

9. Corn and Grain Sorghum Production Efficiency in Kansas

Daniel O'Brien

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Daniel O'Brien was raised on a grain and livestock farm in south central Nebraska, in which he still has an interest with his father and three brothers. He received both Bachelor of Science (1978) and Master of Science (1980) degrees in Agricultural Economics from the University of Nebraska-Lincoln. The focus of his M.S. thesis was on analyzing the impact of agricultural cooperatives on rural Nebraska fertilizer markets. O'Brien then worked as an extension agent in western (Lincoln County) and northeastern (Pierce County) Nebraska for seven years beginning in early 1981. While attending graduate school at Iowa State University beginning in 1987, O'Brien worked as an Extension Assistant in Agricultural Marketing, focusing on analysis of grain and livestock markets and price risk management strategies. He completed his Ph.D. in December 1993, focusing his dissertation research on developing a method by which to forecast the probability of alternative U.S. harvest time corn futures price outcomes. While working as Extension Farm Management Specialist in Northwest Iowa during 1993 through early 1995, he became heavily involved in analysis of the structural changes in the lowa livestock industry associated with contract hog production. From March 1995 through May 2003, O'Brien worked as the Extension Agricultural Economist in Northwest Kansas based out of the Northwest Research and Extension Center in Colby. He held the position of Northwest Area Extension Administrative Director starting in June 2003 before returning to his Extension Agricultural Economist position in January 2007. Daniel O'Brien's ongoing extension and applied research interests and efforts are in the areas of a) grain market supply-demand analysis, bioenergy impacts and price-income risk management strategies, b) grain industry market structure, conduct and performance – focusing on grain handling and transportation issues, and c) economic analysis of irrigated and dryland cropping systems, and associated cropland leasing arrangements.

Abstract/Summary

The production and economic efficiency of corn and grain sorghum is a critical issue for Kansas farmers. The results of a study by KSU Agronomists and Ag Economists is discussed, focusing on how corn and grain sorghum compare under irrigated and dryland cropping systems, and under what cropping systems and in what geographic regions of the state that crop producers might prefer one crop or another or both in proportion depending on factors critical to their farming operations.

The Efficiency of

Corn & Grain Sorghum

Production in Kansas

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KANSAS STATE

Results of Joint KSU Agronomy - Ag Economics Study (April 2012 - June 2013)

- Kraig Roozeboom KSU Agronomy, Manhattan
- Loyd Stone KSU Agronomy, Manhattan
- Alan Schlegel KSU Agronomy, SWREC-Tribune
- Curtis Thompson KSU Agronomy, Manhattan
- Keith Janssen KSU Agronomy, Eastern Kansas (Retired)
- Mykel Taylor KSU Agricultural Economics, Manhattan
- Bill Golden KSU Agricultural Economics
- Daniel O'Brien KSU Agricultural Economic, NWREC-Colby
- Michael Langemeier Purdue Agricultural Economics (formerly KSU)
- Yared Assefa Mulisa KSU Agronomy Post-doc
- Marcus Brix KSU Agricultural Economics Graduate Assistant

Project Sponsor: Kansas Corn Commission

Key Corn & Grain Sorghum Issues

- A. Identifying key corn / sorghum characteristics in terms of plant morphology, physiology, & phenology that determine each crop's productive capabilities
- B. Breakeven dryland yields for corn / sorghum & the impact of environmental factors
- C. Impact of drought tolerant corn hybrids
- D. Irrigated corn / sorghum breakeven yields & water use efficiency
- E. Fall post-harvest soil moisture use for corn / sorghum

Key Corn & Sorghum Issues (more)

- F. Harvested acre & price trends for corn & grain sorghum in Kansas
- G. Comparing crop nutrient & pesticide use & use efficiencies for corn & grain sorghum
- H. How crop rotations, growing seasons & other factors affect Kansas corn & grain sorghum enterprises
- I. Determine how farmer's economic cost efficiency is affected by corn, grain sorghum & other farm enterprises in Kansas

