in the popularity of the NDGMN is the inclusion of current news and comment on matters pertinent to the grain markets. This factor distinguishes the NDGMN from most other market news services available within the state.

AN ANALYSIS OF THE NORTH DAKOTA GRAIN MARKET NEWS

by

Donald E. Thomson, Donald E. Anderson, and Hugh J. McDonald*

Operations

Information for the twice daily messages of the NDGMN is obtained from the teleprinter of the Grain Instant News, Commodity News Service; from telephone calls to the Department of Agriculture grain market news reporters at Minneapolis, Portland, and Denver; and from contacts within the grain trade. The information is condensed into messages not exceeding three minutes (the time limit of the code-a-phone machines).

A marketing economist in the Department of Agricultural Economics prepares the NDGMN recordings. The morning message includes the opening and progress of futures prices to about 10:00 a.m., as well as current news and comment on matters pertinent to the grain markets. The afternoon message gives closing futures and also cash and to-arrive prices on wheat and other grains.

Messages are recorded and transferred to the code-a-phone machines. The recordings are relayed to user radio stations by the Communications Department of the Cooperative Extension Service. The messages are available to all North Dakota residents by toll-free telephone (1-800-342-4914) 24 hours a day, seven days a week, and are broadcast each weekday by a growing number of North Dakota radio stations who have requested to receive them. (Format sheets for the messages are shown in Appendices A and B.)

Resources Required

Resources used for the establishment, production, and dissemination of the NDGMN for the first year of operation, July 1, 1974, to June 31, 1975, are those indicated in the original budget shown in Appendix C--plus a second WATS telephone line and code-a-phone added on August 16, 1974. The total cost was \$30,778.64, of which \$22,513.40 was the original budget and \$5,265.24 the cost of the added telephone line provided by the North Dakota State Wheat Commission and approximately \$3,000 provided by the Cooperative Extension Service. These costs do not include the costs to the Cooperative Extension Service of providing service to the 12 radio stations broadcasting the NDGMN.

The budget for the year from July 1, 1975, to June 30, 1976, with funds to be supplied jointly by the North Dakota State Wheat Commission and the Cooperative Extension Service, is shown in Appendix D. Total costs are estimated at \$36,065, of which \$28,690 is to be supplied by the Wheat Commission and \$7,375 by the Cooperative Extension Service.

*Thomson is Assistant in Agricultural Economics and Dr. Anderson is Professor of Agricultural Economics, Department of Agricultural Economics; Dr. McDonald is Extension Economist in Grain Marketing, Cooperative Extension Service.

Usage

The NDGMN is available to the public by telephone and radio. As the number of radio stations broadcasting the service has increased, telephone usage has declined--but still remains near the capacity of the equipment.

Telephone

The NDGMN telephone service has had a high level of utilization since its inception. In the first week of operation 2,381 calls were received, in the second week--2,782. Recorded comments of users quickly showed a need for more than one toll-free telephone line and code-a-phone machine. A second toll-free line began operating on August 16, 1974. The service received 4,735 calls in the first week with the two lines.

Usage of the code-a-phone service has remained high, with an average of 418 calls per day during the first year's operation and 392 during the most recent five months. Seasonal variation has been observed, with the number of calls noticeably lower during planting time, early summer, and Christmas holidays. The code-a-phone machines do not seem to have been designed for these high rates of use. Machines have had to be replaced over 20 times since the inception of service. The telephone company has been requested to provide more durable machines and ones which do not have to rewind each time the message is played.

The call count by month and year since inception of the NDGMN has been:

<u>Year</u>	<u>Dates</u>	<u>Days</u>	<u>Total Calls</u>	<u>Calls Per Day</u>
1974	Aug 1-Sep 2	33	15,983	484
	Sep 3-30	28	15,224	544
	Oct 1-31	31	17,087	551
	Nov 1-Dec 1	31	12,112	391
	Dec 2-Jan 1	31	11,630	375
1975	Jan 2-Feb 2	32	13,701	428
	Feb 3-Mar 2	28	11,625	415
	Mar 3-31	29	13,437	463
	Apr 1-30	30	12,679	423
	May 1-Jun 1	32	8,400	263
	Jun 2-30	29	8,361	288
	Jul 1-31	31	12,230	395
First Year		365	152,469	418
1975	Aug 1-Sep 1	32	13,712	429
	Sep 2-30	29	12,591	434
	Oct 1-Nov 2	33	13,115	397
	Nov 3-30	28	10,512	375
	Dec 1-Jan 1	32	10,522	329
Five Months		154	60,452	392

Radio

As soon as the initial announcement of the inauguration of the NDGMN was published, a request was received from radio station KTGO in Tioga that they be provided the recorded messages for broadcast. Arrangements to comply with this request were made by the Communications Department of the Cooperative Extension Service. At the same time an offer to provide the same service was made to every other radio station in North Dakota.

