

## BACKGROUND

Nebraska exported \$6.4 billion of agricultural goods in 2017. This placed the state as the sixth-largest agricultural exporting state, slipping from fifth-largest in 2016. Nebraska topped the nation in 2017 in exports of beef, and hides and skins; was the third-largest exporter of corn, feed, and processed grain products; the fourth-largest exporter of soybeans; and the fifth-largest exporter of soybean meal. Other Nebraska products exported were ethanol, popcorn, wheat, pork, dry edible beans, and a host of other commodities and processed products. Table 1 lists Nebraska export values of select commodities and processed products for 2017. Figure 1 tracks Nebraska export values of several of the same commodities from 2000 through 2017. As Figure 1 shows, exports are a growing part of Nebraska’s agricultural sales. The value of Nebraska agricultural exports has increased nearly three times since 2000. Exports now consistently account for 30 percent of the state’s total agricultural receipts.

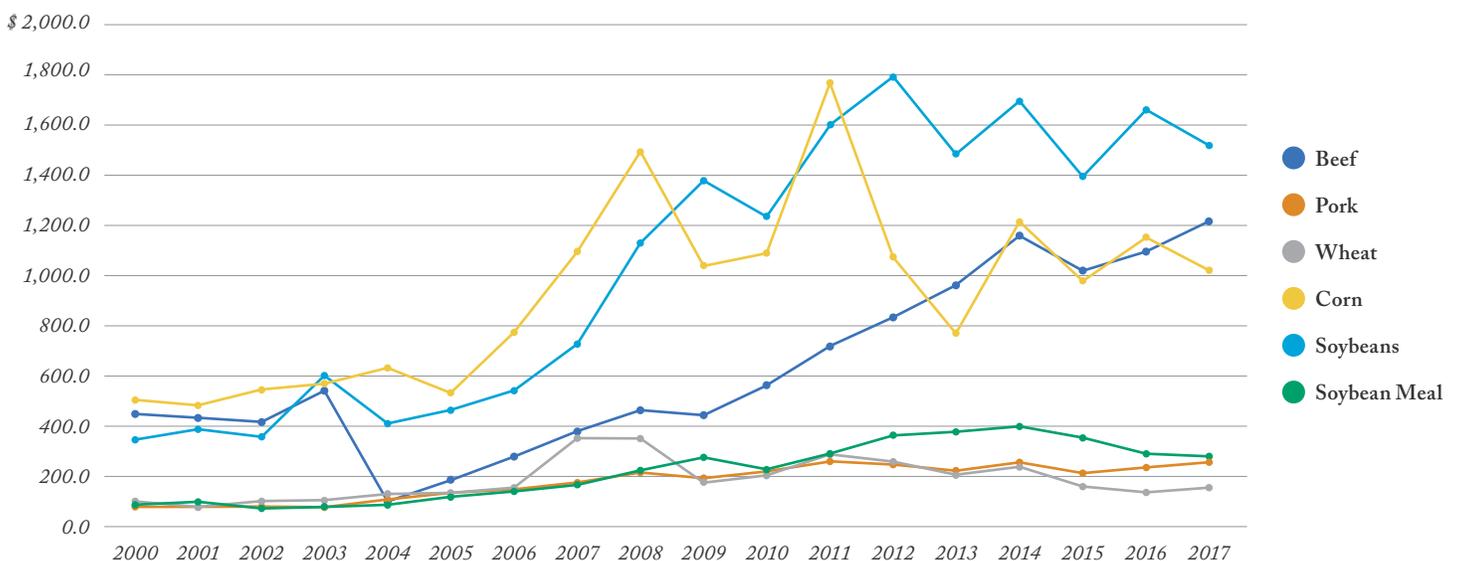
**TABLE 1. NEBRASKA AGRICULTURAL EXPORTS – 2016 -2017 (MILLIONS \$)**

	Soybeans	Beef & Veal	Corn	Feed & Other Grains	Soybean Meal	Hides & Skins	Pork	Wheat
<b>2017</b>	\$1,532.5	\$1,204.1	\$1,021.3	\$818.5	\$278.7	\$255.5	\$247.2	\$144.5
<b>2016</b>	\$1,661.8	\$1,091.5	\$1,162.8	n/a	\$297.4	n/a	\$230.9	\$121.1

*Data sources: USDA Economic Research Service*

Agricultural exports from Nebraska in 2017 were almost \$200 million less than that shipped in 2016. Most of the decline was due to decreased exports of soybeans, down nearly \$130 million, and decreased exports of corn, down over \$140 million. Fortunately, increased exports of beef, up \$112 million, and pork, up \$16 million, partially offset the downturn in corn and soybeans. Exports of soybean meal and hides and skins were also less year-over-year.

