

## Managing Risk using the Internet

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## You Know You're Too High Tech IF...

- You've never played solitaire with a real deck of cards.
- You have 12 phone numbers to reach your family of 4.
- You text your son to let him know that it is time to eat. He emails from his bedroom, "What's for dinner?"
- Your daughter sells Girl Scout Cookies via her web site.
- You chat daily with someone from South Africa, but you haven't spoken with your next door neighbor this year.
- You actually know less than half your "friends" on Facebook.
- Your reason for not staying in touch with family is that they don't have email addresses nor are on Facebook.
- You hear most of your jokes via email instead of in person.

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## Technology for Cornhuskers...

**LOG ON:** Making a wood stove hotter.

**LOG OFF:** Don't add no more wood.

**MONITOR:** Keepin' an eye on the woodstove.

**DOWNLOAD:** Gettin' the firewood off the truck

**MEGA HERTZ:** When yer not careful gettin' the firewood

**RAM:** That thing that splits the firewood

**HARD DRIVE:** Gettin' home in the winter time

**MODEM:** What ya did to the hay fields

**LAPTOP:** Where the kitty sleeps

**MOUSE:** What eats the grain in the barn

**MOUSE PAD:** That hippie talk fer the rat hole

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## A Few Current Trends in Internet Usage

- **Greater interactivity:** blogs, wikis, "YouTube" – takes time to find things; can waste time using it.
- **Increasing mobility:** laptop computers, PDA's, cell phones, i-Phones – real-time information.
- **Visual media** – video, graphics, GIS. Specialized software, download times.
- **Rapid information obsolescence** – frequent updates/revisions requiring diligence to view.
- **Limited number of sites** visited. Most usually go on-line for a specific site.

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## Development of AgManager.info

- 2001-2002 – *AgManager.info* developed and launched as a single, comprehensive site.
  - Initial focus on risk management, crops, and livestock marketing. Now:
    - Grain basis tool/maps, decision tools, updates
    - Publication of upcoming events/conferences
- Current usage of *AgManager.info*
  - More than 50,000 visits from more than 20,000 unique visitors per month (more than double since 2004)
  - Most popular sections:
    - Livestock, Crops, Farm management, Upcoming events, Agribusiness, Policy

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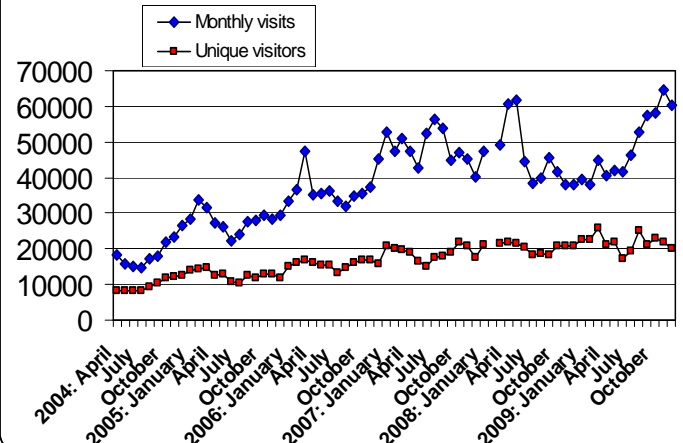


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## Monthly Visits/Visitors to AgManager



## Recent and Coming Developments for AgManager.info

- Notification of changes and updates using RSS feeds (in addition to current listserv to send emails)
- Web tools, operated in the web browser, as opposed to Excel spreadsheets.
- Development of the grain basis tool and maps to allow easier use and to expand the scope.
- Redesign

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## Top 10 Uses for AgManager: #10

### GRAIN BASIS MAPS & BASIS TOOL

**GIS maps** show the week's basis and deviation from the 3 year average, for corn, milo, wheat, and soybeans in the Central Plains.

**Basis tool** provides look-up ability of weekly basis (Wednesday close) for corn, soybeans, milo and wheat for approximately 800 locations in Kansas, Nebraska, Missouri, Oklahoma, Texas, Colorado, North and South Dakota. Some locations have data since 1998.

