Report for the 2013 Conference on
Hot Topics on Peanuts

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This conference took place on September 17th, 2013 from 3 to 5 p.m. in a conference room at the Fairfield Inn & Suites in Valdosta, GA. About 90 people attended the conference. Six speakers were invited and each gave a 15 to 30 min talk. The focus of the 2013 Hot Topics was on "Economic sustainability of US peanut farms."

The first speaker was Dr. Stanley Fletcher and he gave an overview of the "U.S. peanut policy: past, current and future." He went over the farm bills from 1930's, 1978/1981, 1993/1994, 1996 to the 2002 farm bill. Dr. Fletcher then presented the current US Senate proposal is to shift the 2009-2012 average acreage for revenue model to the AMP model. For US House, the proposed new farm bill is focused on 85% of acreage planned cannot exceed current farm base for both revenue and price loss. Dr. Nathan Smith from the Agricultural and Applied Economic Department, UGA was the second speaker. He gave a presentation on "Risk management tools for peanuts." Dr. Smith's presentation was focused on the Production and Marketing related risks. He then discussed production related risks (weather, pests, diseases, new technology, machinery efficiency, inputs availability, quality and efficacy) and related risk management tools for peanuts. Special attention was given to the US "Crop Insurance" program. In addition, peanut marketing tools like marketing contracts, marketing assistance loan, marketing cooperative, and cooperative or grower-owned processing were discussed. The third speaker was also Dr. Stanley Fletcher on "Economic sustainability of US peanut farms." He covered the 22 representative peanut farms from Oklahoma, Texas, to Georgia, North and South Caroline, and Virginia. He said "If peanut producers receive prices equal to variable cost, those producers are only paying part of the bills and are left with nothing for debt service, capital investments or any family living expenses. Without money for capital investments and family living, the long term sustainability of a farm is in jeopardy." Dr. Fletcher concluded the peanut farms sustainability may depend on both "better contract negotiations" and "better risk management." The fourth speaker was Mr. Bob Parker, President of the National Peanut Board. He gave an overview on market opportunities for USA-grown peanuts and also on the roles of American Peanut Council in peanut export promotion.

The last two speakers were Dr. Nathan Smith and Dr. John Beasley. They gave a market update and production update, respectively for the coming 2013 Georgia peanut crop.