**FIGURE 1. NEBRASKA COMMODITY EXPORTS, 2000-2017 (MILLION \$)**



*Source: USDA Economic Research Service*

Much of the growth in Nebraska's exports since 2000 has been led by corn, beef, and soybeans and can be traced to free trade agreements. The North American Free Trade Agreement (NAFTA), Korean Free Trade Agreement (KORUS), and 12 other agreements in force with 17 countries have all opened markets for Nebraska products. The U.S. Department of Commerce reports 56 percent of Nebraska exports are to countries in which the U.S. has a free trade agreement. Since 2007, exports from Nebraska to free trade markets have grown 65 percent led by Canada, Mexico, and South Korea. The growth in Nebraska exports can also be attributed to China's entrance into the World Trade Organization (WTO) in 2001. China is typically a top three market for Nebraska agricultural commodities, particularly soybeans, hides and skins, corn, and wheat. Other top markets for Nebraska agricultural products include Canada, Mexico, Japan, and Korea.

## VALUE OF AGRICULTURAL EXPORTS TO NEBRASKA PRODUCERS

The dollars trade contributes to producers' operations can be measured in many ways. One way is to reflect export value on a per-unit basis. A per-unit basis expresses the value of commodity exports in terms akin to prices received by farmers and ranchers. Table 2 shows the estimated per-unit values of Nebraska exports for select commodities. The per-unit values were calculated by dividing 2017 export values for each commodity by the respective crop production or livestock number. The per-unit value for soybeans includes the value of soybean meal exports, the per-unit value of corn includes the value of ethanol and distillers dried grains exports, and the per-unit value of beef includes the value of exports of hide and skins. These processed goods are included to reflect the overall value of the exports attributable to that commodity. The resulting figures provide a reasonable expression of the value of agricultural exports to Nebraska producers. The figures in Table 2 demonstrate exports of these commodities are key contributors to the value received by producers.

**TABLE 2. PER-UNIT VALUE OF NEBRASKA EXPORTS, 2016 -2017\***

	Soybeans**	Beef**	Corn**	Pork	Wheat
<b>2017</b>	\$5.66/bu.	\$226.30/hd.	\$0.96/bu.	\$72.72/hd.	\$3.23/bu.
<b>2016</b>	\$6.27/bu.	\$169.22/hd.	\$1.03/bu.	\$68.00/hd.	\$2.04/bu.

*\*Estimates based on 2017 export data and USDA National Agricultural Statistics Service 2017 commodity production or animal inventory data.*

*\*\*Includes value of soybean meal, ethanol, distillers dried grains, and hides & skins in per unit value estimates.*

Alternative ways to measure the value of exports is to apportion export value across counties and on a per-farm basis. Counties do not share equally in the benefits generated by agricultural exports. Each county is unique in the commodities produced, processed, and sold. Thus, the importance of export markets for counties and the sensitivity of a county's agriculture to these markets will vary. Commodity export values were allocated to counties based on each county's share of total state production. Commodity export values for each commodity were then summed to estimate the total value of exports for a county. Commodities included in the analysis are corn, beef, pork, soybeans, soybean meal, wheat, hides and skins, ethanol, and distillers' grains. The per-farm export value for each county is calculated by dividing the estimated total county export value calculated by the number of farms in the county reported in the 2012 USDA Census of Agriculture. The resulting per-farm figures provide an alternative way to measure the relative importance of exports.

Both estimates should be "taken with a grain of salt" and are not meant to denote exact dollar figures for county exports or per-farm value. Tracing the value of commodity exports back to a county is fraught with difficulty. For example, a commodity could be produced in one county, sold to an elevator in another county, and processed in a third county, dispersing the value of the exports across all three counties. Rather, the estimates are meant to provide an approximation of the significance of exports by commodity to counties and producers. The appendix provides a further discussion of the approach used and difficulties of tracing export value for those readers interested. Finally, not all counties have estimates for each commodity because data was lacking for some counties.

