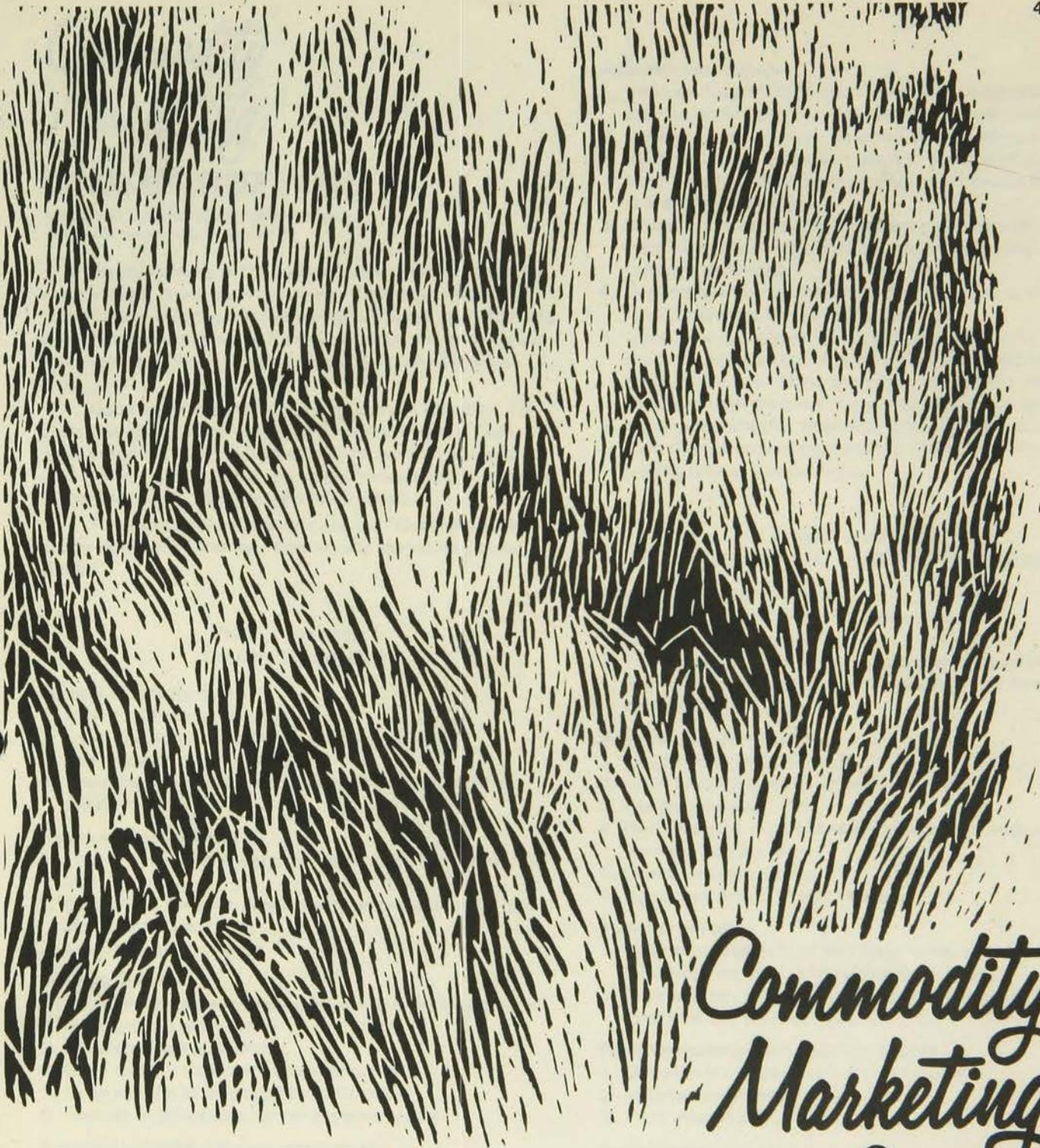


MN 2000
FHM-84

4-H M-84
1978



*Commodity
Marketing:
Grain*

LEADER'S GUIDE

UNIVERSITY OF MINNESOTA
DOCUMENTS
NOV 14 1978
ST. PAUL CAMPUS LIBRARIES

This archival publication may not reflect current scientific knowledge or recommendations.
Current information available from University of Minnesota Extension: <http://www.extension.umn.edu>.



