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# Economic Evaluation of Commodity Promotion Programs in the Current Legal and Political Environment

Proceedings from the NEC-63/California Agricultural Issues Forum Conference  
Monterey, California  
October 7-8, 1996

*Edited by:*  
*Jennifer L. Ferrero*  
*Cynda Clary*



*Sponsored by and published with the support of:*  
The Research Committee on Commodity Promotion (NEC-63)  
and  
The National Institute for Commodity Promotion Research and Evaluation  
(NICPRE)

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# Table of Contents

Preface .....	iv
Evaluating Generic Commodity Promotion Programs: A USDA View	
<i>Kenneth Clayton</i> .....	1
Reaction Panel Comments on Farm Bill Requirements	
<i>Mike Simpson</i> .....	11
Panel Reaction and Discussion	
<i>Henry W. Kinnucan</i> .....	15
U.S. Agricultural Producer Attitudes Toward Commodity Checkoff	
<i>Martha Villasenor</i>	
<i>Cynda R. Clary</i>	
<i>Robert Steiner</i> .....	19
Evaluating California Table Grape Commission's Promotion Program: Overview and Summary	
<i>Julian M. Alston</i>	
<i>James A. Chalfant</i>	
<i>Jason E. Christian</i>	
<i>Erika Meng</i>	
<i>Nicholas E. Piggott</i> .....	33
The Effectiveness of Genetic vs. Branded Advertising: The Case of U.S. Dairy Promotion	
<i>Harry M. Kaiser</i>	
<i>Donald J. Liu</i> .....	65
An Ex Post Evaluation of Generic Egg Advertising in the U.S.	
<i>J. Carlos Reberte</i>	
<i>Todd M. Schmit</i>	
<i>Harry M. Kaiser</i> .....	83

An Economic Analysis of Generic Egg Advertising in  
California, 1985-1995

*Todd M. Schmit*

*J. Carlos Reberte*

*Harry M. Kaiser* ..... 103

Economic Evaluation of the Cotton Checkoff Program

*Oral Capps, Jr.*

*David A. Bessler*

*George C. Davis*

*John P. Nichols* ..... 119

Advertising and Consumer Welfare

*Julian M. Alston*

*James A. Chalfant*

*Nicholas E. Piggott* ..... 157

Discussion on Advertising and Consumer Welfare

*Ellen W. Goddard* ..... 159

Branded and Generic Promotion in a Complex Carbohydrate  
Demand System

*Timothy J. Richards*

*X.M. Gao*

*Paul M. Patterson* ..... 163

Discussion on Branded and Generic Promotion in a Complex  
Carbohydrate Demand System

*Michael K. Wohlgenant* ..... 189

Relationship Between Price and Advertising in Two-Stage  
Demand Models

*Henry W. Kinnucan* ..... 193

Discussion on Relationship Between Price and Advertising in  
Two-Stage Demand Models

*Richard Green* ..... 213

About the Editors and Contributors ..... 216

## Preface

On October 7 and 8, 1996, NEC-63 and the California Agricultural Issues Forum co-hosted a conference entitled "Economic Evaluation of Commodity Promotion Programs in the Current Legal and Political Environment." The conference brought together individuals from commodity promotion organizations, advertising agencies, government, academia, and the legal profession. This meeting provided researchers with a clear opportunity to hear the frustrations commodity promotion organizations face when trying to evaluate the effectiveness of promotion programs. With the evaluation requirements imposed by the Farm Bill, it is critical that researchers find better ways to examine the nonadvertising components found in many promotional campaigns.

This proceedings includes presentations from both days of the conference. The order of the papers follows the order of the program passed out at the beginning of the meeting. The table of contents serves as a copy of the agenda and any presenters unable to provide a written account of their information are noted with contact information rather than a page number. The first day's presentations were more applied in nature and addressed legal challenges to promotion programs, industry reactions to the Farm Bill, producer attitudes toward promotion programs, case studies of economic evaluation programs, and highlights from the Washington Apple Commission's international promotion program.

The second day of the conference addressed technical aspects of economic evaluation programs and consumer welfare analysis. While the theory of how commodity promotion is expected to work is somewhat consistent across commodities, the empirical issues tied to promotion evaluation differ according to industry structure, government involvement, international interaction, and other industry-specific characteristics. Each study presented in this section includes insightful comments from discussants who carefully examined theoretical and empirical contributions.

The NEC-63 conference planning committee included Hoy Carman (Co-Chair), Julian Alston (Co-Chair), Mark Houston (Co-Chair), Bruce Obbink, Cynda Clary, Tom Cox, and Sermin Hardesty. The California Agricultural Issues Forum helped with conference materials and the reception. Henry Kinnucan compiled the industry panel's comments. In addition to these individuals, the conference

speakers, discussants, and attendees all contributed to this meeting's success. The publication and distribution of this proceedings were funded by the National Institute for Commodity Promotion Research and Evaluation. Thanks to all for your valuable assistance and special thanks to Linda Morehouse for her valuable editorial assistance.

If you would like to become involved with NEC-63, please contact John Nichols (NEC-63 Chair) at Texas A&M University or Harry Kaiser (Director, National Institute for Commodity Promotion Research and Evaluation) at Cornell University.

*--Cynda R. Clary*