

GARY D. SCHNITKEY — Biographical Information

Contact information: Department of Agricultural and Consumer Economics, University of Illinois; 415 Mumford Hall; 1301 W. Gregory Drive; Urbana, Illinois 61801; phone (217) 244-9595; schnitke@illinois.edu.

Biographic sketch: Dr. Gary Schnitkey is the Soybean Industry Endowed Chair in Agricultural Strategy within the Department of Agricultural and Consumer Economics, University of Illinois. His activities focus on farm and risk management on Corn Belt grain farms. He analyzes profitability of farms and develops ways of mitigating risk on farms. He has developed computer tools for examining commodity title alternatives and crop insurance alternatives that appear on *farmdoc*. He writes the Weekly Farm Economics article that appears each Tuesday on the *farmdocDaily* website.

University education:

- Ph.D., Agricultural Economics, August 1987, University of Illinois.
- M.S., Agricultural Economics, August 1984, University of Illinois.
- B.S., Agricultural Economics, June 1982, The Ohio State University.

Employment record:

Professor, Department of Agricultural and Consumer Economics, University of Illinois.
Appointment involves extension education and research. Responsibilities targeted to risk management. (50% extension, 50% research), 1998 to present.

Associate Professor, Department of Agricultural Economics, The Ohio State University.
Appointment involves extension education and research. Extension responsibilities targeted towards dairy farm management, 1994 to 1998.

Assistant Professor, Department of Agricultural Economics, The Ohio State University.
Appointment involves extension education and research. 1987 – 1998.

Honors:

- Distinguished Extension Program – Group, American Agricultural Economics Association, 2002.
- University of Illinois, College of Agricultural, Consumer and Environmental Sciences Award in Extension, 2004.
- Distinguished Extension Program – Individual, American Agricultural Economics Association, 2018.
- Funk Award for Excellence, College of Agricultural, Consumer and Environmental Sciences Award in Extension, 2019.

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Vitae

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Extension/Research Activities:

Farm management with emphasis on risk management. I have been involved in the development of risk management tools that are used nationwide including 2014 Farm Bill Toolbox, FAST (Microsoft Excel spreadsheets), *Ifarm* insurance evaluators (Web-based tools) and AgRisk (stand-alone micro-computer package). These tools are available at *farmdoc* (www.farmdoc.uiuc). I publish nationally in academic journals and popular press outlets. I co-author at least one article per week on *farmdocDaily* (www.farmdocDaily.illinois.edu)

University Education:

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University of Illinois, College of Agricultural, Consumer and Environmental Sciences Award in Extension, 2004.

University of Illinois, College of Agricultural, Consumer and Environmental Sciences Group Award in Extension, 2010.

University of Illinois, College of Agricultural, Consumer and Environmental Sciences Group Award in Extension, 2011.

Distinguished Extension Program – Group, American Agricultural Economics Association, 2015;

Distinguished Extension Program – Group, American Agricultural Economics Association, 2016;

Journal articles:

Over 50 articles published. Below is a selection:

Sherrick, B.J., F.C. Zanini, G.D. Schnitkey, and S.H. Irwin. "Crop Insurance Valuation under Alternative Yield Distributions." *American Journal of Agricultural Economics*, 86(2004): 406-419.

Irwin, S.H., G.D. Schnitkey, D.L. Good, and P.N. Ellinger. "The *farmdoc* Project: This is Still Your Father's Extension Program." *American Journal of Agricultural Economics*, 86(2004): 772-777.

Zulauf, C.R., G. D. Schnitkey, and M. Langemeier. "Acre, Crop Insurance, and Sure: Interactions and Overlap for U.S. Midwest Crops." *Journal of Agricultural and Applied Economics*. 32(2010): 501-15.

Paulson, N.D. and G.D. Schnitkey. "Expected Payments and Considerations for the New ACRE Program." *Journal of American Society of Farm Managers and Rural Appraiser*. 73(2010):

Woodard, J.D., G.D. Schnitkey, B.J. Sherrick, N. Lozano, and L. Anselin. "A Spatial Econometric Analysis of Loss Experience in the U.S. Crop Insurance Program." *Journal of Risk and Insurance*. 2011.

