

# KENTUCKY AGRI-NEWS



Kentucky Agricultural Statistics Service  
P.O. Box 1120  
Louisville, Kentucky 40201-1120  
Phone: (502) 582-5293 or 1-800-928-5277  
E-mail: nass-ky@nass.usda.gov  
and the  
Kentucky Department of Agriculture  
Billy Ray Smith, Commissioner

Volume No. 19 Issue No. 16  
Released: August 11, 2000

Published twice monthly

**FEATURING :** ★ CROP PRODUCTION ★ FARM PRODUCTION EXPENDITURES  
★ DAIRY PRODUCTS

## KENTUCKY FARMERS OPTIMISTIC ABOUT CROP PROSPECTS

### U.S. HIGHLIGHTS

**Corn production** was forecast at 10.4 billion bushels, up 10 percent from last year and up 6 percent from 1998. If realized, this would be the largest production on record since 1866 when corn estimates began.

**Corn yields** are expected to average 141.9 bushels per acre, up 8.1 bushels from last year. This would be the highest yield on record.

**Soybean production** was forecast at a record high 2.99 billion bushels, up 13 percent from 1999 and 9 percent above the previous record of 2.74 billion bushels set in 1998.

**Soybean yields** are expected to average 40.7 bushels per acre, up 4.2 bushels from 1999. This is the second highest yield since the 1994 record of 41.4 bushels per acre.

**Eight-State Burley Belt** production was forecast at 398.3 million pounds compared with 555.2 million pounds in 1999.

**Apple production** was forecast at 10.7 billion pounds, up 1 percent from 1999 but 8 percent below 1998.

### KENTUCKY

Good growing conditions in Kentucky with generally adequate rainfall has resulted in a very promising crop year for farmers. Unlike last year's drought, the rains have come on a steady basis through most of the State. Production of corn, soybeans, other hay, dark-air cured and dark-fire cured tobacco were all up from last year. The burley tobacco crop production was down due to a reduction in the effective quota.

**Burley tobacco** production as of August 1 was forecast at 250.0 million pounds, down 34 percent from the previous year. This would be the smallest burley crop since 1942. The decrease in production resulted from a reduction in the effective poundage quota farmers can sell. The burley

tobacco estimate was 20 percent above the effective quota of 208.7 million pounds. The harvested acres of 125,000 was down 85,000 acres. The yield was estimated at 2,000 pounds per acre, up 190 pounds from the 1999 drought reduced yield. This would be the largest yield since 1994. Tobacco blooming and topping progress was ahead of last year's pace and the 5 year average. Mild to moderate black shank has been reported statewide. Blue mold with variable severity continues to be a concern for producers in the eastern part of the State.

**Corn** production was forecast at 150.7 million bushels, up 22 percent from last year. This would be the largest crop in 6 years. Harvested for grain acres was estimated at 1.31 million acres, up 130,000 acres from last year. This would be the largest harvested acreage since 1986. Yield was forecast at 115 bushels per acre, up 10 bushels from 1999. Corn development continues to be behind last year's fast pace, but well ahead of the 5 year average.

**Soybean** production was forecast at 36.7 million bushels, up 52 percent from last year's 24.2 million bushels. The 1999 crop had been reduced in size by the severe summer drought. Yield was forecast at 34.0 bushels per acre, up 13 bushels from last year's 21.0 bushels per acre. Harvested acreage was forecast at 1.08 million acres, down 6 percent from 1999. The soybean crop continues to benefit from generally timely rains with plant development comparable to last year but well ahead of the 5 year average.

The **hay** production forecast was up, as rains have boosted the yield compared to last year's dry weather crop. **Alfalfa** yields are expected to average 3.0 tons per acre. Harvested acres at 200,000 were down 50,000 acres from 1999 and was the smallest acreage since 1980. On the other hand, **other hay** harvested acres were estimated at a record high 2.35 million acres. Yield was forecast at 2.2 tons per acre.