Commodity Marketing: Grain LEADER'S GUIDE

Kenneth E. Egertson and Willis E. Anthony,
Extension Economists in Marketing

People working in the grain industry realize that there is much to learn about grain marketing. The objectives of this project are to help the 4-H member gain a better understanding of what happens to grain as it moves through the marketplace and understand the determination and function of market price.

Good leadership makes the project more effective. The objectives can be accomplished in a number of ways. This guide outlines a few activities which you as a project leader can use. You are encouraged to develop other meaningful activities in the Commodity Marketing Project in Grain.

This material is a supplement to the "Commodity Marketing Handbook" and the "Commodity Marketing Leader's Guide."

Project Activity 1 GRAIN GRADING

Purpose of activity is to—

1. Identify differences in grain quality.
2. Learn the factors used in establishing grain grades.
3. Learn how to grade grain.
4. Learn the relationships between grain grades and grain prices.

Resource people include—

1. Project leader who understands grain quality and grain markets.
2. Someone in the grain business who understands grain grades and grading procedures.
3. County extension agent.

Materials include—

1. Published grain grade specifications and pictorial examples.
2. Grain grading procedures.
3. Grain grading equipment.
4. Grain samples illustrating grade differences.
5. Grain samples to be graded by individuals.
6. Records of prices paid for various grain grades.

Published materials and resources include—

1. "Commodity Marketing," 4-H Handbook and Leader's Guide.
2. Official USDA grain standards.
3. Willis Anthony "Grain Grades: Background and Current Standards," Special Report 33, Agricultural Extension Service, University of Minnesota.
4. "Spring Wheat Grade Factors," Extension Folder 230, University of Minnesota.
5. "Malting Barley Grade Factors," Extension Folder 230, University of Minnesota.
6. Check Agricultural Extension Service's publications list for new folders, bulletins, or fact sheets.

Activities may include—

1. Visiting a local establishment where grain is handled in order to understand the wide variation in grain quality.
2. Holding a series of meetings aimed at developing an understanding of grain grades and quality. Samples of grain and materials which describe the grade factors should be available at these meetings.
3. Setting up actual grading exercises so members can acquire some experience in grading after an understanding of grade factors is developed.
4. Developing a display showing grain grades and quality and value differences for county fairs, etc.
5. Using price quotations from local elevators or other sources. Records could be kept of price differences associated with grade differences. These price differences could then be compared with the costs of avoiding low quality grain.
6. Holding sessions that emphasize ways to maintain quality in grain through harvesting, handling, and storage after the grading system is understood.

Project Activity 2 GRAIN HANDLING AND MERCHANDISING

Purpose of activity is to learn—

1. How grain is handled after it leaves the farm.
2. Different uses for grain.
3. The costs of moving, handling, and processing grain.
4. Price differences for grain as it moves from the farm to the ultimate consumer.

Resource people include—

1. Local elevator operator.
2. Local feedmill operator or grain processor.
3. Feedlot operator.
4. Representative from Minneapolis Grain Exchange, soybean processor, brewer, etc.
5. County extension agent.
6. Agronomy project leader.