Table 3 lists the estimated total value of exports for each county for both 2016 and 2017 along with the change in export values year-to-year. Table 4 lists the estimated per-farm export value for both years and the change between the two years. Figure 2 plots the county total export values for 2017 on a map while Figure 3 plots the per-farm values for the same year. Because this is the second year of estimating export values for Nebraska counties, comparisons between 2016 and 2017 can be made. However, production data was not available across all commodities in every county for both years, so comparisons could not be made for all counties. These counties are denoted with an “n/a” in the columns showing the differences between the two years in Table 3 and Table 4.

Cuming County edged out Platte as the county which received the most value from agricultural trade in 2017. Over \$155 million of export value flowed to Cuming County due to foreign sales while \$149 million flowed to Platte County. This is a reversal from 2016 when Platte County was the top county in terms of value derived from exports. Rounding out the top five counties were Custer, Holt, and Dawson counties, each with estimated export values of greater than \$130 million. The top five counties had one commonality. They each derived significant value from exports of either beef or pork products. In total, 12 counties derived more than \$100 million in value from export sales.

McPherson County saw the biggest gain in export value in 2017 compared to 2016 at \$6.3 million. Increased values from exports of corn and beef were the primary drivers for the county’s large gain. Other counties seeing large year-over-year gains included Cherry, Box Butte, and Holt counties, each with gains over \$3 million. Pawnee and Pierce counties were at the other end of the spectrum, each experienced a decline in export value exceeding \$9 million. It appears a fall in corn and soybean exports contributed to the overall decline in export value for these counties. Slightly more than one-half of the counties, 48 in all, experienced a decline in the value derived from exports in 2017. A reduction in the value of soybean and corn exports were the primary culprits for the decline.

The importance of trade looks different when measuring on a per-farm basis. On this scale, Phelps County scores as the most reliant on trade with an export value per-farm of \$281,000. Other counties heavily reliant on trade on a per-farm basis are Kearney, Fillmore, Clay, York, and Boone counties, each with a per-farm value of trade exceeding \$180,000. The diversity of commodities produced along with the size and productivity of crop farms in these counties contributes to the high per-farm export values. Exports are the least important to farmers and ranchers on a per-farm basis in Douglas, Dawes, and Lancaster counties. In terms of changes from 2016 to 2017, Hitchcock, Frontier, and Harlan counties each saw the biggest declines per-farm export value all exceeding \$20,000 per farm. On the other hand, McPherson, Dundy, and Box Butte counties saw the largest increases in per-farm export value, each seeing increases of more than \$9,000 per farm.

