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# WISCONSIN CROP "PEPS" PROGRAM

## "Profits through Efficient Production Systems" 2008



University of Wisconsin-Extension  
UW Agronomy Department  
USDA Natural Resources Conservation Service  
Wisconsin Corn Growers Association  
Wisconsin Corn Promotion Board  
Wisconsin Soybean Association  
Wisconsin Soybean Marketing Board  
Agricultural Industry



## 2008 WISCONSIN CROP "PEPS" PROGRAM "Profits through Efficient Production Systems"

The most expensive corn cropping season ever is occurring this year. For years, growers have sought ways to cut inputs to reduce costs. This year, due to strong prices, growers are adding inputs to produce extra bushels. Many of these inputs, such as fertilizer and seed, have nearly doubled in cost over the last few years.

PEPS was founded in 1987 on the vision that profitability is the ultimate goal in crop production. Now in its 22<sup>nd</sup> year, PEPS goes beyond typical yield contests by encouraging profitability, efficiency and conservation rather than productivity alone.

Two options are available to growers in the PEPS program: contest and verification only. In the **contest option**, the top-three contestants of each district and division are recognized at the state level and in various publications. In the contest option, a plaque and cash award is given to the top contestant.

The **verification only option** allows farmers to compare the economics of their cropping system without entering the public contest. It is a way to confidentially compare your system to other farmers, and learn ways to increase your competitiveness, especially during the tough seasons when 'mother nature' may not be so kind.

We are again offering a **Corn Silage division**. Many corn grain growers are entering cooperative agreements to produce corn silage for large dairies. Understanding the economics of silage yield and quality and its influence on milk production is critical for developing fair contracts.

**"Yield" and "Quality" Awards will be given in 2008.** A plaque and cash award will be given to the highest yielding corn grower, the highest yielding soybean grower, the corn grower producing the most ethanol per acre, and the

soybean grower producing the most protein and oil per acre.

Economic data of individual fields is **strictly confidential**. Each participant in the PEPS program receives an:

- economic summary of their fields entered,
- historical economic summary of their previously entered fields providing a perspective on how management affected their operation over time,
- overall summary report ranking contestants on profitability, efficiency and grain yield.

Yield and records verified in the PEPS program may also qualify for other contests such as the National Corn Yield Contest. Previous PEPS reports are found at the website:  
<http://corn.agronomy.wisc.edu/PEPS.htm>.

The PEPS program provides an outstanding opportunity to gain valuable knowledge, technical insight and demonstrate your farming skills. It also provides a unique method to compare the economics of your cropping systems to others.

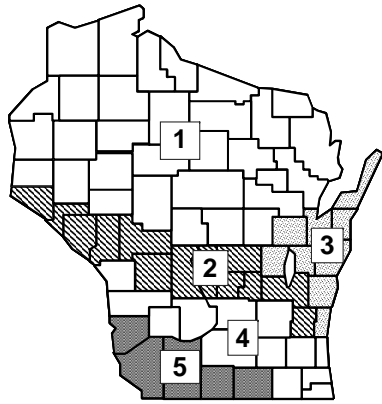
If you have any questions, please call Colleen Smith at (608) 262-7702 or e-mail at:  
[clsmith8@wisc.edu](mailto:clsmith8@wisc.edu).

Have a safe and profitable growing season!

Sincerely,

Joe Lauer  
Corn Agronomist  
PEPS Co-Coordinator

Shawn Conley  
Soybean Agronomist  
PEPS Co-Coordinator



## “PEPS” Program Districts

### OBJECTIVES

- To recognize the practices utilized by the *most profitable* growers and to provide other growers, educators, and researchers insight into ways these producers integrate practices into a system.
- To emphasize soil and water *conservation, efficiency, profitability* and *competitiveness* vs. productivity alone.

### PROGRAM RULES AND FORMAT

1. The program includes both “contest” and “verification only” options (please designate desired option on entry blank). For both options, the UW-Extension reserves the right to use the information in overall summaries.

2. The program will include *four divisions*:

#### A. Corn grain: Cash-crop

- 1) Corn following legume or non-legume *grain* crops (corn, soybean, small grain, etc.) or *non-legume* forages or cover crops; *no manure* applied.
- 2) A charge for drying costs *will* be assessed.

#### B. Corn grain: Livestock

- 1) Corn following *forage legume* or *green-manure legumes* (alfalfa, red clover, etc); and/or any *manure* applied on land.
- 2) Drying costs *will not* be assessed.

Note: Any field in which a) corn follows forage legumes or green-manure legumes or b) manure is applied can *only* be entered in the Livestock Division. The same field cannot be entered into both the cash crop and livestock division.