More and more radio stations requested the messages as the NDGMN became better known and as the demand for it clearly exceeded the capacity of the telephone service. No restrictions were placed on commercial sponsorship. By November, 1975, the following North Dakota radio stations were broadcasting the NDGMN:

<u>City</u>	<u>Station</u>	<u>Broadcast Times</u>	
		<u>Morning</u>	<u>Afternoon</u>
Bismarck	KBMR	10:55	2:55
Carrington	KDAK	12:30	4:25
Devils Lake	KDLR	12:50	3:00
Fargo	KFGO	11:07	3:07
Fargo	KFNW	12:40	
Grafton	KXPO	12:25	3:50
Grand Forks	KFJM	12:45	3:45
Hettinger	KNDC		3:30 & 6:00
Jamestown	KEYJ	11:55	5:35
Minot	KTYN	11:20	4:20
Tioga	KTGO	11:30	3:00
Williston	KGCX	12:45	

Surveys

Three types of surveys were conducted during the pilot project. The first exploited the user-recording capability of the code-a-phone to obtain listener usage, initial reactions, and comments. The second was a detailed survey of those persons known to be listeners to the service. The final survey was made to obtain general population usage and preference information from all grain producers and elevator operators in the state.

Code-a-Phone Surveys

NDGMN telephone listeners were asked during the first three days of operation to record on the code-a-phones their comments concerning the service. Sixty-five percent of the recorded comments expressed approval and appreciation, 21 percent requested prices on grains other than wheat, 11 percent complained of the playback quality of the recording, and 3 percent said the telephone was too busy. The messages were changed to include prices on other grains and to improve the quality of the recordings.

On August 6 and 7, 1974, listeners were asked to record by code-a-phone the number of times they had to dial consecutively in order to be connected. Replies ranged from one to 27 times dialed. Twenty-one percent

were connected on the first dial and the average number of times dialed was 6.2. The same request was made on August 21 and 22, after the second toll-free telephone line was in service. Replies ranged from one to 20 times dialed. Forty-seven percent were connected on the first dial and the average number of times dialed declined to 2.8. Eighty-six percent of those recording an answer were judged to be men and 14 percent women. The addition of the second toll-free line more than doubled ease of access to the recorded messages.

A maximum calls test was made on Monday, October 7, 1974. The morning message was limited to only 23 seconds running time. An average of 139 calls per hour was received between 10:35 a.m. and 2:30 p.m. During the hour between 12:00 noon and 1:00 p.m., 156 calls were received. If normal messages were of 2½ minutes running time and 30 seconds were required for rewinding, each machine would have a maximum capacity of 20 calls per hour. Eight lines and machines would be required to handle the noon hour peak of 156 calls per hour or seven machines for the entire morning message period at 139 calls per hour. On the weekend previous to the maximum calls test it had been announced President Ford had suspended the sale of 125 million bushels of corn and wheat to the Soviet Union. The interest aroused by this announcement probably resulted in greater than normal usage on the day of the maximum calls test.

NDGMN Listeners' Survey

Listeners of the NDGMN were requested to give their names and addresses to the code-a-phone recording device or by card or letter during January and February, 1975. There were 1,220 North Dakota responses to this request, 835 understandable ones from recordings and 385 from cards or letters. Figure 1 shows the distribution within the state of these responses. In addition, there was one letter from Montana, 111 from Minnesota, and one recording and seven letters from South Dakota.

In March a questionnaire was mailed to North Dakota listeners who had provided their names and addresses. A total of 614 questionnaires were returned. The questionnaire is shown in Appendix E. Respondents included 539 farmers, 35 landlords, 13 bankers, 9 elevator operators, and 18 others in agriculturally related occupations.

The average tillable acreage in the farms of those who returned questionnaires was 1,291 acres, with the smallest 35 acres and the largest 8,000. One-third of the respondents' farms had 840 or fewer tillable acres; one-third between 840 and 1,440; and one-third 1,440 or more. Average tillable acres per farm in North Dakota according to the Agricultural Stabilization and Conservation Service now is 689.

The numbers of respondents who reported growing various crops and their average annual production are shown in Table 1.

The first month in which listening to the Grain Market News was begun was reported on the March questionnaires as: August--57 percent, September--22 percent, October--8 percent, November--7 percent, December--4 percent, January--2 percent, and February--less than 1 percent.

Survey respondents reported listening to the NDGMN an average of 4.0 times per week by telephone and 4.9 times by radio. They reported receiving market information from all other sources an average of 4.2 times a week