**TABLE 3. ESTIMATED TOTAL AGRICULTURAL EXPORT VALUE (2016 - 2017)**

County	2017 Total Export Value	2016 Total Export Value	\$ +/-	County	2017 Total Export Value	2016 Total Export Value	\$ +/-
Cuming	\$154,649,296	\$154,089,781	\$559,514	Richardson	\$60,598,746	\$64,101,190	-\$3,502,444
Platte	\$148,600,123	\$153,624,319	-\$5,024,196	Dixon	\$59,020,035	\$64,606,722	-\$5,586,688
Holt	\$145,585,658	\$141,980,637	\$3,605,020	Nuckolls	\$58,585,253	\$59,968,418	-\$1,383,165
Custer	\$142,830,364	\$151,652,893	-\$8,822,530	Stanton	\$57,570,005	\$32,583,019	n/a
Dawson	\$130,648,843	\$128,309,649	\$2,339,194	Washington	\$53,949,460	\$57,714,808	-\$3,765,347
Antelope	\$129,387,928	\$134,167,842	-\$4,779,914	Howard	\$52,678,699	\$54,737,059	-\$2,058,360
Boone	\$117,169,166	\$123,567,037	-\$6,397,871	Webster	\$52,078,983	\$52,046,750	\$32,234
Phelps	\$113,806,579	\$114,853,833	-\$1,047,254	Perkins	\$51,164,073	\$50,282,609	\$881,464
Lincoln	\$112,474,554	\$111,780,746	\$693,809	Morrill	\$49,695,916	\$48,756,942	\$938,974
Cedar	\$107,820,171	\$111,937,341	-\$4,117,170	Red Willow	\$49,528,809	\$38,007,755	n/a
Saunders	\$104,823,347	\$111,200,730	-\$6,377,383	Harlan	\$48,365,378	\$55,667,546	-\$7,302,168
York	\$101,101,991	\$99,529,554	\$1,572,436	Nance	\$47,629,650	\$50,580,261	-\$2,950,612
Buffalo	\$99,641,111	\$99,497,488	\$143,624	Valley	\$45,459,617	\$46,619,364	-\$1,159,747
Fillmore	\$92,465,503	\$95,666,316	n/a	Furnas	\$45,056,291	\$44,230,527	\$825,764
Clay	\$89,869,401	\$89,499,509	\$369,892	Nemaha	\$44,846,477	\$44,976,968	-\$130,491
Gage	\$89,211,960	\$94,586,893	-\$5,374,933	Brown	\$41,614,275	\$40,059,438	\$1,554,836
Kearney	\$88,049,830	\$86,506,151	\$1,543,679	Frontier	\$40,711,020	\$47,319,178	-\$6,608,158
Hamilton	\$87,079,708	\$88,539,529	-\$1,459,821	Greeley	\$40,574,016	\$42,653,820	-\$2,079,804
Madison	\$86,477,775	\$89,589,612	-\$3,111,837	Keith	\$40,117,279	\$41,146,820	-\$1,029,541
Adams	\$86,387,183	\$86,603,485	-\$216,302	Franklin	\$39,516,631	\$43,258,154	-\$3,741,523
Dodge	\$83,966,373	\$83,386,296	\$580,077	Box Butte	\$39,084,238	\$34,846,346	\$4,237,892
Seward	\$83,792,553	\$87,069,005	n/a	Scotts Bluff	\$38,725,978	\$37,950,010	n/a
Colfax	\$79,311,518	\$84,884,670	-\$5,573,153	Gosper	\$37,467,300	\$40,047,840	-\$2,580,540
Butler	\$77,557,442	\$82,893,055	-\$5,335,613	Dundy	\$34,945,212	\$32,570,533	\$2,374,678
Knox	\$77,368,748	\$81,137,388	-\$3,768,641	Sheridan	\$33,239,822	\$32,229,633	\$1,010,189
Thayer	\$71,212,511	\$76,490,420	-\$5,277,910	Sherman	\$32,510,187	\$36,822,352	-\$4,312,165
Otoe	\$69,306,713	\$75,793,907	n/a	Pawnee	\$32,196,581	\$41,345,746	-\$9,149,166
Polk	\$68,863,877	\$72,416,523	-\$3,552,645	Cheyenne	\$29,638,082	\$29,691,788	-\$53,706
Hall	\$68,351,418	\$66,530,521	\$1,820,897	Dakota	\$29,589,014	\$31,757,732	-\$2,168,718
Pierce	\$67,527,248	\$77,338,066	-\$9,810,819	Johnson	\$29,522,030	\$29,633,188	-\$111,158
Burt	\$67,114,322	\$74,625,746	-\$7,511,424	Rock	\$29,271,357	\$28,552,912	\$718,445
Wayne	\$66,165,773	\$73,125,355	-\$6,959,582	Thurston	\$28,751,363	\$29,465,274	-\$713,911
Cass	\$65,965,717	\$73,775,026	-\$7,809,309	Hayes	\$27,189,670	\$24,218,913	n/a
Lancaster	\$65,312,215	\$72,664,970	-\$7,352,755	Wheeler	\$26,024,193	\$24,301,550	\$1,722,643
Cherry	\$64,673,342	\$60,784,220	\$3,889,122	Sioux	\$24,009,936	\$20,752,122	n/a
Saline	\$64,297,358	\$70,779,180	-\$6,481,822	Boyd	\$23,937,368	\$10,266,083	n/a
Jefferson	\$62,419,613	\$70,495,275	-\$8,075,662	Hitchcock	\$21,639,317	\$27,885,692	-\$6,246,375
Chase	\$62,029,797	\$63,240,713	-\$1,210,915	Keya Paha	\$18,868,555	\$17,899,347	\$969,208
Merrick	\$60,643,917	\$60,506,539	\$137,378	Banner	\$17,832,562	\$16,446,740	\$1,385,821