#### C. Soybean grain

#### D. Corn silage

3. There is *no limit* on the number of entries by a participant. Growers are encouraged to compare profitability of their managed systems (tillage systems, weed control, etc.) and crops by entering several different plots.
4. The PEPS program field (contest or verification only) must be at least 10 acres in one *continuous* plot for each entry. The exception is for fields that are strip cropped or terraced. Individual crop strips, which must be at least 20 rows wide, must add up to at least 5 total acres of the crop in one continuous 10-acre field. Participant may select the best 10 acres in a field actually larger than 10 acres.
5. All fields on six percent slopes or more must be planted on the contour. Soil loss should not be higher than the tolerable “T” level designated for the soil involved. Average annual soil loss will be computed using the Universal Soil Loss Equation and/or the Wind Erosion Equation by county NRCS personnel, and will be included in the final report.
6. The participating growers must provide accurate crop production and cost record forms. Forms will be provided to all entrants, UW-extension agents, and industry co-sponsors.
7. Grain yield checks will be conducted by “yield-checkers” designated and approved for each county. Rules require that 1.25 or more acres must be harvested from the entered area. Harvest report forms and rules will be provided to all entrants.
8. For the contest portion of the program, placings within each district will be determined on the basis of *greatest profitability*. Profitability will be calculated using a) the producers measured, verified yields, b) production costs obtained using PEPS program cost record forms, and c) average cash grain price based on 50% sold at harvest and 50% sold on forward contracts. *Ties* will be broken by placing based on lowest cost per bushel.
  - Costs for seed, herbicides, insecticides, fungicides, insurance, scouting, etc. will be charged based on the figures provided by participants.
  - Nitrogen and micronutrient fertilizer costs will be those provided, however, P and K costs will be based on removal at the grain yield obtained. There will be no charge assessed for nutrients supplied by manure or previous-crop residues.
  - Equipment costs will be based on actual custom machinery hire, or on figures in the most recent

publication entitled “Minnesota Farm Machinery Economic Cost Estimates,” for individual operations based on appropriate machinery size and type.

- Drying costs in the Corn, Cash Crop Division will be estimated for each point above 15% grain moisture per dry bushel.
  - Handling, hauling and storage costs will be assessed.
  - Standard variable irrigation costs per acre-inch applied will be assessed.
  - Land costs will be assessed based on the average of 1) typical cash rents for the program field provided by participant, and 2) a percentage of NRCS yields for the soil type. The percentage used will be derived from average estimated cash rents relative to average NRCS yields.
9. The corn and soybean programs will be regionalized to account for climatic variations throughout the state. Districts are shown on the attached map.
  10. For the corn silage division, participants will be required to submit a forage sample that will be analyzed for quality using MILK2006 by the Marshfield Soil and Forage Analysis Laboratory. Placings within each district will be determined using the approach of Linn (Minnesota) where the value per ton of silage is calculated from the actual costs of production adjusted for starch and NDF digestibility derived from the quality analysis. The price of corn is used to calculate a dollar value for starch or the grain content of the silage (0.5 bushels = 1% change in starch content). Milk price is used to obtain the dollar value of the NDFD in the forage (0.6 lb of milk = 1% change in NDFD).
  11. “Yield” and “Quality” awards will be determined using grain entries from both the contest and verification only options of the Cash Corn and Soybean divisions. A 2-pound sample of grain must be submitted for analysis using NIT instruments in the UW Agronomy Department. Entries will be ranked for corn using yield x highly fermentable starch. For soybean yield x (protein + oil) will be calculated. Awards will be given to the top entry.
  12. An entry fee of \$25 must accompany each entry. This entry fee will be waived for FFA chapters. Entry deadline is August 25, 2008.
  13. Participants will be informed of results as soon as they are tabulated. A plaque and \$100 cash award will be presented to the winner (most profitable) in each district for each division in the contest portion of the program. “Yield” and “Quality” awards will consist of a plaque and \$100 cash award.

## WISCONSIN CROP PEPS PROGRAM

ENTRY FORM  
Deadline – August 25, 2008

Name: \_\_\_\_\_

Address: \_\_\_\_\_

County: \_\_\_\_\_

Telephone: \_\_\_\_\_

E-mail (optional): \_\_\_\_\_

PEPS website <http://corn.agronomy.wisc.edu/PEPS.htm>

Division	Number of fields entered	
	Contest	Verification Only
Corn, Cash Crop		
Corn, Livestock		
Soybean		
Corn Silage		
<b>Total fields x \$25 = \$ _____</b>		
Enclose \$25 per field with this application to receive soil, crop record, and harvest forms. <b>Make checks payable to: Wisconsin Crop PEPS Program.</b>		

**Mail to:**  
Wisconsin Crop PEPS Program  
UW-Agronomy Department  
1575 Linden Drive  
Madison, WI 53706