Materials include—

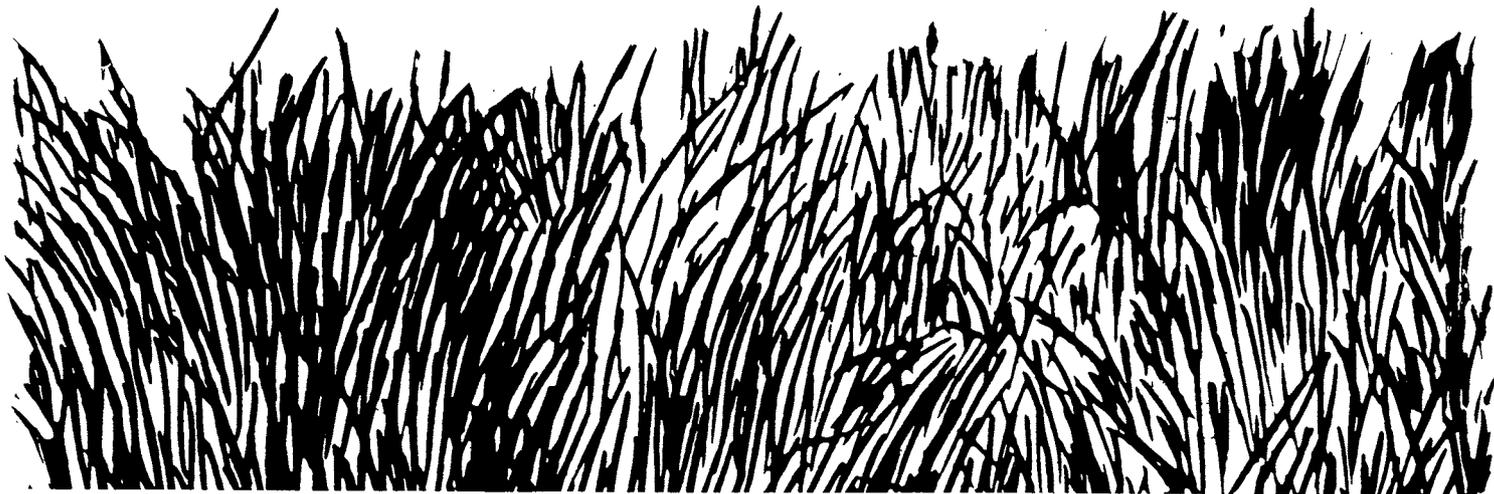
1. Descriptive materials of how grain moves and changes in form from the farm to the ultimate consumer.
2. Price and cost information showing differences between farm level and some other levels.

Published materials and resources include—

1. "Commodity Marketing"—4-H Handbook.
2. Materials provided by resource people.
3. Farm magazine articles.

Activities may include—

1. Visiting a local grain handling establishment to see how grain is handled, stored, and processed.
2. Developing a display showing how the product changes as it moves from farm to consumer.
3. Developing a report comparing the changes in value and associated costs of the product as it moves in different stages of the market.
4. Arranging a trip to Minneapolis and St. Paul to view the grain exchange and a large grain or flour processing operation.
5. Visiting a livestock operation to gain a better understanding of the conversion process of grain to livestock.



Project Activity 3 GRAIN PRICING

Purpose of activity is to learn—

1. How grain prices are established.
2. What factors affect grain prices.
3. What grain price information is available.
4. How to record and chart cash and futures prices.
5. What activities are carried on at a major grain exchange.

Resource people include—

1. Local grain elevator manager.
2. County extension agent.
3. Agronomy project leader.

Published resources include—

1. "Commodity Marketing"—4-H Handbook.
2. "Cash Markets: How Grain is Priced," Kansas State Bulletin (Department of Agricultural and Applied Economics, 218 F Classroom Office Building, University of Minnesota, St. Paul, MN 55108).
3. "Trading in Corn Futures" and other educational bulletins, Chicago Board of Trade (available free from Literature Services, Chicago Board of Trade, LaSalle at Jackson Street, Chicago, Illinois 60604).
4. Minnesota Extension Service Outlook and Pricing material (Department of Agricultural and Applied Economics, 218 F Classroom Office Building, University of Minnesota, St. Paul, MN 55108).
5. "Grain Market Information," Agricultural Extension Service Agricultural Economics Fact Sheet No. 9, W. Anthony.
6. Newspapers, such as Minneapolis Tribune, St. Paul Dispatch, or local daily papers, and Wall Street Journal (available in libraries), and farm papers, such as The Farmer, which carry commodity prices.

Activities may include—

1. Having county extension agent talk to 4-H members to discuss how farm prices are established.
2. Keeping records of local grain prices, Minneapolis grain prices, and Chicago futures contract prices.
3. Charting grain prices by weeks.
4. Developing a library of available information on grain markets and prices.
5. Analyzing grain price movements in an attempt to discover factors which influence prices.
6. Visiting the Minneapolis Grain Exchange or Chicago Board of Trade to view the price making activities of these markets.

