

Made in
Nebraska



Simulation game helps improve commodity marketing skills

Cory Walters (left) and Tina Kotsaku, along with Nic Colgrove, developed the Marketing in a New Era game.



Commodity marketing can be a challenge for producers.

Marketing in a New Era (MINE) is a Nebraska Extension commodity simulation game designed to help beginning and intermediate grain and oilseed marketers develop and improve their commodity marketing skills.

“The idea for MINE originated from conversations with the Nebraska Soybean Board, which wanted a marketing game incorporating both the modern marketing environment facing producers and

technology,” said Cory Walters, University of Nebraska-Lincoln grain, oilseed and biofuels economist.

MINE is a free simulation that can be played either online or in person using computers provided at Nebraska Extension grain marketing seminars. The game development was led by Walters and Nic Colgrove, a software development specialist in the UNL Institute of Agriculture and Natural Resources, along with Tina Kotsaku, a master’s degree student in the Department of Agricultural Economics. The seminars are led by Extension

educators Jessica Groskopf at the Panhandle Research and Extension Center in Scottsbluff and Robert Tigner at the Red Willow County Extension office in McCook.

“We’re trying to develop a complete grain marketing environment, not just grain sales,” Walters said. “The bones of the game are developed but we will be adding different modules based on what farmers and others playing the game would like to see.” One of the modules Walters would like to develop is related to the farm bill.

MINE is unique because traditional marketing simulation games have been played by generally focusing on only parts of the producers marketing world over several weeks, which is necessary since they follow current commodity futures markets. As a result, the ability to learn how markets interact (i.e., futures and basis) and ask questions about different marketing scenarios is limited, Walters said. MINE circumvents this by allowing for interaction in cash, futures and basis markets using historical commodity prices in a flexible trading environment through a number of selling points. Additionally, MINE incorporates crop insurance into the marketing environment to make the game more realistic.

“This program allows producers to experience a number of pricing scenarios in a few hours while getting feedback from marketing benchmarks and peers,” he said.

Because MINE selects from historical futures price patterns, a player does not know what kind of pricing environment, such as drought or a large crop, he or she will be experiencing. Users must be on the lookout for clues from the markets about what could be at stake for the marketing year they are entering.

Not only does MINE improve marketing, it also provides linkages between marketing and farm conditions. The marketing setup is flexible to allow a group to identify farm conditions such as farm size, yield expectations and expense expectations.

“This has often led to lengthy discussions between participants about how to identify expected yields and how to determine reasonable expenses,” Walters said.

When asked “What was the most important thing you learned,” one participant said: “How carrying charges affect me. Hard to pinpoint one ‘most important thing’ when the whole workshop was so educational and informative. I just learned so much. Best workshop I have ever attended, and that includes even other occupational ones.”

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By: Linda Ulrich



Extension grows new knowledge for crop producers

As Jim McGill travels rural roads in his pickup, he uses information from Nebraska Extension in farmers’ fields.

A certified crop advisor for Midwest Farmers Cooperative in Waverly, Neb., McGill works with 60-70 farmers each year. He has been attending Extension Crop Management Diagnostic Clinics and other crop-related Extension programs for more than 15 years. McGill is required to earn continuing education credits to maintain his professional certification, but he would still attend Extension programs even if he didn’t need the credits. Extension always provides research-based information of value to crop producers, he said.

McGill attends programs coordinated by Keith Glewen, Extension educator in Saunders County. The one- or two-day programs feature experts discussing a variety of topics such as soil health, nutrient management, remote sensing and precision agriculture. They are held across the state and are tailored to the specific growing conditions in each area.

“If you have good content, people will come to the seminars,” McGill said. “Keith works hard to put on a good program with good content. A lot of my growers appreciate this information.”

Participants are asked to fill out evaluations at the end of the program, and suggestions that they make often shape topics for the next program. Sometimes attendees don’t want to take the time to write their assessment of the program, but Glewen has a special trick for getting completed evaluations. He hands out ice cream bars at the end of the program and attendees don’t get one unless they hand in an evaluation.

McGill likes ice cream so he always makes sure he fills out the evaluation, but it’s the information he learns that whets his appetite to attend Extension programs.

“Farming is changing so rapidly. I attend these programs to stay current and help producers,” McGill said.