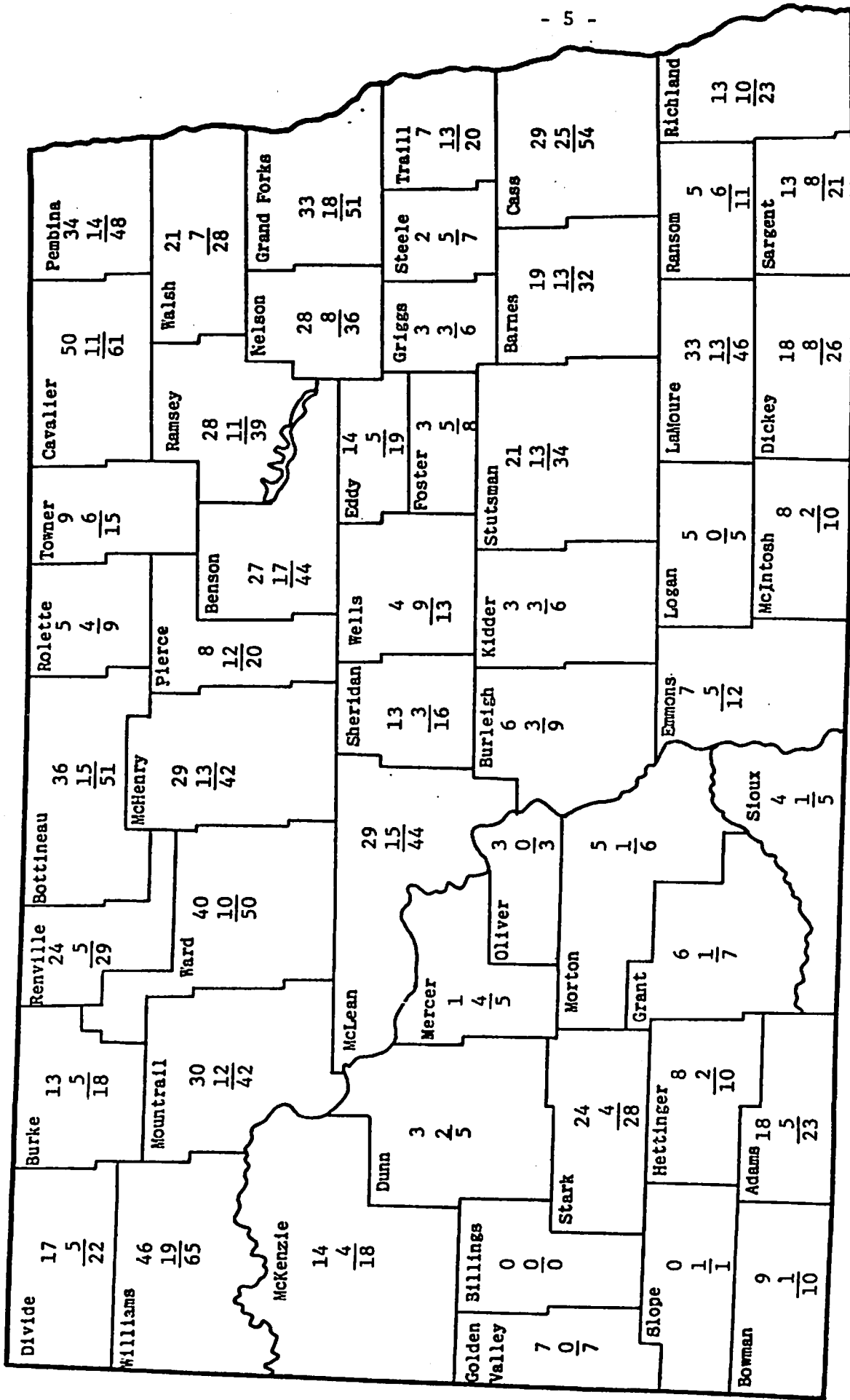


Figure 1. Grain Market News user survey replies by county of residence.

Telephone Replies	835
Written Replies	385
Total Replies	<u>1,220</u>

TABLE 1. NUMBERS AND PERCENT OF RESPONDENTS GROWING VARIOUS CROPS AND THEIR AVERAGE ANNUAL PRODUCTION

Crop	Number Growing	Percent*	Average Annual Production
Wheat Other Than Durum	443	72	10,875 bu.
Durum Wheat	340	55	8,724 bu.
Barley	338	55	7,704 bu.
Oats	178	29	5,124 bu.
Flaxseed	172	28	1,366 bu.
Sunflowers	72	12	2,038 cwt.
Rye	39	6	2,769 bu.
Corn	28	5	10,429 bu.
Pinto Beans	26	4	1,442 bu.
Soybeans	25	4	3,280 bu.

*Does not add to 100 percent due to multiple responses.

before the NDGMN was available. After it became available, the other sources were used even more than before--possibly indicating an arousal by the NDGMN of more interest in market information.

Continuation of the telephone service in addition to the radio broadcasts was desired by 77 percent. However, only 28 percent were willing to pay toll charges for the telephone service. Consecutive dials necessary to get a telephone connection averaged 4.3. Four percent of the respondents stated they usually got through on the first dial, 83 percent reported five dials or less, and one person indicated it took 50 dials.

Reasons given by the 614 respondents for listening to the NDGMN were:

<u>Reason</u>	<u>Percent of Respondents*</u>
More News and Comments Than Other Reports	85
More Complete Prices Than Other Reports	60
More Convenient Than Other Reports	48
More Grains Covered Than Other Reports	21
Other Reasons	1

*Does not add to 100 percent due to multiple responses.

All the elevator operators who responded to the survey reported they kept a daily record of prices, while only 27 percent of the grain producers reported doing so. Forward contracting for future delivery of grain and hedging of grain in the futures market were reported as shown on the following page.