A. Key Crop Characteristics

Morphology, Physiology & Development Stages

- <u>Appearance</u> of Corn / Sorghum is similar above ground & in vegetative growth stages (*morphology*)
 - Their <u>physiology</u> & <u>developmental stages</u> also are similar in resource rich environments.
- <u>Notable Differences</u> (re: Morphology, Physiology & Phenology)
- Adaptation to different levels of stress conditions

A. Key Crop Characteristics (more)

Corn

- Tends to have taller <u>stalks</u> & relatively more <u>leaves</u>
- Favoring greater interception of photosynthetically-active radiation & greater yield in resource rich environments
- Sorghum
 - Relatively more deeply & densely rooted
 - Maintains <u>physiological activities</u> at higher levels than corn in <u>low water conditions</u>
 - Has <u>plasticity</u> to hasten or delay <u>phenological events</u> (growth stages) under <u>water deficit stress conditions</u>

B. Breakeven Dryland Yields

KSU Corn & Sorghum Performance Trial Results

- Corn Higher average & max yields than sorghum
- Grain Sorghum less $\textcircled{1} \Downarrow$ yield variation than corn
- Comparing Yields in "Harsh" Environments
- Environmental conditions driving <u>dryland grain sorghum</u> <u>yields</u> 40 bu /ac were "harsher" than those driving <u>dryland corn yields</u> 40 bu /ac
- Weather conditions in <u>different months</u> were critical for dryland corn versus grain sorghum

B. Breakeven Dryland Yields (more)

KSU Variety Trials: 1992-2012

- Dryland Corn
- Dryland Sorghum
- Corn = Sorghum "Cutoff"

KSU Variety Trials: 2007-2012

- Dryland Corn
- Dryland Sorghum
- = 122 bu/ac average

= 121 bu/ac average

= 103 bu/ac average

- Corn = Sorghum "Cutoff" = 96 I
- = 99 bu/ac average
 - = 96 bu/ac

= 100 bu/ac

 IF dryland <u>corn</u> yields decline to the level of <u>grain</u> <u>sorghum</u> yields, then grow <u>sorghum</u> (KSU Variety Trials)

B. Breakeven Dryland Yields (more)

Kansas USDA NASS Yields: 1992-2012

- Dryland Corn
- = 87 bu/ac average
- Dryland Sorghum
- = 66 bu/ac average

= 89 bu/ac average

Corn = Sorghum "Cutoff" = 64 bu/ac

Kansas USDA NASS Yields: 2007-2012

- Dryland Corn
- Dryland Sorghum = 68 bu/ac average
- <u>IF</u> dryland <u>corn</u> yields decline to the level of <u>grain</u> <u>sorghum</u> yields, then grow <u>sorghum</u> (USDA NASS yields)
 - Same result as for KSU Variety Performance Trials

B. Western KS Dryland Profitability (more+)

Assumptions

- KSU Corn / Sorghum Variety Trial Yields (1992-2012)
- KSU Crop enterprise cost estimates (Farm Mgmt. Guides)
- Corn vs Sorghum average basis difference
- Crop Insurance Coverage