**TABLE 3. ESTIMATED TOTAL AGRICULTURAL EXPORT VALUE (2016 - 2017)**

County	2017 Total Export Value	2016 Total Export Value	\$ +/-	County	2017 Total Export Value	2016 Total Export Value	\$ +/-
Garden	\$17,782,874	\$13,313,023	n/a	Blaine	\$10,442,752	\$9,786,380	\$656,373
Dawes	\$16,144,147	\$14,369,612	n/a	Deuel	\$9,308,024	\$11,016,166	-\$1,708,142
Sarpy	\$15,743,279	\$18,537,999	-\$2,794,720	Loup	\$7,640,509	\$6,324,783	n/a
Kimball	\$15,650,199	\$12,684,516	\$2,965,684	Grant	\$7,015,217	\$6,550,853	\$464,365
McPherson	\$14,735,447	\$8,420,233	\$6,315,214	Thomas	\$5,996,879	\$5,599,922	\$396,957
Logan	\$13,682,947	\$10,932,797	n/a	Arthur	\$5,883,731	\$5,494,264	\$389,467
Garfield	\$11,951,878	\$11,486,178	\$465,700	Hooker	\$4,869,927	\$4,547,568	\$322,359
Douglas	\$11,885,175	\$13,709,521	-\$1,824,345				

Source: Nebraska Farm Bureau estimates.

**TABLE 4. ESTIMATED AGRICULTURAL EXPORT VALUE PER-FARM (2016 - 2017)**

County	2017 Per Farm Export Value	2016 Per Farm Export Value	\$ +/-	Top Export Commodity	County	2017 Per Farm Export Value	2016 Per Farm Export Value	\$ +/-	Top Export Commodity
Phelps	\$281,004	\$283,590	-\$2,586	Beef	Merrick	\$123,260	\$122,981	\$279	Soybeans
Kearney	\$255,959	\$251,471	\$4,487	Soybeans	Webster	\$123,118	\$123,042	\$76	Soybeans
Clay	\$196,651	\$195,841	\$809	Soybeans	Red Willow	\$122,293	\$93,846	n/a	Corn
Fillmore	\$195,901	\$202,683	n/a	Soybeans	Dakota	\$121,765	\$130,690	-\$8,925	Soybeans
York	\$186,880	\$183,973	\$2,907	Corn	Burt	\$119,847	\$133,260	-\$13,413	Soybeans
Boone	\$181,376	\$191,280	-\$9,904	Soybeans	Rock	\$118,508	\$115,599	\$2,909	Beef
Chase	\$181,374	\$184,914	-\$3,541	Corn	Franklin	\$116,913	\$127,983	-\$11,070	Soybeans
Antelope	\$168,694	\$174,925	-\$6,232	Soybeans	Furnas	\$115,826	\$113,703	\$2,123	Corn
Cuming	\$168,463	\$167,854	\$609	Beef	Hayes	\$115,701	\$103,059	n/a	Beef
Thayer	\$164,844	\$177,061	-\$12,217	Soybeans	Hall	\$115,264	\$112,193	\$3,071	Corn
Dawson	\$162,095	\$159,193	\$2,902	Beef	Madison	\$114,844	\$118,977	-\$4,133	Soybeans
Platte	\$157,750	\$163,083	-\$5,334	Soybeans	Cedar	\$114,824	\$119,209	-\$4,385	Soybeans
Adams	\$152,358	\$152,740	-\$381	Soybeans	Cherry	\$114,264	\$107,393	\$6,871	Beef
Hamilton	\$152,237	\$154,789	-\$2,552	Corn	Holt	\$113,828	\$111,009	\$2,819	Beef
Polk	\$147,777	\$155,400	-\$7,624	Soybeans	Valley	\$113,084	\$115,969	-\$2,885	Beef
Gosper	\$144,105	\$154,030	-\$9,925	Corn	Dodge	\$109,474	\$108,717	\$756	Soybeans
Colfax	\$143,162	\$153,221	-\$10,060	Soybeans	Custer	\$105,644	\$112,169	-\$6,526	Beef
Dundy	\$139,224	\$129,763	\$9,461	Beef	Greeley	\$104,303	\$109,650	-\$5,347	Soybeans
Nuckolls	\$134,679	\$137,858	-\$3,180	Soybeans	Dixon	\$103,544	\$113,345	-\$9,801	Soybeans
Harlan	\$134,348	\$154,632	-\$20,284	Corn	Keith	\$103,395	\$106,049	-\$2,653	Corn
Nance	\$134,168	\$142,480	-\$8,312	Soybeans	Pierce	\$99,745	\$114,236	-\$14,492	Soybeans
Wheeler	\$131,435	\$122,735	\$8,700	Beef	Jefferson	\$99,553	\$112,433	-\$12,880	Soybeans
Perkins	\$129,858	\$127,621	\$2,237	Corn	Nemaha	\$99,438	\$99,727	-\$289	Soybeans
Frontier	\$128,426	\$149,272	-\$20,846	Beef	Morrill	\$97,062	\$95,228	\$1,834	Beef
Wayne	\$127,733	\$141,169	-\$13,435	Soybeans	Lincoln	\$96,297	\$95,703	\$594	Beef
Brown	\$126,873	\$122,132	\$4,740	Beef	Buffalo	\$95,259	\$95,122	\$137	Corn
McPherson	\$124,877	\$71,358	\$53,519	Beef	Stanton	\$93,005	\$52,638	n/a	Soybeans