	<u>Elevator Operators</u>	<u>Grain Producers</u>
	----- percent -----	
Forward Contracting:		
Never	17	31
Sometimes	33	54
Regularly	50	15
	<u>100</u>	<u>100</u>
Hedging:		
Never	50	85
Sometimes	33	14
Regularly	17	1
	<u>100</u>	<u>100</u>

Ninety-five percent of the respondents felt their knowledge or understanding of factors affecting grain markets had been improved by the NDGMN and 58 percent felt their marketing practices had been affected by it. Those who felt their practices had been affected attributed the change to better information of markets, factors, and trends (66 percent); better planning of marketing (31 percent); and other (3 percent).

Items within various categories reported on the NDGMN were ranked in order of most interest by respondents as follows:

<u>Types of Prices</u>	<u>Crops</u>	<u>Wheat Protein %</u>
Cash	Spring Wheat	14
Futures	Durum Wheat	15
To Arrive	Malting Barley	16
	Feed Barley	13
<u>Place Prices</u>	Oats	17
Minneapolis	Flaxseed	12
Duluth	Winter Wheat	11
Chicago	Corn	Ordinary
Pacific	Sunflowers	
Kansas City	Soybeans	<u>News and Comments</u>
Canada	Rye	Exports
Gulf Coast	Pinto Beans	Market Action
Europe	Millet	Rail Car Receipts
	Navy Beans	U.S. Crop Conditions
	Potatoes	World Crop Conditions
	Mustard	Government Reports
	Peas	Government Policies
	Soybean Meal and Oil	Crop Association Views

The messages, which now are limited to a maximum of three minutes, were felt to be about the right length by 92 percent of those answering, too short by 6 percent, and too long by 2 percent.

A frequent question was, "How may I get the Grain Market News from out of state?" The answer is to contact the local telephone operator, give the complete number (1-800-342-4914) and request it be dialed by the Fargo operator. Calls from out of state are not toll free.

Comments totaling 558 were made by the respondents upon request for additional information that should be included in the NDGMN, information that should not be included, or other changes desired. A summary of these comments by category is given below.

<u>Category and Comments</u>	<u>Numbers</u>	
	<u>Comment</u>	<u>Category</u>
General		118
Excellent as is, do not change	114	
Talk slower	3	
Take it off the air and phone	1	
Prices		147
More reasons for price changes	62	
More price forecasts	30	
More place, protein, futures, to-arrive, etc., prices	27	
Less place, protein, futures, to-arrive, etc., prices	27	
Prices only, nothing else	1	
Crops and Weather		81
More on different crops	42	
Less on different crops	3	
More on U.S. and world crops and weather	36	
Receipts and Exports		47
More on receipts	14	
Less on receipts	1	
More on exports; buyers; prices	32	
Education		27
Have a weekend summary	9	
Publish educational material	5	
More explanation of terms and marketing techniques	5	
Comment on government reports	7	
Give farm organization views	1	
Livestock		10
Give livestock news, cash, and futures prices	9	
Give beef-corn and hog-corn ratios	1	
Telephone and Radio Service		128
More telephone lines	86	
Pay for calls to cut use	3	
Toll free out of state	2	
More stations broadcast; publish stations and times	15	
More frequent broadcasts	9	
Give news and comments in both AM and PM	12	
Omit AM message, include in PM message	1	
		<u>558</u>

A portion of the questionnaire was addressed only to elevator operators. Only nine respondents were identified as elevator operators. They ranked their reasons for listening to the Grain Market News as 1) to gain additional information, 2) more complete than other reports, 3) not biased, 4) to compare prices, and 5) more convenient than other reports. Two-thirds of the elevator operator respondents felt fewer farmers called them for information since the NDGMN had become available. All felt their customers were more knowledgeable about prices and market factors than before. Their comments regarding the

NDGMN were generally favorable, including "it's a good tool for the grain trade and farmers," "it gives my customers more insight into the workings of the market," and "it backs up the elevator operator's version of market action."

All Producers' and Elevator Operators' Survey

A postal card survey was made of wheat producers and grain elevator operators in North Dakota to determine usage and desires concerning the NDGMN by these entire populations. All prior surveys had been of known listeners only and did not provide such information. In June, 1975, card questionnaires were mailed to one-sixth or about 6,500 of the 39,000 wheat producers on the North Dakota State Wheat Commission list and to all 632 elevators located in North Dakota. By September there were 1,069 responses or 16.4 percent from the wheat producers and 172 or 27.2 percent from the elevator operators. The postal card questionnaire is shown in Appendix F.

Among the wheat producers, 85 percent described themselves as farm owner-operators, 10 percent as landlords, and 5 percent as tenants. Fifty-eight percent of them reported listening to the NDGMN on either telephone or radio. Fifteen percent did not use the NDGMN telephone service, but listened to other identified radio or TV market news programs. Four percent did not use the NDGMN telephone service, but listened to unidentified radio stations. Ten percent indicated they never had heard of the service; 13 percent knew about it but never listened. The numbers of grain producers using the NDGMN and other grain market news programs by listener category and mode of listening are shown in Table 2.