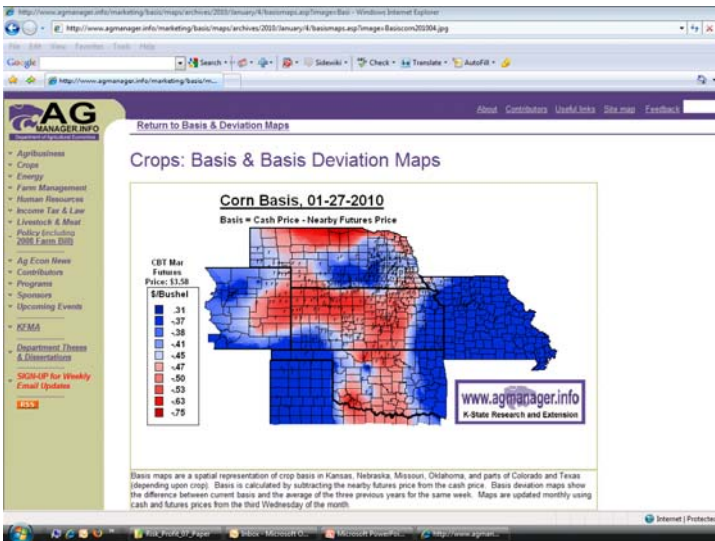
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## #9

### RSS FEEDS AND EMAIL UPDATES

- RSS (Real Simple Syndication) feeds: access information without visiting each website
- Browse the RSS feed on your reader. If there is a topic of interest, go directly to the site for the full article.
- Sites with RSS feeds will have buttons such as those shown below:



- Weekly email updates available. Sign-up on the site or here today!

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AgManager providing agricultural economic information on crops, livestock, marketing and more - Windows Internet Explorer

File Edit View Favorites Tools Help

http://www.agmanager.info/

Search

AG Manager

Return to Basis & Deviation Maps

AG Manager

AgManager.info

Providing Information and Tools For the Competitive Business

2009 Kansas Income Tax Institute

2010 Ag Profitability Conferences

2009 Insurance Workshop

VIEW 2009 PRESENTATIONS

NEW!

CRML Cattle Risk Management Library

In the Cattle Markets and Radio Interview

Weekly cattle market update and radio interview with LMC. This week "A Corn Crop For the History Book" MSUC

RSS Feeds and Email Updates on AgManager

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AT&T Yahoo! - Windows Internet Explorer

http://at.t.yahoo.com/

File Edit View Favorites Tools Help

Google

AT&T Yahoo!

Make AT&T Yahoo! your homepage

Web | Yellow Pages | People | Images | Video | More

Web Search

Categories My Front Page My Front Page New Tab

HL BCK | Sign Out | Member Center | En Español | Tutorials | Help

Last update: Jan 12, 4:12 pm

ADD Content Change Appearance Store Options

Kansas State Football

Most recent content added one month ago. [view]

World News from Reuters

- Israel weighs Hamas ceasefire terms for Gaza - 1 hour ago
- U.S. anti-drug information leaked to Mexico cartels - 1 hour ago
- Oil price weakness pressures Iran, Venezuela: CIA - 13 minutes ago
- North Korea leader picks 3rd son as heir: media - 4 hours ago
- U.S. probe into Afghan civil deaths 'staved' group - 4 hours ago

Financial News from MarketWatch.com

- US Airways plane crashes into Hudson River in New York - 6 minutes ago
- Bank of America leads financials swoon - 6 minutes ago
- Intel shares advance following in-line results: Genentech slips - 6 minutes ago
- Palm, Amazon jump as techs close with gains - 6 minutes ago
- Thursday's biggest gaming and declining stocks - 6 minutes ago

InterVarsity

- Into the Lighthouse - 22 hours ago
- InterVarsity alumni: Jimmy Lee - 1 day ago
- Remembering Pete Hammond - 3 hours ago

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# #8

## UPCOMING EVENTS

- \* Risk and Profit Conference (August in Manhattan)
- \* Ag Lenders Conferences (October in Manhattan/Garden City)
- \* Insurance Workshop (November in Salina)
- \* Ag Profitability Conferences (December-February, throughout the state)
- \* Kansas Income Tax Institutes (November-December at 8 locations across the state)
- \* RAM (Risk-Assessed Marketing) Workshops (January-March, cross the state)

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The screenshot shows the 'Events, Workshops, and Conferences' page on the AgManager.info website. It lists several upcoming events, including Farm Transitions Conferences, 2009 Kansas Income Tax Institute, Ag Profitability Conferences, 2009 Risk and Profit Conference, and 2009 Ag Lenders Conferences. Each event includes a brief description and the date/location of the next session.