**TABLE 4. ESTIMATED AGRICULTURAL EXPORT VALUE PER-FARM (2016 - 2017)**

County	2017 Per Farm Export Value	2016 Per Farm Export Value	\$ +/-	Top Export Commodity	County	2017 Per Farm Export Value	2016 Per Farm Export Value	\$ +/-	Top Export Commodity
Banner	\$92,397	\$85,216	\$7,180	Beef	Arthur	\$69,220	\$64,638	\$4,582	Beef
Butler	\$92,330	\$98,682	-\$6,352	Soybeans	Thomas	\$68,930	\$64,367	\$4,563	Beef
Logan	\$91,832	\$73,374	n/a	Beef	Garden	\$68,134	\$51,008	n/a	Beef
Cass	\$90,240	\$100,923	-\$10,683	Soybeans	Sioux	\$67,825	\$58,622	n/a	Beef
Boyd	\$89,990	\$38,594	n/a	Beef	Washington	\$65,712	\$70,298	-\$4,586	Soybeans
Blaine	\$89,254	\$83,644	\$5,610	Beef	Sheridan	\$62,015	\$60,130	\$1,885	Beef
Grant	\$87,690	\$81,886	\$5,805	Beef	Pawnee	\$59,623	\$76,566	-\$16,943	Soybeans
Saunders	\$87,063	\$92,359	-\$5,297	Soybeans	Hooker	\$59,389	\$55,458	\$3,931	Beef
Saline	\$85,049	\$93,623	-\$8,574	Soybeans	Loup	\$55,366	\$45,832	n/a	Beef
Seward	\$84,468	\$87,771	n/a	Soybeans	Cheyenne	\$53,402	\$53,499	-\$97	Wheat
Box Butte	\$83,872	\$74,778	\$9,094	Beef	Garfield	\$52,884	\$50,824	\$2,061	Beef
Richardson	\$82,335	\$87,094	-\$4,759	Soybeans	Johnson	\$50,293	\$50,482	-\$189	Soybeans
Sherman	\$78,527	\$88,943	-\$10,416	Soybeans	Scotts Bluff	\$40,089	\$39,286	n/a	Beef
Thurston	\$78,342	\$80,287	-\$1,945	Corn	Sarpy	\$39,756	\$46,813	-\$7,057	Soybeans
Keya Paha	\$77,330	\$73,358	\$3,972	Beef	Deuel	\$39,274	\$46,482	-\$7,207	Wheat
Otoe	\$77,265	\$84,497	n/a	Soybeans	Kimball	\$38,931	\$31,554	\$7,377	Wheat
Howard	\$77,241	\$80,260	-\$3,018	Beef	Lancaster	\$35,573	\$39,578	-\$4,005	Soybeans
Hitchcock	\$72,372	\$93,263	-\$20,891	Wheat	Dawes	\$32,747	\$29,147	n/a	Beef
Knox	\$71,638	\$75,127	-\$3,489	Beef	Douglas	\$30,013	\$34,620	-\$4,607	Soybeans
Gage	\$70,635	\$74,891	-\$4,256	Soybeans					

Source: Nebraska Farm Bureau estimates.

