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SS-AAEA Journal

1999-2000

Walte Library
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University of Minnesota
1994 Buford Ave - 232 ClaOff
St. Paul, MN 55108-6040 USA



**Student Section of
The American Agricultural Economics
Association**

2nd Place

Spreadsheet Based Calculations of Comparative Feed Values: A Decision Making Tool for Kentucky Livestock and Dairy Producers.

Brian K. Coffey

ABSTRACT

It is very important to Kentucky beef producers and the entire agricultural economy of the state that backgrounding remain a profitable enterprise. One of the most effective ways a producer can increase the profitability of his livestock operation is by reducing feed costs. Doing this requires carefully evaluating all available feed ingredients and assembling the proper feed ration.

Evaluating feeds based on Economic Replacement Value (ERV) is a reliable method of identifying possible feed ingredients and eliminating feed ingredients that offer no economic benefit. ERV compares a feed ingredient to a base ration using cost, available energy and available protein. In the past producers would have to calculate numerous, lengthy equations to get the ERV of just one feed ingredient. A spreadsheet model *ERVFeed* has been developed to perform these calculations. The model can be integrated with existing Cooperative Extension Service software to provide a producer with the tools to guide him through the entire process of choosing a feed ration. Proper use of the software can result in timely, informed decisions that can lead to reductions in feed costs and ultimately increase the profits and profitability of a livestock operation.

3rd Place

**The Impact of Information on
Willingness to Pay for
Food Certified as
Non-Genetically Modified**

Darlene Dessureault

Abstract

Recent new reports about public backlash against genetically modified (GM) products suggests that information is critical in determining if the market will or will not support the new science of biotechnology. The importance of information and its impact on willingness to pay (WTP) was investigated in this research study. The experiment was set up as a contingency valuation experiment that used biasing information about genetically modified products to influence respondents' WTP. It assumed that WTP for products certified as non-GM would increase with negative information about GM products and decrease with positive information since people would be willing to pay more to avoid a perceived health risk. Results determined that information did have a significant impact but **what** information and **when** was not clear.

4th Place

**Impact of Value-Based Marketing Risk on
Producer Selection of a Cattle Marketing Option**

Daniel Green

Impact of Value-based Marketing Risk on Producer Selection of a Cattle Marketing Option

Abstract:

This paper addresses past research and current trends in the market concerning producers' marketing decisions. Currently, the most widely used marketing method by fed cattle producers is the live-weight or average pricing method. The factors that influence the producer's decision for a fed cattle-marketing option are evaluated. Included is the application of a stochastic simulation to aid cattle producers in determination of a marketing method based on the expected quality grade of their cattle and the current choice/select price spread. It compares the average returns per head from the utilization of grid pricing versus live pricing for pens of cattle of various average qualities. Results and possible applications of the material are discussed.

5th Place

**ASSESSING THE ECONOMIC IMPACTS OF A
PROPOSED CAREER CENTER IN
NORTHEASTERN VERMONT**

**Jamee Robinson
Department of Community Development and Applied Economics
University of Vermont
Burlington, Vermont**

**American Agricultural Economics Association
Annual Meeting
Paper Competition
July 30-August 2, 2000
Tampa, Florida**

A. Abstract:

B.

**C. Assessing the Economic Impacts of a Proposed Career Center in Northeastern
Vermont**

In November of 1999, an economic development task force came to the Department of Community Development and Applied Economics at the University of Vermont and asked for a financial and economic analysis of a proposed career center that was going to be built in the Northeastern part of Vermont. The task force asked the State of Vermont for a \$15 million investment to build and operate the new career center. The analysis was done using the Input-output model entitled IMPLAN (IMPact Analysis for PLANning). Two separate models were created to determine the impacts of the construction of the facility and to determine the impact of the additional students who would graduate from the center and enter the work force. Using the results from both of these models, the overall total impact of building the new facility and the operation of the new curriculum, the state's industry output would increase by over \$49 million (1996 dollars) and would create hundreds of new jobs.