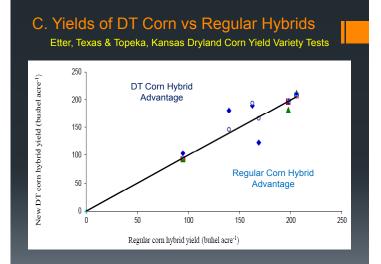
Results

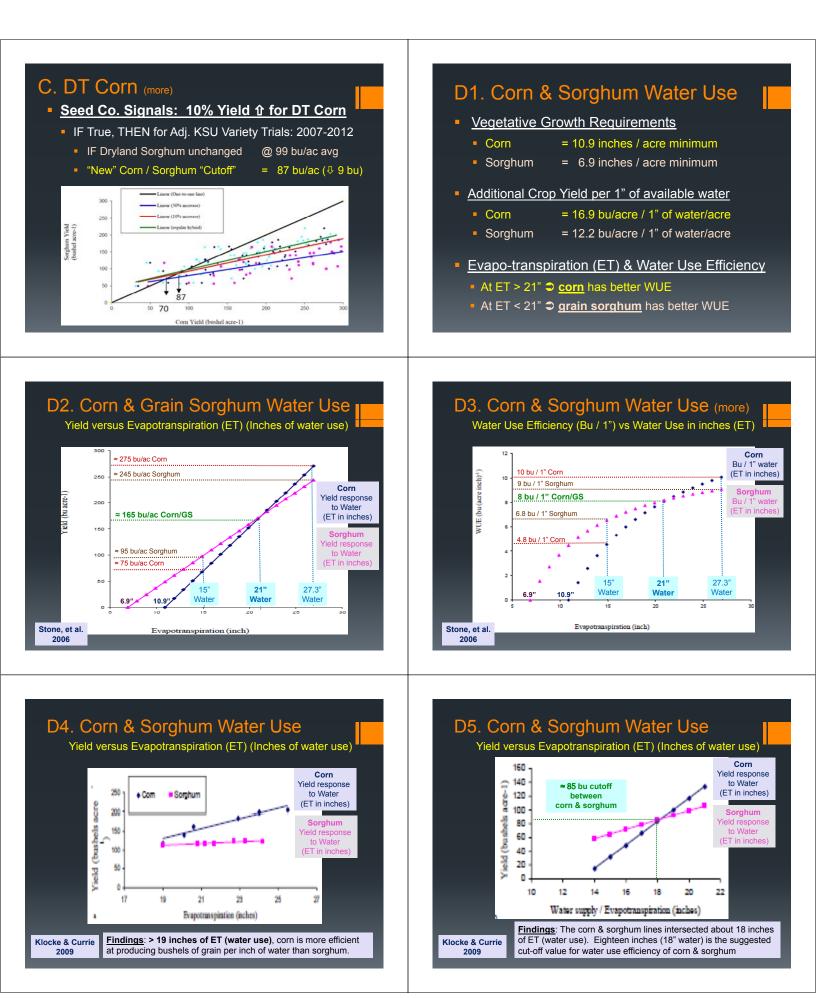
- Northwest Kansas
- Advantage dryland <u>corn</u>
- Southwest Kansas Advantage dryland sorghum
- Reflecting periodic harsh weather patterns & KSU Variety Trial results in 1992-2012 in NW & SW Kansas

C. Drought Tolerant Corn Hybrids

DT Corn Varieties by Company

- Optimum[®] AQUAmaxTM
- DroughtGardTM
- ⇒ Pioneer
 ⇒ Monsanto
 ⇒ Syngenta
- Agrisure Artesian[™]
- Limited DT Corn Yield Public Data
 - Recent yield experiments at Etter, TX & Topeka, KS
 - At very low & very high yielding environments, regular & DT corn hybrids showed <u>no</u> significant yield differences.
 - In <u>medium yielding environments</u>, DT corn had a yield advantage in most cases over regular corn hybrids.





D6. Corn & Sorghum Water Use

- Stone et al. (1996) reported that Corn out-yielded Grain Sorghum at total irrigation amounts of 14" & above at Tribune, KS
 - The gain in crop yield over added irrigation water was greater for <u>Corn</u> over <u>Sorghum</u> starting at 8" applied
 - <u>Recommendation</u>: 8" of irrigation water as a cut-off below which – Grain Sorghum is more efficient, & above which – Corn is more efficient
- Tribune's normal seasonal (Apr-Sep) rainfall ≈ 13"
 - Applied of 8" + rainfall of 13" = 21" of water use, which equals 21" cut-off value presented earlier for the ETyield relationship (Stone, et al – 1996)

D7. Irrigated Corn & Grain Sorghum (Golden) Maximum BMP Yields by CRD in Western Kansas 300 Irrigated Yield (bu/acre) 01 01 214 82 143 n wc sc NW sw NC Cent Kansas Crop Reporting Districts Corn Max BMP Yield Grain Sorghum Max BMP Yield