TABLE 2. NUMBERS OF GRAIN PRODUCERS USING THE NORTH DAKOTA GRAIN MARKET NEWS AND OTHER GRAIN MARKET NEWS PROGRAMS BY LISTENER CATEGORY AND MODE OF LISTENING

Listener Category	Never Heard of NDGMN	Never Listen to NDGMN	NDGMN Telephone	All Radio	Total
Nonlisteners	64	85			149
Telephone Only			80		80
Unidentified Radio Stations and Telephone	6	16	25	45	92
Non-NDGMN Radio Stations and Telephone	20	38	121	160	339
NDGMN Radio Stations and Telephone	<u>19</u>	<u> </u>	<u>164</u>	<u>226^a</u>	<u>409</u>
TOTAL	109	139	390 ^a	431	1,069

^aListened to the NDGMN--616.

Among the elevator operators, 64 percent listened to the NDGMN on either telephone or radio, 25 percent knew about it but did not listen, and 5 percent never had heard of it. Three percent did not use the NDGMN telephone service, but listened to other radio or TV market news programs. Another 3 percent did not use the NDGMN telephone service, but listened to stations that could not be identified. The numbers of elevator operators using the NDGMN and other grain market news programs by listener category and mode of listening are shown in Table 3.

TABLE 3. NUMBERS OF ELEVATOR OPERATORS USING THE NORTH DAKOTA GRAIN MARKET NEWS AND OTHER GRAIN MARKET NEWS PROGRAMS BY LISTENER CATEGORY AND MODE OF LISTENING

Listener Category	Never Heard of NDGMN	Never Listen to NDGMN	NDGMN Telephone	All Radio	Total
Nonlisteners	4	29			33
Telephone			21		21
Unidentified Stations			2	5	7
Non-NDGMN Stations	5	13	19	6	43
NDGMN Stations	—	—	<u>25</u>	<u>43^a</u>	<u>68</u>
TOTAL	9	42	67 ^a	54	172

^aListen to NDGMN--110.

Seventy-six percent of the producers preferred to listen to both messages each day, while 15 percent preferred the afternoon and 9 percent the morning message. Ninety-one percent of the elevator operators preferred to listen to both messages each day, 7 percent preferred the afternoon message, and only 2 percent preferred the morning message.

Their county of residence was reported by 984 of the grain producers. Every county in the state was included. County location was reported by 167 of the elevator operators. All counties except six were included. A map showing the county locations given by the respondents to the survey is shown in Figure 2.

The grain producers who listened to the NDGMN on the telephone did so an average of 3.8 times per week when they had grain to sell and 2.6 times after they had sold. Thirty-five percent of them listened daily when they had grain to sell and 56 percent listened only once or twice a week after they had sold. The elevator operators who listened to the NDGMN on the telephone did so an average of 4.5 times per week at all times, with 40 percent listening daily.