Paulson, N.D., G. Schnitkey, and B. Sherrick. "Rental Arrangements and Risk Mitigation of Crop Insurance and Marketing: Impacts in the Corn Belt." *Agricultural Finance Review*. 70(2010): 399-410.

Woodard, J.D., B.J. Sherrick, and G.D. Schnitkey. "Actuarial Impacts of Loss Cost Ratio Ratemaking in U.S. Crop Insurance Programs." *Journal of Agricultural and Resource Economics*. 36(2011): 211-28.

Schnitkey, G.D. and B.J. Sherrick. "Income and Capitalization Rate Risk in Agricultural Real Estate Markets." *Choices*. 2012.

Woodard J.D., K.D. Pavlista, G.D. Schnitkey, K.L. Burgener, and B.L. Ward. "Government Insurance Program, Design, Incentive Effects, and Technology Adoption: The Case of Skip-Row Crop Insurance." *American Journal of Agricultural Economics*. 94(2012): 823-837.

Sherrick, B.J., C. Lanoue, J.D. Woodard, G.D. Schnitkey, N.D. Paulson. "Crop Yield Distributions: Fit, Efficiency and Performance." *Agricultural Finance Review*. 74(2013).

Paulson, N.D., and G.D. Schnitkey, and P. Kelly. "Evaluating the Marginal Risk Management Benefits of the Supplemental Coverage Options, *Agricultural Finance Review*, 76(2016):3

Paulson, N.D., G.D. Schnitkey, J. Coppess, and C. Zulauf. "An Overview of the Decision and Changed Made in the 2014 Farm Bill. *Journal of Farm Mangers and Rural Appraisers*, forthcoming.

Schnitkey, G.D. and C. Zulauf. "The Farm Safety Net for Field Crops". *Choices*. 31(2016): 1-8.

Ellison, B., N.D. Paulson, M.R. Taylor, G.T. Tonsor, J. Coppess, and G.D. Schnitkey. "Evaluation of Educational Offerings Associated with the 2014 Farm Bill. *Applied Economic Perspectives and Policy*. 39(2017): 547-558.

FarmDocDaily Articles:

Each Tuesday a farmdocDaily article is published dealing with some aspect of the economics of corn belt farming. Content from these articles has appeared in popular press outlets including *Illinois AgriNews*, *Farm Journal*, *Farm Week*, *Prairie Farmer*, *Successful Farming*, *Top Producer*, *Wall Street Journal*. Often, these articles are reprinted in farm publications. Below are selected publications:

- "Do Some Farms Consistently Have High Profits?" July 20, 2001.
- "Updating Acres and Yields Under the Farm Security and Investment Act of 2002." June 5, 2002 (with Dale Lattz).
- "Crop Rotations in 2003: More Wheat and Corn?" Sept 23, 2002.
- "Historical Cropping Patterns on Illinois Grain Farms." February 28, 2003.
- "GRIP-HR: An Analysis of Returns and Risks." February 11, 2004.
- "Planter Costs for Alternative Farm Sizes." March 2004.
- "The Economics of Adding More Corn to Corn-Soybean Rotations." November 2004.
- "Crop Insurance Decisions in 2005." February 2005.
- "2005 and 2006 Crop Budgets: Implications for Cash Rents and Production Decisions." August 2005 (with D.H. Lattz).
- "The Biotech Yield Endorsement (BYE)." January 2008
- "Impact of Rising Crude Oil Prices on Corn and Soybean Production Costs." May 2008 (with Anuj Gupta).
- "Fertilizer Prices Likely to Decline in 2009." January 2009
- "Late Planting and Crop Insurance." June 2009.
- "Crop Budgets: Implications for Crop Rotations and Returns." August 2010.
- "COMBO's Product Released for 2011 Crop Insurance Year." September 2010.
- "Farmland Price Outlook: Are Farmland Prices Too High Relative to Returns and Interest Rates." October 2010.
- Prevented Planting Payments versus Planting Soybeans, June 2013.
- Returns and Costs Given \$4.80 Corn and \$10.75 Soybean Prices, July 2013.
- Farmland Bill Deadline Decisions and the Farm Bill Toolbox, September 2014
- Base Acre and Yield Updating Tool, December 2014
- Yield Exclusion: Description and Guidance, January 2015
- Magnitude of Needed Decreases in 2016 Cash Rents, August 2015
- Cutting \$100 per Acre in Costs for Corn and Soybeans, September 2015.
- Taking Losses on Cash Rent farmland to Avoid Losing Farmland: A Risky Strategy, October 2015
- Farmer Balance Sheets Given Farmland Price Decreases, December 2015
- Corn Seed Costs from 1995 to 2015, November 2015.
- Anhydrous Ammonia, Corn, and Natural Gas Prices Over Time, June 2016
- The Danger of Refinancing, August 2016
- Financial Performance of Illinois Grain Farms: Deterioration in 2015, October 2016
- Rising Interest Rates and Farmland Prices, December 2016
- The Federal Safety Net for 2017, March 2017
- 2017 Break-even Prices for Corn and Soybeans to have the Same Profitability: Revisited, April 2017.
- Differences in Revenues and Costs For Higher and Average Return Grain Farms, June 2017 (with Nick Paulson and Dale Lattz)
- Negative Cash Rent Returns Since 2014 Reducing Farmer Net Incomes (August 2017)

Extension Reference Material:

Involved in "baseline publications" available in the *Illinois Farm Management Handbook* available in the management section of *farmdoc* (www.farmdoc.illinois.edu/manage):

- Machinery Costs (with Dale Lattz), since 2000.
- Illinois Crop Budgets (with Dale Lattz), since 2000.
- Historic Corn and Soybean costs (with Dale Lattz), since 2000.

Software Development:

Co-developer of the *Financial Analysis Solution Tools (FAST)*. *FAST* is a series of Microsoft Excel spreadsheet tools that are decision-support aids available on *farmdoc* (www.farmdoc.uiuc.edu). Over 12,000 copies of this software have been distributed to users. In 2004, the Risk Management Agency, U.S. Department of Agriculture awarded a \$389,000 grant for continued *FAST* development. Selected tool are:

Schnitkey, G.D., B.J. Sherrick, and D. Lattz *Farm Rent Evaluator*. Department of Agricultural and Consumer Economics, University of Illinois, November 2003.

Schnitkey, G.D., and B. Pulley. *Grain Delivery Model*. Department of Agricultural and Consumer Economics. University of Illinois at Urbana-Champaign. 2004.

Schnitkey, G.D. *Crop Insurance Decision Tool*. Department of Agricultural and Consumer Economics. University of Illinois at Urbana-Champaign. each year since 2007

Schnitkey, G.D. *ACRE Comparison Tool*. Department of Agricultural and Consumer Economics University of Illinois at Urbana-Champaign. 2008.

Schnitkey, G.D., L. Hoffman, D. Good, S. Irwin, and R. Batts. *ACRE Payment Evaluator*. Department of Agricultural and Consumer Economics. Of Illinois at Urbana-Champaign. 2010.

Schnitkey, G.D., *ARC-CO/PLC Payment Evaluator*, Department of Agricultural and Consumer Economics. Of Illinois at Urbana-Champaign. 2014.

Schnitkey, G.D., J.W. Coppess, N. Paulson. *2014 Farm Bill Toolbox*, Department of Agricultural and Consumer Economics. Of Illinois at Urbana-Champaign. 2014.

Co-developer of web based tool available on *farmdoc* for evaluating crop insurance decision:

Schnitkey, G.D., B.J. Sherrick, S.H. Irwin, and W. Li. *iFARM Crop Insurance Premium Calculator*. Each year since 2004.

Sherrick, B.J., G.D. Schnitkey, S.H. Irwin and W. Li. *iFARM Crop Insurance Evaluator*. Each year since 2004.