**FIGURE 2. ESTIMATED TOTAL AGRICULTURAL EXPORT VALUE PER-COUNTY, 2017**

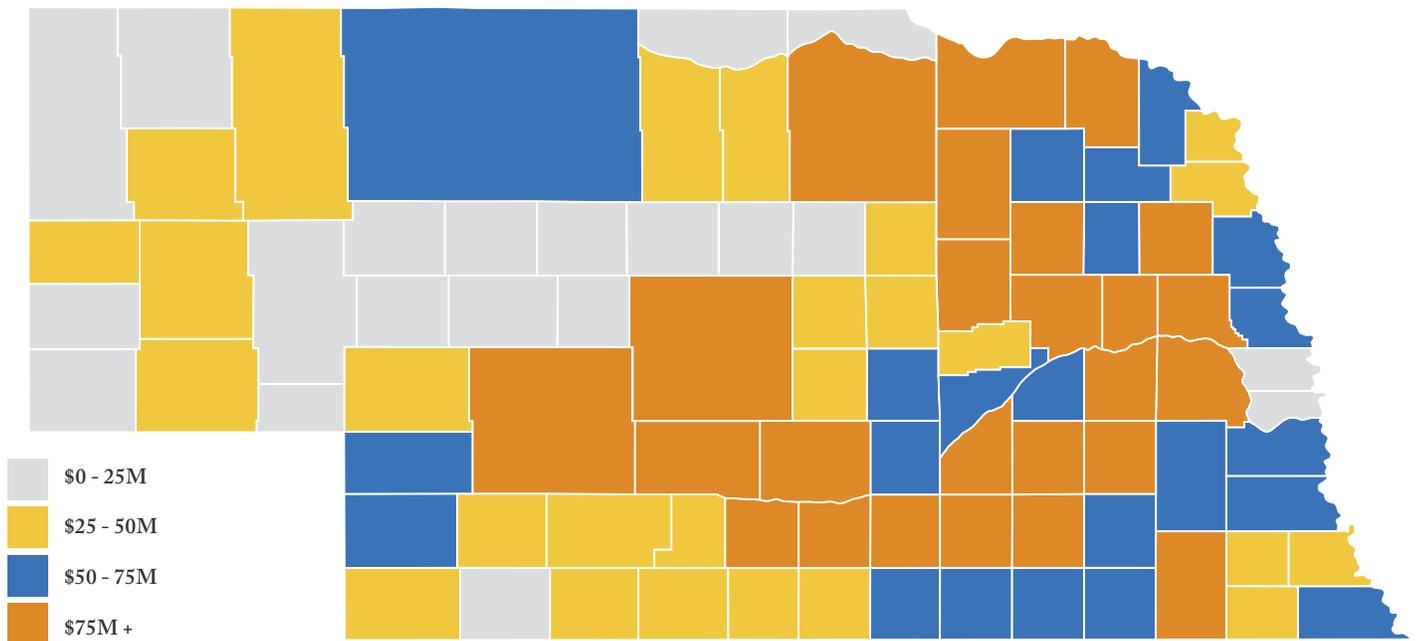