**Apple production** was forecast at 9.00 million pounds, unchanged from last year. Apple production was hit hard by April frost which did severe damage to the crop. Production has also been effected by last year's drought that put many trees under stress.

# CROP PRODUCTION

## CROP SUMMARY, AUGUST 1 KENTUCKY AND UNITED STATES

CROPS	UNIT	ACREAGE HARVESTED		YIELD PER ACRE		PRODUCTION		
		1999	2000	1999	2000	1999	2000	
			Indicated		Indicated		Indicated	% of '99
		(Thousand)				(Thousand)		
<b>KENTUCKY</b>								
Corn for Grain	Bu.	1,180	1,310	105.0	115.0	123,900	150,650	122
Soybeans for beans	Bu.	1,150	1,080	21.0	34.0	24,150	36,720	152
Hay:								
All	Ton	2,400	2,550	2.00	2.26	4,810	5,770	120
Alfalfa	Ton	250	200	2.90	3.00	725	600	83
All other	Ton	2,150	2,350	1.90	2.20	4,085	5,170	127
Tobacco:								
All	Lbs.	221.65	137.50	1,843	2,064	408,492	283,830	69
Burley	Lbs.	210.00	125.00	1,810	2,000	380,100	250,000	66
Type 22 E. Fired	Lbs.	3.75	4.00	2,350	2,650	8,813	10,600	120
Type 23 W. Fired	Lbs.	3.50	3.80	2,630	3,150	9,205	11,970	130
Type 35 One Sucker	Lbs.	2.85	3.00	2,370	2,450	6,755	7,350	109
Type 36 Green River	Lbs.	1.55	1.70	2,335	2,300	3,619	3,910	108
All Wheat	Bu.	410	420	60.0	56.0	24,600	23,520	96
Commercial Apples	Lbs.					9,000	9,000	100
<b>UNITED STATES</b>								
Corn for Grain	Bu.	70,537	73,059	133.8	141.9	9,437,337	10,369,369	110
Soybeans for Beans	Bu.	72,476	73,474	36.5	40.7	2,642,908	2,988,669	113
Sorghum for Grain	Bu.	8,544	8,315	69.7	69.5	595,166	577,831	97
Hay:								
All	Ton	63,160	62,191	2.52	2.46	159,077	153,255	96
Alfalfa	Ton	23,985	23,767	3.50	3.32	83,924	78,796	94
All Other	Ton	39,175	38,424	1.92	1.94	75,153	74,459	99
Tobacco:								
All	Lbs.	647.16	493.74	1,997	2,169	1,292,692 <sup>1/</sup>	1,070,765	83
Burley	Lbs.	303.60	201.00	1,829	1,982	555,185 <sup>1/</sup>	398,342	72
Type 22 E. Fired	Lbs.	10.75	11.90	2,304	2,484	24,773	29,560	119
Type 23 W. Fired	Lbs.	4.07	4.43	2,612	3,100	10,630	13,734	129
Type 35 One Sucker	Lbs.	3.45	3.66	2,325	2,387	8,021	8,736	109
Type 36 Green River	Lbs.	1.55	1.70	2,335	2,300	3,619	3,910	108
All Wheat	Bu.	53,909	54,445	42.7	41.6	2,302,443	2,263,192	98
Barley	Bu.	4,758	5,235	59.2	58.8	281,853	308,020	109
Commercial Apples	Lbs.					10,579,600 <sup>1/</sup>	10,677,100	101

<sup>1/</sup>Revised.

## PRODUCTION EXPENDITURES UP SLIGHTLY IN 1999

U.S. farm production expenditures totaled \$184.3 billion in 1999, up 0.6 percent from the revised 1998 total of \$183.2 billion. The largest contributors to the increase were; livestock and poultry purchases, up 15.9 percent; farm improvements and construction, up 10.1 percent; labor, up 3.7 percent; and farm supplies and repairs, up 3.3 percent. These increases were partially offset by decreases in; tractors and self-propelled machinery, down 10.0 percent; rent, down 8.1 percent; and fertilizer, down 6.6 percent. The largest two expenditure categories were farm services which accounted for 13.9 percent of the U.S. total production expenses, and feed which accounted for 13.3 percent of the U.S. total production expenses. The farm services category includes expense items such as custom work, utilities, marketing charges, veterinary services, transportation costs, and miscellaneous business expenses.

The average expenditures per U.S. farm in 1999 were \$84,209 compared to \$83,810, as revised for 1998. On the average, U.S. farm operations in 1999 spent \$11,746 on farm services; \$11,197 on feed; \$9,004 on labor; \$7,678 for livestock and poultry purchases; and \$7,267 on rent. Revised estimates for 1998 indicated that U.S. farms spent an average of \$11,440 on farm services; \$11,440 on feed; \$8,694 on

labor; \$6,635 for livestock and poultry purchases; and \$7,917 on rent.

The Farm Production Region contributing most to the total 1999 U.S. farm production expenditures was the Corn Belt with expenses of \$34.4 billion, 18.6 percent of the U.S. total. Expenditures in the Corn Belt were down 1.2 percent from the 1998 level of \$34.8 billion. In total expenditures, the Corn Belt was followed by the Pacific Region at \$30.9 billion (1998 - \$29.0 b.); Northern Plains \$23.2 billion (1998 - \$22.6 b.); Lake States \$18.3 billion (1998 - \$19.0 b.); and the Southern Plains at \$15.9 billion (1998 - \$15.6 b.).

### APPALACHIAN REGION

Farm production expenditures for 1999 totaled \$14.2 billion for KY, NC, TN, VA, and WV. This was up slightly from 1998. The Appalachian Region accounted for 7.7 percent of the U.S. total expenditures. The five largest expense items for the Appalachian Region were feed, farm services, livestock, poultry and related expenses, labor and farm supplies and repairs. These five items accounted for 59 percent of total expenditures for 1999. The item that saw the largest increase from 1998 was livestock, poultry & related expenses that increased 16 percent.

# FARM PRODUCTION EXPENDITURES - 1998 AND 1999

EXPENDITURE - FARM SHARE	APPALACHIAN REGION <u>1/</u>					UNITED STATES <u>2/</u>				
	Average		Total Expenditures			Average		Total Expenditures		
	per Farm <u>3/</u> 1998	1999	1998	1999	'99 % of '98	per Farm <u>3/</u> 1998	1999	1998	1999	'99 % of '99
	Dollars		Million Dollars		(%)	Dollars		Million Dollars		(%)
Total Farm Production Expenditures <u>4/ 5/</u>	45,663	45,636	14,110	14,170	100	83,810	84,209	183,150	184,250	101
Livestock, Poultry & Related Expenses <u>6/</u>	4,337	4,992	1,340	1,550	116	6,635	7,678	14,500	16,800	116
Feed	10,324	9,758	3,190	3,030	95	11,440	11,197	25,000	24,500	98
Farm Services <u>7/</u>	5,696	5,539	1,760	1,720	98	11,440	11,746	25,000	25,700	103
Rent <u>8/</u>	2,605	2,576	805	800	99	7,917	7,267	17,300	15,900	92
Agricultural Chemicals <u>9/</u>	1,570	1,643	485	510	105	4,118	3,931	9,000	8,600	96
Fertilizer, Lime & Soil Conditioners <u>9/</u>	2,638	2,512	815	780	96	4,851	4,525	10,600	9,900	93
Interest	2,039	2,077	630	645	102	4,942	4,890	10,800	10,700	99
Taxes (Real Estate & Property)	1,149	1,143	355	355	100	3,112	3,108	6,800	6,800	100
Labor	3,754	3,929	1,160	1,220	105	8,694	9,004	19,000	19,700	104
Fuels	1,369	1,385	423	430	102	2,471	2,514	5,400	5,500	102
Farm Supplies & Repairs	2,654	2,738	820	850	104	5,583	5,759	12,200	12,600	103
Farm Improvements & Construction <u>11/</u>	1,812	1,804	560	560	100	2,952	3,245	6,450	7,100	110
Tractors & Self-Propelled Farm Machinery	1,987	1,723	614	535	87	2,746	2,468	6,000	5,400	90
Other Farm Machinery	1,036	1,063	320	330	103	1,624	1,600	3,550	3,500	99
Seeds & Plants <u>12/</u>	1,197	1,288	370	400	108	3,295	3,291	7,200	7,200	100
Trucks & Autos	1,424	1,353	440	420	95	1,830	1,782	4,000	3,900	98