# #7

## KFMA

(Kansas Farm Management Association)

- \* KFMA Monthly Newsletter
- KFMA Whole-Farm Analysis (since 2004) By state, region, and county
- \* KFMA Enterprise Analysis (since 2001) Livestock; Non-irrigated crops; Irrigated crops By region and state
- \* Contact info and position announcements

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The screenshot shows the homepage of the Kansas Farm Management Association (KFMA). It features a navigation menu, a main heading 'Kansas Farm Management Association', and a section titled 'Your Farm - Your Information - Your Decision'. Below this, there is a detailed description of the association's mission and a list of services provided, such as developing sound farm accounting systems and improving decision making.

# #6

## GRAIN OUTLOOK NEWSLETTER

- \* Mike Woolverton and Dan O'Brien
- \* Twice monthly
- \* Usually following WASDE report
- \* Includes info from around the world (Europe, S. America, and Asia) as well as U.S. markets.

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The screenshot shows the 'Grain Outlook' page on the AgManager.info website. It features a navigation menu, a main heading 'Grain Outlook', and a section titled 'SIGNALS OF GRAIN MARKET DIRECTION FOR 2010'. Below this, there is a detailed analysis of the grain market, including a discussion of the fall harvest, market expectations, and the impact of various factors on grain prices.

# #5

## FARM MANAGEMENT GUIDES

- \* Kevin Dhuyvetter, Troy Dumler, Dan O'Brien and others
- \* Released in October/November
- \* Provides a PROJECTION, not historical results
- \* Crops, livestock, financial management and other topics

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AG Manager Info Farm Management Guides

Home / Farm Management / FM Guides

### Farm Management Guides

Farm Management Guides are developed to assist farmers and ranchers, as well as those in management stay current in the latest agricultural research. Compiled here in easy to read PDF files is the complete set of guides. Farm Management Guides are updated throughout the year. If you are using Mozilla Firefox, you may have problems downloading these files, due to security settings. To view the files, visit this site for explanation: <http://www.k-state.edu/techweb/DesktopDefault.aspx?tabid=813>

Farm Management Guides			
Topics	HTML	Topics	HTML
Budgeting	View	Land Economics	View
Non-irrigated Crops	View	Livestock	View
Financial Management	View	Miscellaneous	View
Irrigated Crops	View	Public Policy	View
Insurance	View	Labor	View
Tax Management	View		
KSU Farm Management Guide Index			View All

A 1-year subscription of the Farm Management Guides can be purchased for \$40 by calling (785) 532-1566 or by downloading the order form here: [\(PDF form\)](#)

Coordinated and edited by: Kevin Dhuyvetter, Extension Agricultural Economist, Department of Agricultural Economics  
Mark Stauber, Assistant Editor, Publications, Department of Communications

Department of Agricultural Economics, K-State Research & Extension, College of Agriculture, Kansas State University

# #4

## LIVESTOCK MARKETING

- \* LMIC, Ted Schroeder, Kevin Dhuyvetter, Glynn Tonsor (April, 2010)
- \* "In The Cattle Markets" weekly newsletter
- \* Livestock & Hay Charts and Databases
- \* Budgets, papers, presentations, tools
- \* BeefBasis.com, NAIBER cattle feeding risk analyzer, and CRMIL risk library

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AG Manager Info Livestock and Meat Marketing

Home / Livestock & Meat / Marketing

### Livestock & Meat Marketing

"Benefit Cost Analysis of the National Animal Identification System"

Other NAIS Links:  
[http://www.aphis.usda.gov/naais/naais.cfm](#)  
[http://www.aphis.usda.gov/naais/naais.cfm#naais](#)  
[http://www.aphis.usda.gov/naais/naais.cfm#naais](#)

Beef Demand (Beef Demand Determinants Report posted 6.15.09)

Market Outlook (updated weekly)

BeefBasis.com  
Feeder Cattle Basis Forecasting Tool

Cattle Feeding Return Risk Analyzer (NAIBER)

Livestock and Hay Charts (updated 11.30.09)

Marketing & Management Extension Bulletins (Beef Demand Determinants posted 2.03.09)

Livestock Databases (updated 11.23.09)

LRP Information (K-State Option Strategies Tool added 6.3.08)

Livestock Management

USNA Market News

CRMIL	CRMIL	CRMIL	CRMIL
12/05	1/10	1/15	1/20
12/20	1/25	2/01	2/06
12/31	1/31	2/05	2/10
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1/31	2/01	2/20	2/25
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1/10	1/15	1/20	1/25
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1/20	1/25	1/30	

# #2

## DECISION TOOLS

\* Kevin Dhuyvetter and others

\* Excel and Browser-based Flash Files

\* Most popular: *KSU-Lease.xls*

\* Others (58 total tools):  
 Machinery tools: combine, sprayer, GPS guidance  
 Fertilizer calculator  
 Economics of spraying field crops  
 CRP Decisions  
 K-State Option Strategies (livestock)

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## Notes on Decision Tools on AgManager

- Many tools use macros for printing and navigation.
- Need to set macro security settings to moderate, which will cause Excel to ask if you want to enable macros.
- Some tools require inputs from the user. Usually blue cells/font will signify input cells by the user.

