



# Seed Cotton Program Yield Update Decision Tool

Dr. Michael A. Deliberto & Mr. Brian M. Hilbun  
 Louisiana State University Agricultural Center  
 Department of Agricultural Economics & Agribusiness

This user's guide accompanies a MS<sup>®</sup> Excel Producer Decision Tool that allows growers to evaluate alternatives to updating and establishing a seed cotton program yield. Effective for CY 2018, provisions of the new seed cotton program allow farms the opportunity to update their seed cotton payment yield. The payment yield update can be made regardless of subsequent program selection for seed cotton the yield will only be used under the PLC program to calculate any payment for seed cotton base on the farm.

Two yield update options are presented, the first being to retain the farm's countercyclical (CC) yield as of September 30, 2013 multiplied by a factor of 2.4. The second option allows for the yield to be updated to 90% of the simple average of upland cotton yield per planted acre on the farm for each of the 2008 through 2012 crop years multiplied by 2.4. Years in which cotton were not planted are not considered for the update calculation. A substitute yield is authorized if the farm's yield per planted acre in any year falls below the USDA established substitute yield.

Upon opening the MS<sup>®</sup> Excel spreadsheet, information shaded **blue** is to be entered by the producer. Step 1: Producers are asked to enter the existing CC lint yield in cell "B3". Step 2: producers are asked to enter their 2008-2012 cotton planting history for the farm in cells "B6" through "F6". If for any year from 2008-2012, cotton was not planted on the farm, producers are asked to please enter "0" for that corresponding year's yield per acre. Please note-for programming purposes "0" is expressed as a binary variable and does not represent 0 lbs. of production for that year. Parameters of the program payment yield update take those years where no cotton is planted (0 entry) and discard them in calculating the simple average for the seed cotton lint yield for 2008-2012 (the 0 drops that year out of the simple average). The USDA provides information regarding substitute yields for cotton producing parishes in Louisiana. This information has been pre-loaded and producers are asked in Step 3 (cell "B10") to select their parish via the drop-down tab. The substitute yield will automatically populate cell "C10" and serves as the plug yield for those years in which a producer's planted yield is greater than '0' but less than the USDA substitute yield.

Based on information entered by the producer, Option 1 *Retain CC Yield* (cell "B14") calculates the seed cotton yield as *CC Yield (cell "B3")\*2.4*. Option 2 *Update Yield from Planting History* calculates the seed cotton yield as *((Simple Average of 2008-2012 lint yield per acre per year (cells "B6"- "F6")\*90%)\*2.4)*. Based on the information provided in cells "B14" and "B16", producers can elect which option serves them best. Figure 1.

Figure 1. Screen View of Seed Cotton Program Payment Yield Update Tool.

|    | A                                                              | B                                   | C                                  | D                                | E                                  | F                                  | G |
|----|----------------------------------------------------------------|-------------------------------------|------------------------------------|----------------------------------|------------------------------------|------------------------------------|---|
| 1  | <b>Seed Cotton Program Payment Yield Update for CY 2018</b>    |                                     |                                    |                                  |                                    |                                    |   |
| 2  |                                                                |                                     |                                    |                                  |                                    |                                    |   |
| 3  | Step 1. Enter Farm's Existing CC Lint Yield (lbs./acre)        | <input type="text" value="1,000"/>  |                                    |                                  |                                    |                                    |   |
| 4  |                                                                |                                     |                                    |                                  |                                    |                                    |   |
| 5  |                                                                | 2008                                | 2009                               | 2010                             | 2011                               | 2012                               |   |
| 6  | Step 2. Enter the lint yield per acre per year                 | <input type="text" value="600"/>    | <input type="text" value="1,000"/> | <input type="text" value="950"/> | <input type="text" value="1,100"/> | <input type="text" value="1,050"/> |   |
| 7  | Lint Yield Used for Payment Update                             | 607                                 | 1,000                              | 950                              | 1,100                              | 1,050                              |   |
| 8  | For Any Year Cotton Not Planted, Enter "0"                     |                                     |                                    |                                  |                                    |                                    |   |
| 9  |                                                                |                                     |                                    |                                  |                                    |                                    |   |
| 10 | Step 3. Enter the substitute cotton lint yield for your parish | <input type="text" value="Tensas"/> | 607                                |                                  |                                    |                                    |   |
| 11 | Select your Parish from Drop Down Menu                         |                                     |                                    |                                  |                                    |                                    |   |
| 12 |                                                                |                                     |                                    |                                  |                                    |                                    |   |
| 13 | Seed Cotton Program Yield Options                              |                                     |                                    |                                  |                                    |                                    |   |
| 14 | Option 1-Retain CC Yield                                       | <input type="text" value="2,400"/>  |                                    |                                  |                                    |                                    |   |
| 15 |                                                                |                                     |                                    |                                  |                                    |                                    |   |
| 16 | Option 2-Update Yield from Planting History                    | <input type="text" value="2,033"/>  |                                    |                                  |                                    |                                    |   |
| 17 |                                                                |                                     |                                    |                                  |                                    |                                    |   |
| 18 |                                                                |                                     |                                    |                                  |                                    |                                    |   |