Project Activity 4 GRAIN STORAGE MANAGEMENT

Purpose of activity is to learn—

1. How grain quality declines in storage.
2. How to maintain stored grain quality.

Resource people include—

1. Local grain elevator manager.
2. Local grain storage and handling equipment salesperson.
3. County extension agent.
4. Agronomy project leader.

Published resources include—

1. Check Agricultural Extension Service's publications list for recent publications in the fields of entomology, plant pathology, and agricultural engineering.

Activities may include—

1. Meeting with grain elevator manager to talk about stored grain quality problems.
2. Meeting with equipment salesman to talk about maintaining stored grain quality.
3. Looking at grain samples exemplifying various quality problems.
4. Having youth collect samples of grain demonstrating various storage problems.
5. Calculating costs of grain quality loss in storage versus costs of preventing loss.



PROJECT LEADERS

THE 4-H PROJECT LEADER

The project leader has a challenging and rewarding job. Few undertakings are more gratifying than watching youth grow and develop under your guidance. As the project leader, you are the key person to the members enrolled in that project. You have many opportunities to direct youth toward adulthood.

The success of young people in the project will depend a lot on your interest and initiative, but the whole load does not rest on your shoulders. You will have the guidance and direction of the extension agents, perhaps a county project chairman, and the other 4-H leaders.

You're a Member of a Team

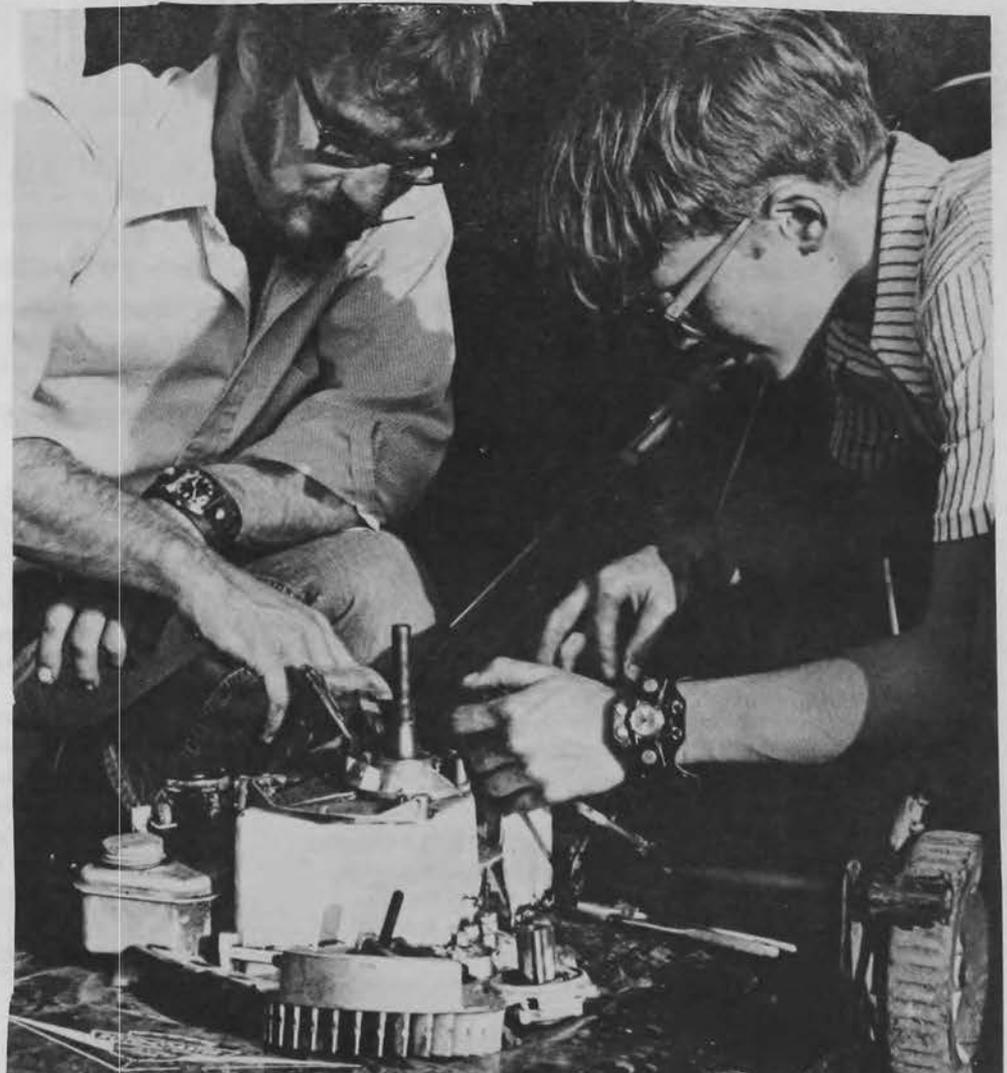
You, as a 4-H project leader, are a member of a leadership team in which each has an important part to play. Let's meet the other members of the team:

- The organizational leader of the club provides the overall club leadership. He or she coordinates the club's activities and gives general guidance and leadership.
- There may be junior leaders in the group. If so, help them select their major responsibilities and develop a definite plan of work at the beginning of the year.
- The county project chairman, if there is one in your project, will coordinate the work of all the project leaders in the same project and will often provide special training and help to solve problems.
- The parents of the members are expected to help support and guide the member at home with the project work. Parents will often be willing to assist you if asked.
- The extension agent will assist you by providing literature, holding training meetings, answering questions, and solving special problems. Feel free to ask for help.
- Resource leaders are adults or youth willing and able to assist with your project area. Use them to help.

Your Job as a Project Leader

As a project leader, you will have the opportunity to:

- Help youth develop their abilities and increase their knowledge.
- Gain knowledge and improve your own abilities.
- Improve your community.
- Make new friends.
- Contribute to the 4-H educational program in your county.



What Do You Do?

As a 4-H project leader you help all the 4-H members enrolled in the project gain additional knowledge and skills by guiding them in **their work**.

To be more specific, here is a list of the kinds of things project leaders might do. The more you do, the more the club members will gain from their project work.

- Help the member plan the project to best meet the needs, interests, abilities of the member, and his family situation.
- Make sure that the member and the parents understand the project and its opportunities.
- Conduct project meetings.
- Guide the member in project work so it is a challenging and enjoyable educational experience.
- Visit projects, make suggestions for improving the project work, and compliment the member on any part of the project work well done.
- Help the member locate and select animals, seed, patterns, materials, recipes, literature, or other equipment needed for the project.
- Help members plan and participate in project tours or field trips.
- Encourage and help the member learn to give demonstrations and talks relating to the project.
- Help the member keep project records up to date and to complete records when project work is finished.
- Give suggestions on preparing projects for exhibit.
- Give recognition in some form to every member; good projects, good practices, and good work deserve good publicity.
- Give guidance and responsibility to junior leaders helping with the project.
- Attend community club meetings occasionally as a leader (perhaps, regularly as a parent).
- Keep the organizational leader informed of your project plans and coordinate project activities with other club activities.
- Attend leader training meetings relating to your project.
- Encourage the members to participate in many 4-H activities to give them a vision of the broad opportunities in the 4-H program.
- Help members evaluate personal growth and progress.
- Guide members in progression and growth in projects so they move on to new learnings.

LET'S GET STARTED

Your first step is to discuss the project with the organizational leader. Get the following information concerning the members enrolled in the project:

Name of member
Name of parents or guardian
Address and telephone number
Age
Phase of the project carried
Years having carried the project

A second step might be to visit or meet with the extension agents or county project chairman, if you have one. Review project materials. Identify the subject matter that is considered important in this area. Discuss activities that you plan to do. Ask for suggestions.

Make tentative plans for the year. What will you do each month? How will you and the junior project leaders work together? Your plan will vary depending on the project, the local situation, and your personal abilities and desires.

The plan should be flexible and changeable to meet your members' needs and interests, and fit into the activities of the local club.