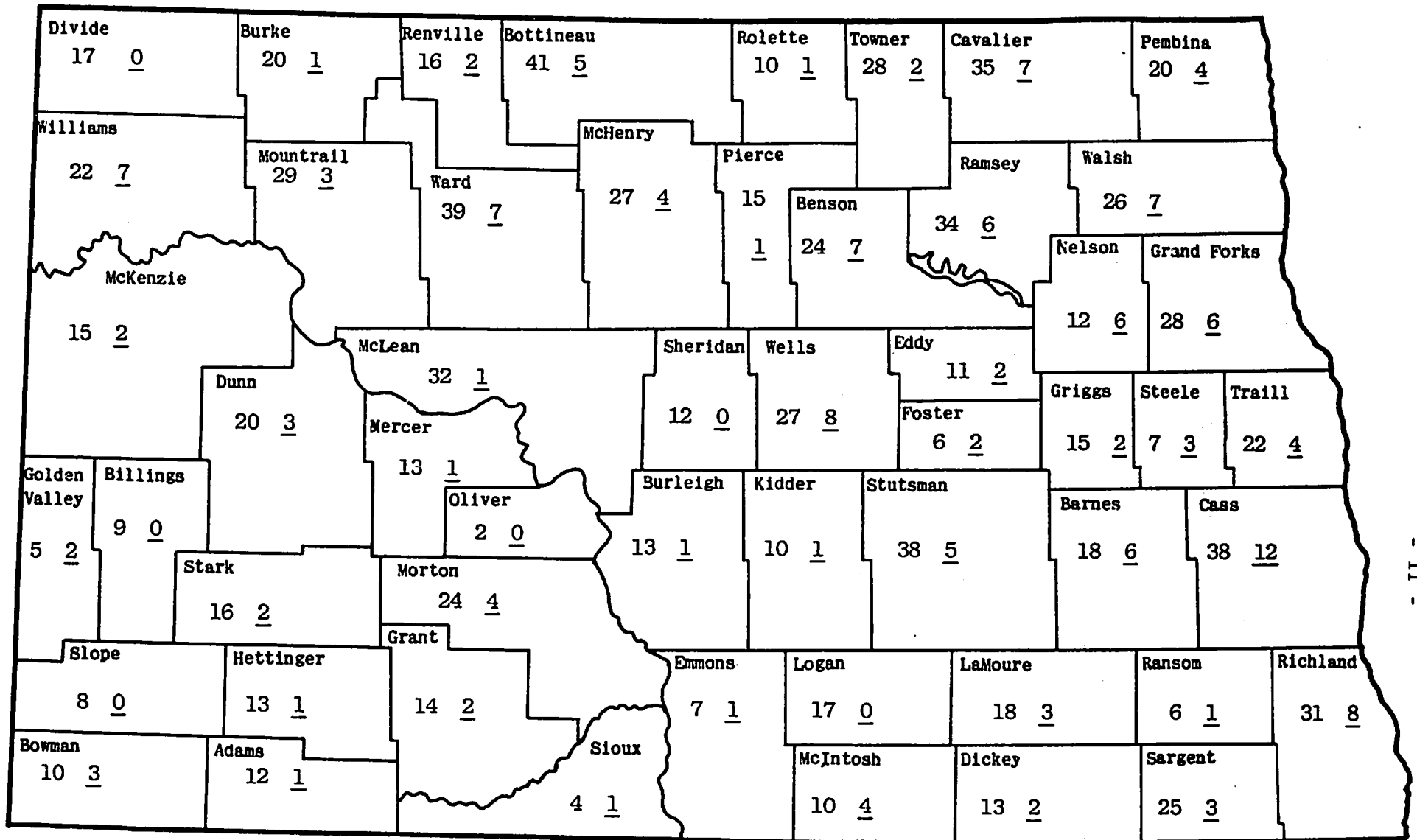


Figure 2. County location of respondents to the Grain Market News postal card survey.

Totals: Producers-----984
 Elevator Operators--167

The producers who listened to the NDGMN on the radio did so an average of five times a week when they had grain to sell and four times after they had sold. The elevator operators who listened to the NDGMN on the radio did so an average of over six times a week.

Seventy-two percent of the grain producer listeners to the NDGMN who made comments indicated approval of the service, only 2 percent disapproved. Two percent received market information from other sources, such as their local elevator, newspaper, etc. Changes in the NDGMN were suggested by 3 percent. Nineteen percent complained of the telephone being too busy (see Table 4).

TABLE 4. SUMMARY OF COMMENTS OF 244 PRODUCER NDGMN LISTENERS

Comment	Percent
Approve	72
Disapprove	2
Get Markets from Elevator, TV, or Paper	2
Suggested Changes in NDGMN	3
Requested Radio Broadcast Times	2
Telephone Too Busy	<u>19</u>
TOTAL	100

Sixty-six percent of the elevator operator listeners to the NDGMN who made comments indicated approval of the service, only 2 percent disapproved. Ten percent used other sources of information, such as commission firms, teletype, or direct contact with the grain exchanges. Two percent suggested changes in the NDGMN. Twenty percent complained of the telephone being too busy (see Table 5).

TABLE 5. SUMMARY OF COMMENTS OF 41 ELEVATOR OPERATOR NDGMN LISTENERS

Comment	Percent
Approve	66
Disapprove	2
Get Markets from Own Sources	10
Suggested Changes in Program	2
Telephone Too Busy	<u>20</u>
TOTAL	100

Appendices

MORNING GRAIN MARKET NEWS

(Day) _____ (Date) _____

Good morning! This is _____ from North Dakota State University with the morning North Dakota Wheat Commission grain market news.

Opening Prices Up/Down Opening Summary Comments:

Soybeans _____
 Corn _____
 Wheat _____
 Kansas City Wheat _____
 Minneapolis Wheat _____

Chicago _____ futures at _____

_____ Soybeans _____ _____ Wheat _____
 _____ Corn _____ _____ Kansas City Wheat _____

At Minneapolis at _____

Month _____
 Spring Wheat _____
 Durum Wheat _____

News and Additional Comments:

AFTERNOON GRAIN MARKET NEWS

(Day) _____ (Date) _____

Good afternoon! This is _____ from North Dakota State University with the afternoon North Dakota Wheat Commission grain market news.

Opening Summary Comments:

Chicago _____ futures at the close

_____ Soybeans _____ _____ Wheat _____
 _____ Corn _____ _____ Kansas City Wheat _____

Minneapolis wheat futures closed this afternoon at:

Month _____
 Spring Wheat _____
 Durum Wheat _____

Cash Market Comments:

Total Wheat _____ Rye _____ Corn _____ Wheat Basis _____
 Durum _____ Oats _____ Soybeans _____ Cash Wheat _____
 Barley _____ Flaxseed _____ Sunflowers _____ Cash Durum _____

Grain	#	Minneapolis	Duluth	Portland #1 DNS	Other Grains
#1 DNS	14	_____	_____	_____	Malt Barley _____
	15	_____	_____	15	Feed Barley _____
	16	_____	_____	_____	Rye _____
#1 Had Ord	_____	_____	_____	_____	#2 Hay Oats _____
Med M1	_____	_____	_____	_____	Flaxseed _____
Choice M1	_____	_____	_____	_____	Sunflowers _____

Bids for Shipments of Wheat to Arrive in _____ days

Grain	#	Minneapolis		Duluth		CASH WHEAT BASIS	
		Truck	Rail	Truck	Rail	Previous Day	Today
		\$/Bls.	Duluth	\$/Bls.	Duluth		
#1 DNS	14	_____	_____	_____	_____	13	_____
	15	_____	_____	_____	_____	14	_____
	16	_____	_____	_____	_____	15	_____
#1 HAD	_____	_____	_____	_____	_____	16	_____

Thank you for listening. Have a nice day (weekend).