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KSU-Lease: Budget input page

CROP BUDGETS SHOWING TOTAL COSTS AND RETURNS										
Crop System	Corn	Milo	Soybean	Wheat	Wht-Cost	Total	Per	Per		
Planted acres per crop	3.0	16.0	5.0	38.0	38	100.0	Acres	Planted		
Tillable acres per planted acre	1.00	1.00	1.00	1.00	1.00	100.0	Planted	Tillable		
<b>INCOME PER ACRE</b>										
A. Yield per acre	90.0	80.0	27.0	45.0	45.0	---	---	---	---	---
B. Price per unit	\$3.76	\$3.50	\$7.96	\$5.55	\$5.55	---	---	---	---	---
C. Net government payments	\$15.35	\$15.35	\$15.35	\$15.35	\$15.35	\$1,535	\$15.35	\$15.35		
D. Indemnity payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0	\$0.00	\$0.00		
E. Miscellaneous income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0	\$0.00	\$0.00		
F. Return/acre (A + B) + C + D + E	\$354.85	\$295.88	\$230.27	\$265.25	\$265.25	\$27,894	\$278.94	\$278.94		
<b>COSTS PER ACRE</b>										
1. Seed	\$47.84	\$9.48	\$32.75	\$19.00	\$11.40	\$1,617	\$16.17	\$16.17		
2. Herbicide	26.19	20.83	9.06	2.85	6.43	797	7.97	7.97		
3. Insecticide / Fungicide	1.00	0.00	0.00	1.00	1.00	79	0.79	0.79		
4. Fertilizer and Lime	\$13.53	\$60.80	\$1.16	\$65.50	\$1.48	9,231	92.31	92.31		
5. Crop Consulting	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00		
6. Crop Insurance	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00		
7. Drying	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00		
8. Miscellaneous	5.75	5.75	5.75	5.75	5.75	575	5.75	5.75		
9. Machinery Expense	100.86	96.29	59.52	98.87	98.87	9,655	96.55	96.55		
10. Non-machinery Labor	11.44	10.92	6.76	11.18	11.18	1,093	10.93	10.93		
11. Irrigation	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00		
12. Land Charge / Rent	46.00	46.00	46.00	46.00	46.00	4,600	46.00	46.00		
G. SUB TOTAL	\$351.81	\$289.35	\$192.00	\$296.54	\$262.10	\$27,646	\$276.46	\$276.46		
H. Interest on 1/2 Nonland Costs	10.88	8.44	5.04	8.46	7.32	792	7.92	7.92		
H. TOTAL COSTS	\$362.69	\$297.79	\$197.04	\$304.92	\$269.42	\$28,438	\$284.38	\$284.38		
I. RETURNS OVER COSTS (F - H)	(\$8.84)	(\$2.71)	\$33.23	(\$33.75)	(\$4.17)	(\$1,344)	(\$13.44)	(\$13.44)		
J. TOTAL COSTS/UNIT (HA)	\$4.83	\$3.72	\$7.30	\$6.64	\$5.99	---	---	---		
K. RETURN TO TOTAL COST (F+I)/G	0.64%	1.96%	19.53%	8.71%	1.20%	4.73%	4.73%	4.73%		

KSU Option Strategies - Inputs and output

Comparison of Futures and Options Market Strategies										
Buying or selling (buy=1, sell=2)	Futures price at time of trade		Expected basis		Interval for futures price change to consider		Futures and Options Gain/Loss			
	Cash	Hedge	Put	Call	Hedge &	Put	Call	Hedge &	Put	Call
Buy=1, Sell=2	2	2	2	2	2	2	2	2	2	2
Buy=1, Sell=2	1	1	1	1	1	1	1	1	1	1
Number bought/sold	1	1	1	1	1	1	1	1	1	1
Put option strike 2	1	1	1	1	1	1	1	1	1	1
Call option strike 1	1	1	1	1	1	1	1	1	1	1
Number bought/sold	1	1	1	1	1	1	1	1	1	1
Put option strike 2	1	1	1	1	1	1	1	1	1	1
Call option strike 1	1	1	1	1	1	1	1	1	1	1
Number bought/sold	1	1	1	1	1	1	1	1	1	1
Commission to buy AND sell futures, \$/unit (bu, sel)	\$0.015									
Option commission to buy OR sell an option, \$/unit	\$0.009									
Total premium paid	\$0.000	\$0.000	\$0.070	\$0.680						
Total premium received	\$0.000	\$0.000	\$0.000	\$0.000						
Total commission	\$0.000	\$0.015	\$0.009	\$0.024						
Net cost per unit	\$0.000	\$0.015	\$0.079	\$0.704						