WAYS TO DO THE JOB

Individual Contacts

Visit with the members about their projects whenever you have the opportunity. Give them a call on the phone or send a card or letter occasionally. Talk with them when you meet them at the grocery store, at church, or in other casual situations. Find out if they have any problems or need help.

The Home Visit

To be of the greatest help it is good to become well acquainted with the member, the parents, and the home situation. The home visit is a good opportunity to observe project work and to make recommendations for improvement to the member.

Tours and Field Trips

Most of us like to go on a tour. A project tour or field trip can be a highlight for club members. It is a good opportunity for teaching also.

Here are some suggestions for having a good tour or field trip:

1. Plan tours or field trips with a definite purpose in mind. Coordinate with organization leaders. The purpose may be one or more of the following:
 - Acquaint 4-H members with the projects and activities of other members.
 - Strengthen parent interest.
 - Improve quality of project work.
 - Teach –
 - improved practices
 - individual and group courtesies.
 - the advantages of cooperation in planning and conducting group activities.
 - individual and group safety.
 - Acquaint members with business or industry.
 - Acquaint and inform others of 4-H aims, objectives, activities.
 - Recognize club members for good project work.



Group instruction at project meetings is best when centered around members' common interests.

2. Prepare a definite time schedule and follow it.
3. Stress safety in planning and conducting all 4-H tours and field trips.
4. Allow time to observe items of interest and for questions and discussion.
5. Discuss all information (date, schedule, participation of members, safety) so that it is understood by members of the club in advance of the tour:
 - Remind the member what to do in preparation for the tour or field trip.
 - Encourage the member to explain his project to guests at the 4-H tour.
6. If sub-committees are needed for meal, transportation, recreation, etc., these should be coordinated with the overall plans.
7. Give members instructions on presenting projects and assure participation by each member at the 4-H tour or field trip.
 - Ask questions to help the member. Examples:
 - Why did you decide to take this project?
 - How did you do your work?

What problems did you encounter? How did you overcome them?

What have you learned from this experience?

What do you plan to do next?

- Help the member to understand the exhibit recommendations (when applicable).
 - Check the member's record and assist as necessary.
8. Include special features such as:
 - Judging classes
 - Demonstrations
 - Talks
 - Exhibits
 9. Evaluate your tour or field trip and make recommendations for the future.

THE PROJECT MEETING

The way to help all members at the same time is to have regular project meetings. The content should be planned around the project needs of the members. All members in one group should be at about the same level of accomplishment in the project. There is no required number of project meetings but you will find that frequent meetings help to sustain interest and increase learning. A project meeting outline includes all of the points listed below but they may not always be in the same order:

Date _____ Time _____
Place _____

- I. Introduction
 - A. Getting acquainted

This is especially important at the first meeting of the year. Members need to know you, the junior leaders working with them, and each other.
 - B. Purpose of the meeting

What are the "big ideas" you hope to teach at this meeting?
 - C. Interest builders

This might include reports from members on what they have done since the last meeting or other information that will interest the members. One-minute demonstrations might be given by several members.
 - D. Subject matter background

You may review information from the last meeting and relate it to the individual activities of the members or to community situations.
- II. Subject Matter
 - A. Group instruction

You may follow the leaders guide fairly closely but you are encouraged to supplement it with other resource material. The subject matter may be given by you, a junior leader, or other resource persons. It may be in the form of a demonstration, an illustrated talk, a discussion, or a combination of these and other methods.
 - B. Group activity

Members need a chance to practice the skill that was presented or to work on individual projects. This will vary with different projects.
 - C. Discussion

Discuss what has been presented; members may have questions about some information or about what happened when they practiced.

- D. Evaluation
How did everything turn out? Did members accomplish what you set out to do?
- E. Sociability
Sometimes you may want to provide a brief social period for members.
- III. Summarize material, ask for questions
- A. Stress the "big ideas" or teaching points. It helps to have members try to state what they have learned. Re-emphasize the most important points to remember.
- B. Discuss any questions
Give members a chance to ask questions about the day's lesson. Perhaps you will want members to do some things at home before the next meeting. Be definite about assignments, include reading in project bulletin.
- IV. Plan for the next meeting
When and where will the meeting be held, what will you do, and what should members bring, if anything.