Thank you for listening--have a nice day!

Budget for Code-a-Phone Market Information Project

COOPERATIVE BUDGET

July 1, 1975 - June 30, 1976

NORTH DAKOTA GRAIN MARKET NEWS

	<u>One Year</u>		<u>Wheat Commission</u>	<u>NDSU</u>
SALARIES		Equipment		
Project Assistant @ \$500/mo.	\$6,000.00	GIN @ \$125/month	\$ 1,500	
Secretarial	1,600.00	Two WATS lines @ \$1,520/month (includes two code-a- phones @ \$330 each/year)	18,240	
Professional	4,090.00			
Hugh J. McDonald \$2,000		Radio operations		
Donald E. Anderson \$2,000		Pre-amplifier	200	
		Telephone with cutoff		\$ 75
EQUIPMENT				
Grain Instant News @ \$85/mo. (9 months)	765.00			
Installation Fee	95.00	Labor		
Paper @ \$32.40/carton	194.40	1/2 time marketing specialist	8,250	
		1/8 time secretary		700
WATS (incoming) @ \$590/mo. (9 months)	5,310.00	3/8 time secretary to service radio (3 hours/day @ \$3/hour)		2,600
Line Charge	15.00	Backup assistance		1,800
Code-a-Phone Rental	225.00	Administration and Professional assistance-- McDonald and Anderson		2,000
Installation	25.00			
OFFICE EQUIPMENT RENTAL	284.00	Travel		200
TRAVEL	2,500.00	Miscellaneous		
		Office supplies and materials for report preparation	500	
MISCELLANEOUS				
Printing	500.00			
Postage	500.00			
Office Supplies	500.00			
TOTAL	<u>\$22,513.40</u>	TOTAL	\$28,690	\$7,375



NORTH DAKOTA

COOPERATIVE EXTENSION SERVICE

NORTH DAKOTA STATE UNIVERSITY OF AGRICULTURE
AND APPLIED SCIENCE - U.S. DEPARTMENT OF AGRICULTURE COOPERATING
STATE UNIVERSITY STATION, FARGO, NORTH DAKOTA 58102

GRAIN MARKET NEWS QUESTIONNAIRE

March, 1975

Dear Listener:

By your response to our request for your name and address, you have indicated you use the North Dakota Grain Market News.

This service consists of two messages each market day. The morning message gives futures prices and news of factors affecting the grain markets. The afternoon message gives futures, cash and to-arrive prices for wheat and other grains. The messages are available 24 hours a day by telephone and are broadcast, usually twice per day, by eleven radio stations in North Dakota. The messages on the telephone and radio are identical, both originating from the same tape recording.

The Grain Market News is sponsored by the North Dakota State Wheat Commission and is operated by the Cooperative Extension Service and the Department of Agricultural Economics of North Dakota State University. At this time, it is a pilot project to determine the demand for and desired content of such a program. We wish to evaluate the project and improve the program by obtaining your opinion of the importance to you of the information now given and to determine additional information or changes you desire.

Please complete and return the enclosed questionnaire. Your answers will be kept confidential. Thank you for your assistance.

Sincerely,

Hugh J. McDonald
Hugh J. McDonald
Extension Economist

KJM/sjk
Enclosure

1. Occupation:

Farmer size of farm in tillable acres

Bushels of grain marketed per year:

wheat barley corn flaxseed soybeans
 durum oats rye sunflowers pinto beans

Elevator Operator bushels capacity of elevator
 Bank or Credit Institution Professional Farm Manager
 Agricultural Input Merchandizer Agricultural Products Processor
 Landlord Other (specify) _____

2. The North Dakota Grain Market News was begun on August 1, 1974. When did you begin listening to the Grain Market News?