Cattle-Buy/Sell Decision Tool in Web Dashboard

### Cattle Buy/Sell Breakeven Prices Calculator

A tool to calculate the minimum price that can be paid for calves or feeders given an expected selling price and cost of gain (buy). Additionally, this program also calculates the breakeven selling price needed given a purchase price and an estimated cost of gain (sell).

Under the "Buy" and "Sell" tabs, results are based on inputs selected. The tool automatically recalculates every time an additional input is entered. Thus, it is important to wait until all the inputs have been entered and reviewed before interpreting any of the calculated results.

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Cattle-Buy in Web Dashboard

Inputs

Expected selling price (\$/cwt): 85.00  
 Feeding cost of gain: 50.00  
 Coste per head (trucking, etc)\*: 0.00  
 Desired profit per head: 20.00

Selling weight after shrink (pay-weight): 750  
 Average Daily Gain (pay to pay): 2.00  
 Minimum Acceptable Purchase Weight: 400  
 Percent Death Loss: 1.50%  
 Interest rate on feeder: 7.50%

Selling Price: 80.00, 82.50, 85.00, 87.50, 90.00

Purchase Weight	80.00	82.50	85.00	87.50	90.00
400	96.19	100.64	105.10	109.56	114.01
450	91.40	95.47	99.45	103.44	107.42
500	87.76	91.37	94.97	98.57	102.17
550	84.74	88.03	91.32	94.61	97.90
600	82.25	85.28	88.31	91.34	94.37
650	80.16	82.97	85.79	88.60	91.41
700	78.39	81.02	83.64	86.27	88.89

Breakeven Purchase Price

Graph showing Breakeven Purchase Price (\$/cwt) vs Purchase Weight (lbs/head) for selling prices of 80.00, 85.00, and 90.00.

\*Do not enter any costs included in feeding cost of gain  
 \*\*Enter only if death loss is not included in feeding cost of gain, otherwise keep at 0.

**Crops Decision Tools**

Title	Spreadsheet	Author	Excel	Corresponding Paper	PDF
KSU-NPI_CropBudgets.xls	A spreadsheet for analyzing economic optimal fertilizer (N & P) and irrigation (I) input levels	Kastner, Chayvester, Dumluer	Download		Download
Crop Profitability Comparison	2008 Crop Profitability Comparison Worksheet for Irrigated Cornsoybeans	O'Brien	Download		
KSU-VegetativeBuffer.xls	A spreadsheet for analyzing the economics of vegetative buffers	Smith, Williams	Download		
KSU-StreambankStabilization.xls	A spreadsheet for analyzing the economics of streambank stabilization	Smith, Williams	Download		
KSU-Tillage.xls	A spreadsheet to estimate the costs and returns of alternative tillage management strategies	Smith, Chayvester, Williams	Download		
Economics of spraying soybeans	Partial budget to analyze the economics of spraying fungicides on soybeans	Chayvester, Jardine	Download		
Wheat Freeze Information and Options	Wheat Freeze Options	Dumluer, O'Brien	Download	Wheat Freeze Information Sheet	Download
CRP Decision	Decision tool to evaluate options for landowners with expiring contracts on CRP acres	Herbel, Jones	Download	Decision Considerations for Expiring CRP Contracts	Download
KSU-CRP HAY&GRAZE.xls	Tool to estimate the costs of managed haying or grazing of CRP acres	Taylor, Chayvester, Kastner	Download	Extension bulletin discussing haying or grazing CRP acres	Download
KSU Irrigation Energy Cost	Tool to compare the irrigation pumping costs of various energy sources	Chayvester, Dumluer	Download		

## And #1...

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Recent Updates

- 2009 Kansas Income Tax Institute
- 2009 Insurance Workshop
- VIEW 2009 PRESENTATIONS
- Cattle Risk Management Library
- In the Cattle Markets and Radio Interview