Teaching Methods

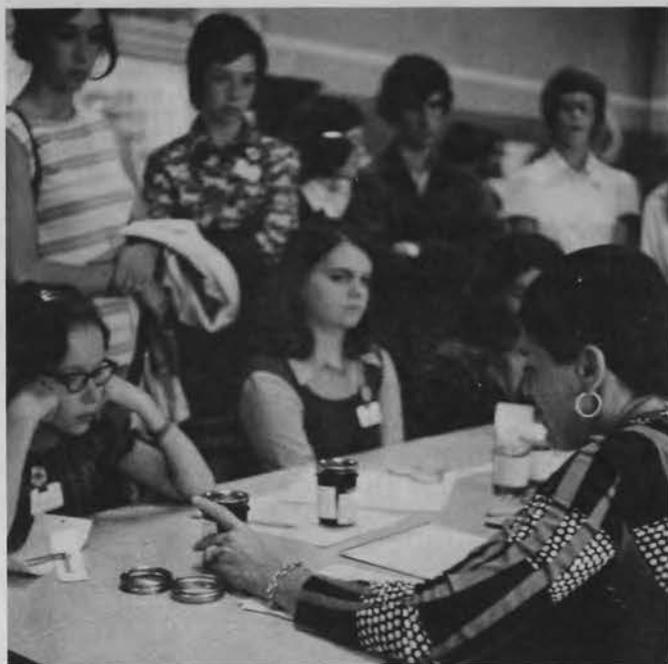
A variety of teaching methods will make the project meetings and other teaching more interesting for you and for the members. Your enthusiasm will help members enjoy learning.

Here are a few commonly used methods:

1. Demonstrations — simply show and tell how to do something. A demonstration helps the 4-H member develop poise and confidence and to learn how to organize subject matter in a logical way.
2. Discussions — are a way to crystallize thoughts on a subject and clarify questions. They must be guided by a leader.
3. Judging — is comparing one or more items with each other and with a standard. Judging helps members learn what is desirable, to observe closely, and to improve their ability to make wise decisions.
4. Talks or lectures — may in some ways be the easiest way to give 4-H members much information in a short time. To be effective, a leader must plan talks well and use visual aids if possible.
5. Panels, role playing, and the question and answer period — involve many members in several teaching methods for variety.

WORKING WITH THE JUNIOR PROJECT LEADER

In other 4-H projects the major emphasis is to achieve for one's self. In junior leadership, emphasis is placed on one's value to others. The junior project leaders working with you will learn leadership by practicing leadership. They need your guidance and counsel. They also need your approval. Together you can create an atmosphere that will permit them to learn leadership at the same time you and the junior leader are guiding the project members.



Conferences with subject matter specialists help members compare their products with established standards.

Junior project leaders can make a special contribution at project meetings if —

- You plan together for the meeting.
- Occasionally the junior leader gives a demonstration or conducts a judging session as part of the meeting.
- The junior leader works with members at home as they practice what is taught at the project meeting.
- They are "on their own" occasionally to conduct a project meeting for 3-4 young members.

RECOGNIZING YOUR MEMBERS

A pat on the back from leaders, parents, or others does much to encourage a 4-H member.

The inner satisfaction that comes from the feeling of accomplishment, of learning, of gaining new skills is a strong incentive for further achievement.

Recognition comes in many ways. Having a chance to perform in front of the other members, seeing their names on the program or in the report of the meeting, or hearing a word of commendation spurs young people on to further progress. You are the key. Good luck.

Parts of this material are adapted from an extension publication published by the University of Maryland. Prepared by Marian Larson, extension specialist, 4-H youth development.

Issued in furtherance of cooperative extension work in agriculture and home economics, acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Roland H. Abraham, Director of Agricultural Extension Service, University of Minnesota, St. Paul, Minnesota 55108. The University of Minnesota, including the Agricultural Extension Service, is committed to the policy that all persons shall have equal access to its programs, facilities, and employment without regard to race, creed, color, sex, national origin, or handicap.