Aug. Sept. Oct. Nov. Dec. Jan. Feb. _____

3. How many times in an average week do you listen to the Grain Market News?

by telephone by radio

4. Would you be satisfied with the radio reports only? yes no

5. Would you pay telephone charges to receive the report? yes no

6. How many times do you usually have to dial consecutively to get the report? _____ times

7. Where did you get news of the market before you listened to the Grain Market News?

radio television newspaper elevator neighbors other

8. Before you listened to the Grain Market News, how many times per week did you get market information? _____ times

9. Which sources do you still use in addition to the Grain Market News?

radio television newspaper elevator neighbors other

10. Why do you listen to the Grain Market News when other sources are available?

more convenient more complete prices more grains covered
 more news and comments other: _____

11. Do you keep a daily or weekly record or chart of grain prices? yes no

17

APPENDIX E-1

23. What information now given in the Grain Market News do you feel is unnecessary and should not be included?

24. What other changes would you like in the Grain Market News?

25. FOR ELEVATOR OPERATORS ONLY: Why do you listen to the Grain Market News when market information is available from other sources, i.e. buyers, commission firms, etc.?
 _____ compare prices _____ get additional information
 _____ Grain Market News more complete _____ Grain Market News more available
 _____ Grain Market News not biased _____ other: _____
26. Do more or fewer farmers call you about prices than before the Grain Market News was available? _____ more _____ less _____ about the same
27. Are farmers more knowledgeable about prices and market factors now than before the Grain Market News was available? _____ more _____ less _____ about the same
28. Other comments: _____

12. Have you ever made a "forward contract" for future delivery of grain?
 _____ yes, regularly _____ yes, sometimes _____ no, never
13. Have you ever hedged all or part of your grain crop in the futures market?
 _____ yes, regularly _____ yes, sometimes _____ no, never
14. Has the Grain Market News improved your knowledge or understanding of factors affecting grain markets? _____ yes _____ no
15. Has the Grain Market News affected your marketing practices? _____ yes _____ no
 If so, how? _____

- Please indicate by ranking (1 - most important; 2, 3, 4, etc. - next most important) the items of most interest to you within each of the categories below.
- | | | |
|---------------------|-----------------------|---------------------------------|
| 16. Types of Prices | 18. Crops | 19. Wheat Protein (cash market) |
| _____ futures | _____ winter wheat | _____ ordinary |
| _____ cash | _____ spring wheat | _____ 11% |
| _____ to arrive | _____ durum wheat | _____ 12% |
| | _____ corn | _____ 13% |
| 17. Place Prices | _____ soybeans | _____ 14% |
| _____ Minneapolis | _____ barley, malting | _____ 15% |
| _____ Duluth | _____ barley feed | _____ 16% |
| _____ Chicago | _____ rye | _____ 17% |
| _____ Kansas City | _____ oats | |
| _____ Pacific Coast | _____ flaxseed | 20. News and Comments |
| _____ Gulf Coast | _____ sunflowers | _____ RR car receipts |
| _____ Canadian | _____ pinto beans | _____ exports |
| _____ European | _____ other: _____ | _____ government reports |
| | | _____ government policies |
| | | _____ U.S. crop progress |
| | | _____ world crop progress |
| | | _____ crop association views |
| | | _____ market action |

21. Do you consider the length of each Grain Market News report, now a maximum of three minutes, to be: _____ too long? _____ about right? _____ too short?
22. What information not now given in the Grain Market News would you like included?

Hugh J. McDonald
Extension Economist
Morrill Hall
North Dakota State University
Fargo, North Dakota 58102

COOPERATIVE EXTENSION SERVICE
U S DEPARTMENT OF AGRICULTURE
NORTH DAKOTA STATE UNIVERSITY
OF AGRICULTURE AND APPLIED SCIENCE
FARGO, NORTH DAKOTA 58102
OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
ADM 101



COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS
U.S. DEPT. OF AGRICULTURE AND NORTH DAKOTA STATE UNIVERSITY COOPERATING

Dear Fellow North Dakotan,

The North Dakota Grain Market News is sponsored by the North Dakota State Wheat Commission and is operated by the Cooperative Extension Service and by Don Thomson of the Dept. of Agricultural Economics, North Dakota State University. Each market day a morning message gives futures prices and news of factors affecting the grain markets and an afternoon message gives futures closes, cash and to arrive prices for wheat and other grains. The messages are available 24 hours a day by toll-free telephone (1-800-342-4914) and are broadcast by 11 North Dakota radio stations. The telephone and radio messages are identical.

We wish to determine use of the service. Answers showing non-use are equally important. Please help us by separating the halves of this card, answering the questionnaire and returning it to me. Thank you.

Sincerely,
Hugh J. McDonald
Hugh J. McDonald, Extension Economist

COOPERATIVE EXTENSION SERVICE
U S DEPARTMENT OF AGRICULTURE
NORTH DAKOTA STATE UNIVERSITY
OF AGRICULTURE AND APPLIED SCIENCE
FARGO, NORTH DAKOTA 58102
OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$30

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
ADM 101



COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS
U.S. DEPT. OF AGRICULTURE AND NORTH DAKOTA STATE UNIVERSITY COOPERATING

NORTH DAKOTA GRAIN MARKET NEWS QUESTIONNAIRE

I am a farm owner-operator _____, tenant _____, landlord _____, elevator operator _____
in _____ county.

I never before heard of the North Dakota Grain Market News. _____

I know about the Grain Market News but never listen to it. _____

I listen by telephone to the Grain Market News _____ times a week when I have grain to sell
and _____ times a week after I have sold.

I listen on radio station _____ of _____ (City) _____ times a week when I have grain
to sell and _____ times a week after I have sold.

I prefer the morning message _____, afternoon message _____, both _____.

Comments:

