



IFES 2017: Habits of Financially Resilient Farms – Continued

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This is a presentation summary from the 2017 Illinois Farm Economics Summit (IFES) which occurred December 18-22, 2017. A complete collection of presentations including PowerPoint Slides (PPT) and printable summaries (PDF) are available [here](#).

A study funded by the Illinois Soybean Association titled "Identifying Management Strategies of Highly-Profitable Soybean Farmers" utilized data from the Illinois Farm Business Farm Management (FBFM) Association to identify farms ranked in the top one-third in terms of profitability over an extended period. As a follow-up to this study, a small group of producers that were in the top one-third was surveyed to try to identify common production and management strategies utilized by this group.

Nine producers in central Illinois were surveyed. Five farms were in the 1,000 to 2,499 acre size, three farms in the 2,500 to 5,000 acres and one farm was over 5,000 acres in size.

Regarding tillage, questions were asked about the type of tillage practices used in the spring and fall for land going into soybeans and land going into corn. No one type of tillage was predominant. For land going in to soybeans, conventional tillage in the fall was the most common. Conventional tillage is defined as tillage that leaves less than 30% residue cover. Conventional tillage was also the most common spring tillage practice. For land going into corn, no tillage in the fall was the most common practice. The most common practice in the spring was conventional tillage.

All farms were planting soybeans after corn in a typical corn/soybean rotation. The main reasons given for this type of rotation included better disease and insect control, risk reduction and producers felt this was the most economical rotation. Producers had a goal of starting soybean planting by mid to late April with four of the nine respondents wanting to start planting soybeans before corn planting was finished.

Six of the nine producers planted their soybeans in less than 30-inch rows with five of the nine planting in 15 to 18 inch rows. All but one producer had decreased their seeding rate in the last five years. The most common seeding rate was in the 130K to 140K seeds per acre range. All used seed treatments. The two main reasons given for using seed treatments include earlier planting dates and better emergence. Yield potential, herbicide resistance traits and disease resistance were the most common reasons given for seed variety selection. Price of seed was ranked last. Four of the producers planted at least some of their acres to seed production with two other producers planting Non-GMO soybeans. Planting seed beans and Non-GMO soybeans provided premiums above commercial soybean market prices.

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Fungicide was partially or completely used by six producers with insecticide included by five producers. Producers felt this practice provided better yields, helped with disease and insect control and provided better quality soybeans for those raising seed.

No common harvesting strategy surfaced. It was dependent on weather and crop conditions. Three producers did indicate they would stop harvesting soybeans when the moisture level got below 9% to 10%. Eight of the nine producers used a draper bean head.

All nine producers indicated their primary source of agronomic information was seed and chemical representatives followed by University specialists. The majority of producers did some comparison-shopping for crop inputs. Although eight of the nine used only one or two suppliers for fertilizer and pesticides in the last five years. Six of the nine producers used three or more suppliers for seed in the last five years.

Producers were asked to rank 10 factors as to how they felt the factors were important to the profitability of their business. The top four were: 1) attention to detail, 2) operating cost management, 3) maximize yields and 4) discipline spending. Surprisingly implementing new technologies was ranked last.

Some of the production and management practices that surfaced in the survey results that could have led to these producers being in the top one-third in terms of profit are as follows. Increasing revenue by growing seed beans or Non-GMO soybeans, utilizing narrower rows for soybeans compared to corn, earlier planting of soybeans and utilizing seed treatments, which then allowed lower seeding rates. Other practices include selecting seed based on the best traits and not just cost, implementing proven newer technologies and keeping close attention to all aspects of the business with a high focus on cost control.

Additional Resources

The slides for this presentation can be found at:

http://www.farmdoc.illinois.edu/presentations/IFES_2017

Schnitkey, G. "[Cash Deficits Projected for Corn in 2014 and 2015.](#)" *farmdoc daily* (4):206, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, October 24, 2014.

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