1/Appalachian: KY, NC, TN, VA, WV. 2/Excludes AK and HI. 3/Total expenditures divided by total number of farms. 4/Total includes production costs not allocated to any of the 16 expense categories published. 5/Includes landlord and contractor share of farm production expenses. 6/Includes purchases and leasing of livestock and poultry. 7/Includes all crop custom work, veterinary services, custom feeding, transportation costs, marketing charges, insurance, leasing of machinery and equipment, miscellaneous business expenses, and utilities. 8/Includes public and private grazing fees. 9/Includes material and application costs. 10/Includes bedding and litter, marketing containers, power farm shop equipment, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment and capital equipment for livestock and poultry. 11/Includes all expenditures related to new construction or repairs of buildings and fences and any improvements to physical structures of land. 12/Excludes bedding plants, nursery stock, and seed purchased for resale. Includes seed treatment.

**U.S. PRODUCTION EXPENDITURES  
BY ECONOMIC CLASS GROSS SALES - 1999 1/**

GROSS SALES	AVERAGE EXPENDITURE PER FARM	TOTAL EXPENDITURE	PERCENT OF TOTAL U.S. EXPENDITURE
	Dollars	Million Dollars	(%)
\$250,000+	717,794	105,950	57
\$100,000 - 249,999	170,724	34,260	19
\$40,000 - 99,999	75,372	17,910	10
\$10,000 - 39,999	32,127	13,140	7
Less than \$10,000	10,888	12,990	7

1/ Excludes AK and HI.

**U. S. DAIRY PRODUCTS, JUNE 2000**

PRODUCT	June	May	June	Percent of	
	1999	2000 1/		2000	June
				Percent	
<b>BUTTER</b>	94,593	111,245	91,153	96	82
<b>CHEESE</b>					
American Types 2/	294,025	326,482	310,593	106	95
Mozzarella	212,572	243,510	220,276	104	90
All Other Types 3/	162,851	167,074	167,976	103	101
Total	669,448	737,066	698,845	104	95
				Percent	
<b>FROZEN PRODUCTS</b>					
Ice Cream (Hard)	90,063	83,094	86,859	96	105
Frozen Yogurt (Total)	9,694	9,076	8,594	89	95
<b>MIX FOR FROZEN PRODUCTS</b>					
Ice Cream Mix	51,195	47,711	49,775	97	104
Yogurt Mix	5,947	5,339	5,055	85	95

1/ Revised. 2/ Includes Cheddar, Colby, Monterey, and Jack. 3/ Includes Swiss, cream and all other types. Excludes cottage cheese.

**Internet Access:** Kentucky Agricultural Statistics Service (KASS) data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the National Agricultural Statistics Service (NASS) homepage located at <http://www.usda.gov/nass/>

STATE STATISTICIAN  
LELAND E. BROWN

DEPUTY STATE STATISTICIAN  
WILLIAM BRANNEN



Kentucky Agricultural Statistics Service  
P.O. Box 1120  
Louisville, KY 40201  
502-582-5293 or 1-800-928-5277

Kentucky Agri-News (ISSN:8750-9792)(USPS 0661-550) is published twice monthly by the Kentucky Agricultural Statistics Service, Louisville, KY 40202-1120. Periodical postage paid at Louisville, KY and additional mailing office. Subscription fee \$10 per year except to data contributors. POSTMASTER: Send address changes to Kentucky Agricultural Statistics Service, P.O. Box 1120, Louisville, KY 40201-1120.