D8. Irrigated Corn & Grain Sorghum (Golden) Maximum BMP Yields by CRD in Western Kansas

| | NW CRD10 | WC CRD20 | SW CRD30 | NC CRD40 | Cent CRD50 | SC CRD60 |
|--|-------------|-------------|-------------|-------------|---------------|-------------|
| a) Rainfall Annual Avg. | 20.2" | 21.2" | 19.9" | 25.8" | 26.6" | 25.7" |
| b) Corn-Sorgh. Breakeven Irrigation Amount (inches) | 4.6" | 6.4" | 8.3" | 2.4" | 3.2" | 1.2" |
| Total Water @ Breakeven Yield (a) + (b) | 24.8" | 27.6" | 28.2" | 28.2" | 29.8" | 26.9" |
| Corn-Sorghum Breakeven Crop Yield (bu/ac) | 130 bu | 154 bu | 135 bu | 141 bu | 130 bu | 115 bu |

D9. Irrigated Corn & Sorghum (Golden) Summary of Results by CRD in Western 2/3 of Kansas

Central 1/3 of Kansas

 In NC, Central & SC Kansas, <u>irrigated Grain Sorghum</u> may <u>not</u> be a profitable alternative to <u>irrigated Corn</u>.

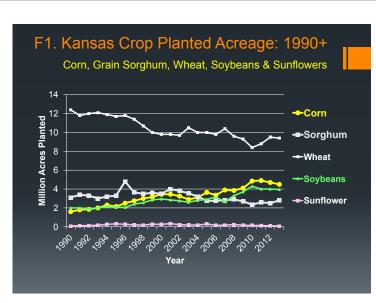
Western 1/3 of Kansas

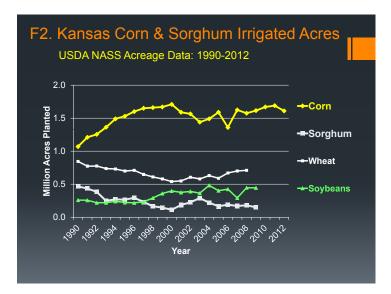
 In NW, WC, & SW KS, <u>irrigated Grain Sorghum</u> may again <u>not</u> be a profitable alternative to <u>irrigated Corn</u> except in areas of *diminished well capacity*

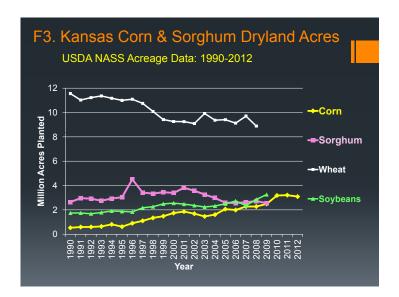
E. Fall Post-Harvest Moisture Use

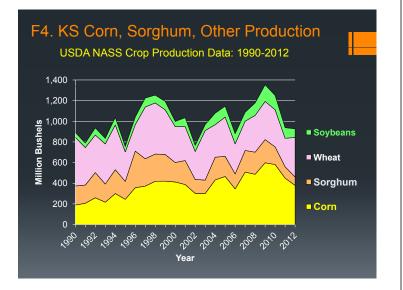
Q? How much soil moisture is used by cropland in Corn & Grain Sorghum in fall-after harvest?

- Soil Moisture Use from Black Layer to Killing Freeze Corn = 0.045" /day x days to killing freeze Sorghum = 0.085" /day x days to killing freeze
- A. <u>Freeze 2 weeks late (14 days)</u> Corn = 0.045" /day x 14 days = 0.63" soil moisture Sorghum = 0.085" /day x 14 days = 1.19" soil moisture
- B. <u>Freeze 4 weeks late (28 days)</u>
 Corn = 0.045" /day x 28 days = 1.26" soil moisture
 Sorghum = 0.085" /day x 28 days = 2.38" soil moisture





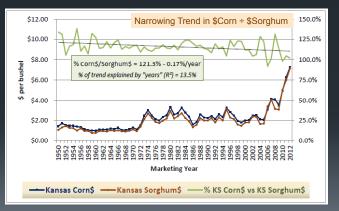






- <u>Corn</u> responded <u>more</u> than <u>Grain Sorghum</u> to N fertilizer applications of 60 to 200 lb/acre
 - For equal rates of N fertilizer applied, <u>Corn</u> responded ≈ 0.5 bu/ac/N# <u>more</u> than <u>Grain Sorghum</u>
 - <u>Fertilizer use efficiency</u> of <u>Corn</u> was found to be <u>greater</u> than for <u>Grain Sorghum</u> at all application rates, as long as water is not limiting
- Results from a long-term (1997-2006) N & P fertilizer use study in Tribune, KS
 - <u>Corn</u> responds to applied N & P <u>more</u> than does <u>Grain</u> <u>Sorghum</u> at the application levels considered

F5. Kansas Corn & Sorghum Price Trend USDA NASS Crop Price Data: 1950-2012



G2. Corn-Sorghum Pesticide Use

- Reasonable weed control can be accomplished in <u>Sorghum</u> & <u>Corn</u> using pre-emergent herbicides
 - Pre-emergent herbicides require adequate rainfall to be activated & control weeds.
 - Without adequate rain, weeds might escape, requiring a post-emergent herbicide application
 - Without glyphosate tolerance in <u>Grain Sorghum</u>, postemergence herbicide options to control grass weeds (in particular) are much less effective than in <u>Corn</u>
- <u>Corn</u> > <u>Sorghum</u> in <u>herbicide use efficiency</u>, assuming similar rates of herbicide application

G3. Corn-Sorghum Pesticide Use

- <u>Pre-emergent</u> pesticide application has been shown to increase yield up to 100% compared to untreated plots in both <u>Corn</u> & <u>Grain Sorghum</u>
- Unlike for <u>Corn</u>, <u>post-emergent herbicide</u> optins for <u>Grain Sorghum</u> have been either:
 - 1) Not available
 - 2) More expensive
 - 3) Not as effective as post-emergent **<u>Corn</u>** herbicides

H1. Crop Rotation Impacts

- Differences exist in placement & effects of each crop in Great Plains cropping systems
 - Rotational studies indicated <u>more</u> nitrogen (N) was required for equal or better <u>Wheat</u> yields when <u>Wheat</u> followed <u>Grain Sorghum</u> compared to following <u>Corn</u>
 - Planting <u>Wheat</u> in the same season after <u>Corn</u> harvest was found to be <u>more</u> compatible than <u>Wheat</u> after <u>Sorghum</u>.
 - However, double-cropping <u>Grain Sorghum</u> rather than <u>Corn</u> after <u>Wheat</u> harvest better optimized water use & available growing season

H2. Irrigated Cropping Systems

- The competitive advantage that irrigated <u>Corn</u> maintains over irrigated <u>Grain Sorghum</u> is due to...
 - Herbicide & rotational considerations which provide greater production flexibility for <u>Corn</u>
 - Producer perceptions that disparity in crop insurance minimum or "t-yield" levels favor irrigated <u>Corn</u> over irrigated <u>Grain Sorghum</u>
 - How local commodity prices generally have favored <u>Corn</u> over <u>Grain Sorghum</u> across the state of Kansas over time

I1. Farm Cost Efficiency Impact

- Study determining if <u>Corn</u>, <u>Grain Sorghum</u> & other farm enterprises were related to <u>cost</u> <u>efficiency</u> in Kansas
 - Based on Kansas Farm Management Association (KFMA) enterprise #s, with whole farm combined crop irrigation & dryland enterprises for 2002-2011
- Statewide % of farm income from <u>Corn</u> = 14.7%, from Grain Sorghum = 6.5%
 - <u>Corn</u>: 7.6% in central to 18.9% in eastern KS
 - Sorghum: 2.3% in eastern to 11.4% in central KS

I2. Farm Cost Efficiency Impact

- Both <u>Corn</u> & <u>Grain Sorghum</u> crop income were positively related to <u>cost efficiency</u> across the state of Kansas
 - <u>Corn</u> income was <u>positively</u> related to cost efficiency in <u>eastern</u> & <u>western</u> Kansas
 - <u>Grain Sorghum</u> income was <u>positively</u> related to cost efficiency in <u>central</u> Kansas
 - Both <u>Corn</u> or <u>Grain Sorghum</u> were <u>not negatively</u> related to cost efficiency for <u>any</u> region of the state
 - <u>Hay & forage</u>, <u>Oilseed</u>, & <u>Wheat</u> production *were negatively* related to cost efficiency in parts of the state



Questions?

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