Spring Wheat
“Opportunities and Challenges for 2008”

• Introduction to Opportunities and Risk
• Spring Wheat Production Budget
• The Straw Poll
• Making the Grade, and Now What
• Variety Selection and Supply
• Production 101 to 303
• Realities of Disease Management
• Statewide Q & A Session
Let’s Think The Spring Wheat Enthusiasm with Caution
Top Ten Cautions to curb your enthusiasm for Spring Wheat

#10 *It begins and ends with marketing*

#9 *Variety and seed availability*

#8 *Weather, Weather, Weather.*

#7 *Growing Spring Wheat is easy, it’s just not simple….*

#6 *Compare costs and returns of all crops……*

#5 *Did I mention it begins and ends with marketing?*

#4 *Harvesting experience?*

#3 *Disease potential much higher in our neck of the woods……*

#2 *17 Grading Factors and 5 basic criteria*

#1 *how well do you take rejection?*
2008 Sample Spring Wheat Expense Budget

- Seed $70
- Fertilizer $35
- Herbicide $3
- Fungicide $14
- Crop Ins. $12
- Machinery & operating $40
- Custom Hvst. $36
- Delivery $16
- Op. Interest $8
- Land Charge $80
- Labor $40
- Overhead $52
- Total $462
2008 Sample Spring Wheat Income and Expense Budget

- Gross Returns
  50 bu. Yield
  $12.00/bu. $600

Straw 1 ton/ac. $100

Tot. Revenue $700

- Total Revenue $700
- Less Total Exp. $462
- Return to Management $238

*Sample budget for comparison only, growers should use individual budgeting data from your own farm.

Sources: Center for Dairy Profitability-Enterprise Budgets and SDSU Enterprise Budgets 2008
The Straw Poll

Sources: Ken Barnett-UWEX and Bill Halfman-Monroe Co. Ag. Agent

1 Houston County Forage Council
   Quality Tested Hay Sale
   Caledonia, Minnesota
   January 11, 2008
   March 14, 2008

   Straw SS Oat $ 135.00
   Averages $ 135.00

2 Weekly Hay and Straw Market Demand and Price Report

   “Straw prices in the Midwest averaged $2.61 per small square bale (range of $1.60 to $4.50); $29.64 per large square bale (range of $20.35 to $43.00); and $28.44 per large round bale (range of $22.50 to $40.00). Compared to the previous week, straw prices for small square bales were up 17%. Large square bale prices were down 5%. Large round bale prices were up 31.”

3 Wheat Straw in Dairy TMR Dairy Rations

Greg Andrews-Pierce County Ag. Agent
Making the Grade
“the complexities of hard red spring wheat”

• First the factors:
  – Protein
  – Moisture Content
  – Dockage
  – Falling Numbers
  – Ash Content
Making the Grade
“the complexities of hard red spring wheat”

• First the factors:
  – Protein is probably the most important factor in determining the value of hard red spring wheat since it relates to many processing properties. Prices for hard red spring wheat in the U.S. market are usually quoted for 14.0 percent protein (on a 12.0 percent moisture basis). Price premiums or discounts may be specified for halves, fifths and tenths of a percentage point above and below 14.0 percent, depending upon protein.

Making the Grade
“the complexities of hard red spring wheat”

• First the factors:
  – Protein

  – Moisture Content
    – Dockage
    – Falling Numbers
    – Ash Content

  Moisture content is an indicator of grain storability. Wheat with low moisture content is more stable during storage. Moisture content also can be an indicator of profitability in milling.
  (strive for 13%)

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  – Ash Content

Dockage is any material easily removed from a wheat sample using standard mechanical means. Dockage removal is the first step in analyzing a sample. All other factors are determined only after dockage is removed.

Making the Grade
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  – Protein
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  – Dockage

  – Falling Number indicates the soundness of wheat or its alpha-amylase activity. Low falling numbers show high activity associated with sprout damage. (alpha-amylase activity) of 250 to 300 base value for baking purposes


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Making the Grade
“the complexities of hard red spring wheat”

• First the factors:
  – Protein
  – Moisture Content
  – Dockage
  – Falling Number

  – Ash Content primarily concentrated in the bran, is an indication of the yield that can be expected in milling white flour.


Greg Andrews-Pierce County Ag. Agent
U.S. Grades and Grade Requirements

just to name a few

Minimum Test Weights (lbs/bu.)
- #1 Grade  58#
- #2 Grade  57#
- #3 Grade  55#
- #4 Grade  53#
- #5 Grade  50#
- Sample Grade  Does not meet any of the requirements

Subclasses for Hard Red Spring Wheat

• Dark Northern Spring (DNS)-at least 75 percent or more dark, hard, vitreous kernels.

• Northern Spring (NS)-between 25 and 74 percent dark, hard, vitreous kernels.

• Red Spring (RS)-less than 25 percent dark, hard, vitreous kernels.

US Grading Standard requires <10% mixing

Official U.S. Grades and Grade Requirements

16 additional requirements:

- mention a few


Go to: www.ndwheat.com
Sources of Advice on Wheat Marketing

Ag. Partners-
Goodhue, MN
• 651-923-4494
• Ask for Rick

Contact Your Local Grain Dealer
Spring Wheat Grain Buyers

Ag. Partners-Goodhue, MN 651-923-4494
Horizon Milling/Cargill-Lake City, MN. 952-736-1551
Benson Quinn-Elevator D-Twin Cities 800-788-2676
General Mills- St. Paul, MN
ConAgra-Superior, WI and Mpls, MN 888-765-6455
Olsen’s Mill Inc.-Minneapolis, MN 800-850-3450
Caution and Commentary

1. Unlike almost any other grain commodity, dockage (due to the multiple factors and grading) of the price contract is one thing.

2. Rejection of your load does not mean relief from your contract obligation

3. Most local elevators will not enter into a contract price until the delivery month.
Thank You