### Downloads and Software

- Adobe Reader (PDF), Adobe Flash (animation), Adobe Shockwave (multi-media). [[www.Adobe.com](http://www.Adobe.com)]
- Other multi-media: RealPlayer, QuickTime, Windows Media Player.
- **OpenOffice.org** – free open-source software with word processing, spreadsheets, and presentation software. Compatible with MS Office. [www.OpenOffice.org](http://www.OpenOffice.org)
- Telephony: Skype at [www.skype.com](http://www.skype.com)
- **Good source for misc: Gizmo's at: [www.techsupportalert.com](http://www.techsupportalert.com)**

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### Operating Systems

- Microsoft Windows 7 (follows Vista) was released out October 22, 2009. Windows XP no longer sold as of June 30, 2008, but still supported. On December 1, 2009, some problems with Windows 7 (**black** screen-of-death).
- Google Chrome OS: a new operating system by Google, coming out in 2010, primarily for netbooks (small, inexpensive laptop computers).
- Linux: free, open-source, operating system software. Usually requires some technical capabilities.

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### Security Issues

- Dealing with malware:
  - Viruses (AVG Anti-Virus at [www.grisoft.com](http://www.grisoft.com))
  - Anti-spyware: Gizmo's at [www.techsupportalert.com](http://www.techsupportalert.com)
  - Use a firewall (Windows has a built-in firewall)
- Be careful of spam and "phishing"
- Creating good passwords:
  - Think of a familiar phrase or sentence and take the first letter of each word (TBONTBTITQ).
  - Capitalize letters, like a proper name in the phrase.
  - Substitute numbers/letters for words: 2 =to; 4=for; L8=late; R=are; U=you; etc.
  - Add punctuation where it makes sense (comma, etc)

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## Microsoft Office & Office Live Workspace

- Compatibility pack for using MS Office 2007 with Office 2003 (top of the list):  
<http://www.microsoft.com/downloads/>
- For MS Office 2007, a useful site with 2003 templates to learn 2007 is:  
<http://office.microsoft.com/en-us/help/HA101491511033.aspx>
- Office Live Workspace – allows user to access and share files from anywhere. 5GB of free online storage. Password-protected to limit access.
- Office 2010 released this year. Web-based.

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## Miscellaneous

- Hoaxes and urban legends: [www.snopes.com](http://www.snopes.com)
- Monitoring and filtering (different functions)
  - Monitoring: [www.CovenantEyes.com](http://www.CovenantEyes.com); or [www.SafeEyes.com](http://www.SafeEyes.com). Both have a monthly or annual fee.
  - Filtering: CovenantEyes (above) has limited filtering. Also: [www.NetNanny.com](http://www.NetNanny.com); [www.CyberSitter.com](http://www.CyberSitter.com); [www.CyberPatrol.com](http://www.CyberPatrol.com); or [www.SeeNoEvil.com](http://www.SeeNoEvil.com).
- Old sites or information that has been removed or changed: [www.archive.org](http://www.archive.org)
- Keep programs updated. Microsoft releases updates on the 2nd Tuesday of each month for Windows. Set automatic updates for virus programs.

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## Miscellaneous

- Blogs:
  - Sponsored blogs such as the University of Illinois ([www.farmgate.uiuc.edu](http://www.farmgate.uiuc.edu)), or news blogs (almost everywhere)
  - Start your own using one of several blog sites, including Blogspot ([www.blogspot.com](http://www.blogspot.com)), Blogger ([www.blogger.com](http://www.blogger.com))
- Other fun/useful programs/sites
  - Map programs Mapquest, GoogleMaps, or YahooMaps.
  - Satellite views: GoogleEarth (Now with GoogleOcean)
  - YouTube

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## Miscellaneous

- Social networking sites:
  - Facebook
  - MySpace
  - Many more
- Browsers:
  - Internet Explorer version 8 (Microsoft), released March 19, 2009. Better security and ease of use compared to version 7.
  - Mozilla Firefox (version 3.5 per July 1, 2009). Faster and better privacy than 3.0.
  - Google Chrome (October, 2008)
  - Netscape
  - For Apple, Safari browser 3.0

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## The Final Word

- Lots of info available on the internet
- AgManager is an important agricultural site
  - Decision tools/farm management info
  - Crop Insurance/Policy Info
  - Livestock Marketing
  - KFMA data/info/newsletters
  - Crop basis data/maps
  - Grain Outlook
  - Farm Management Guides
  - Conferences and events



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## THANK YOU! QUESTIONS?

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