FIGURE 3. ESTIMATED AGRICULTURAL EXPORT VALUE PER-FARM, 2017

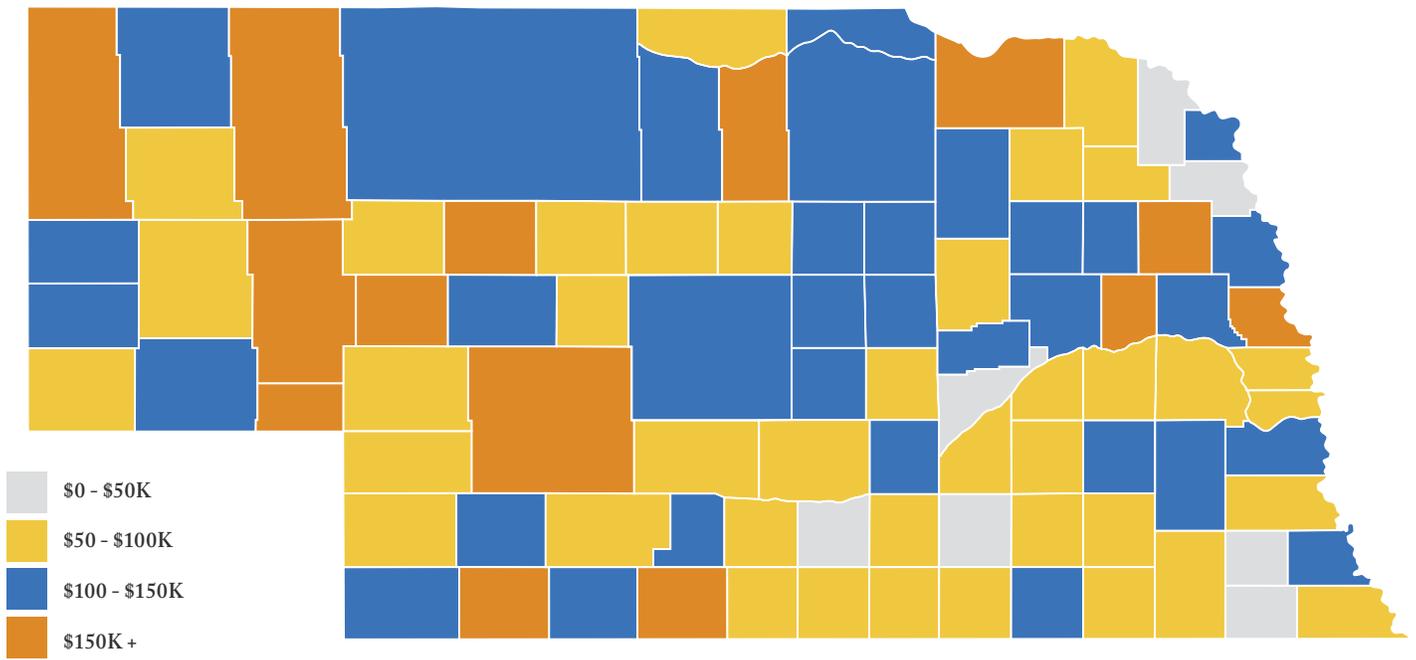
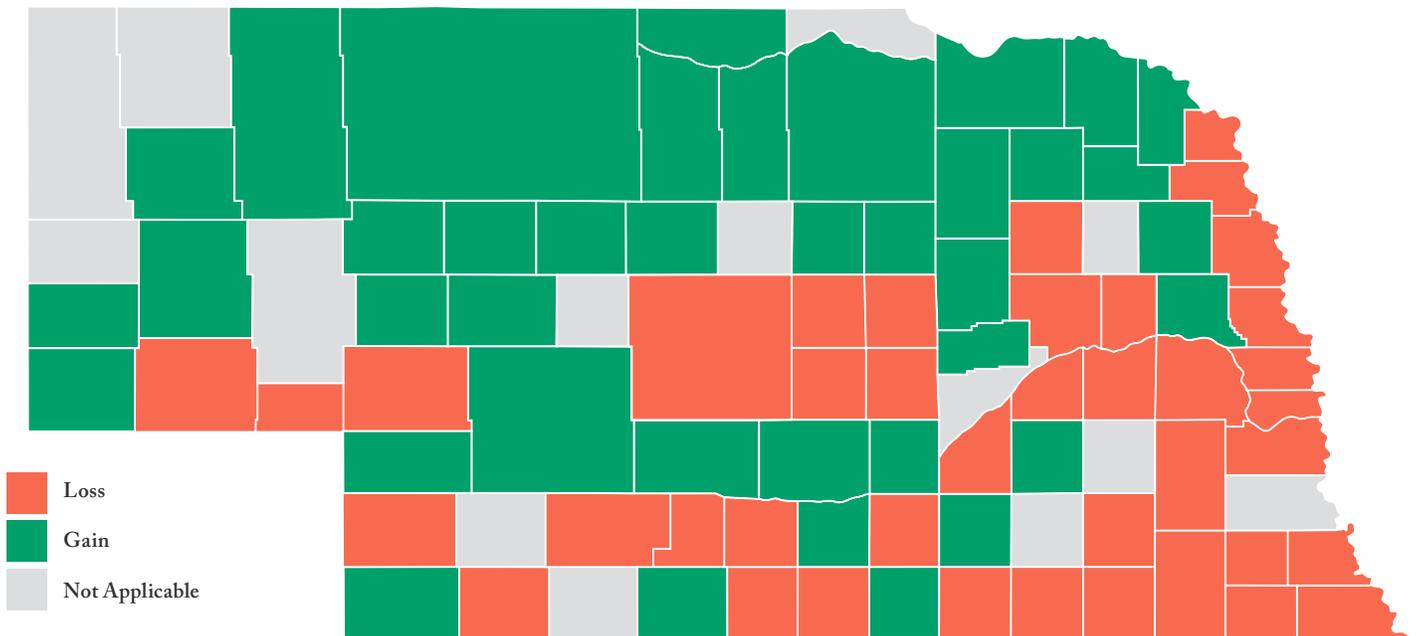
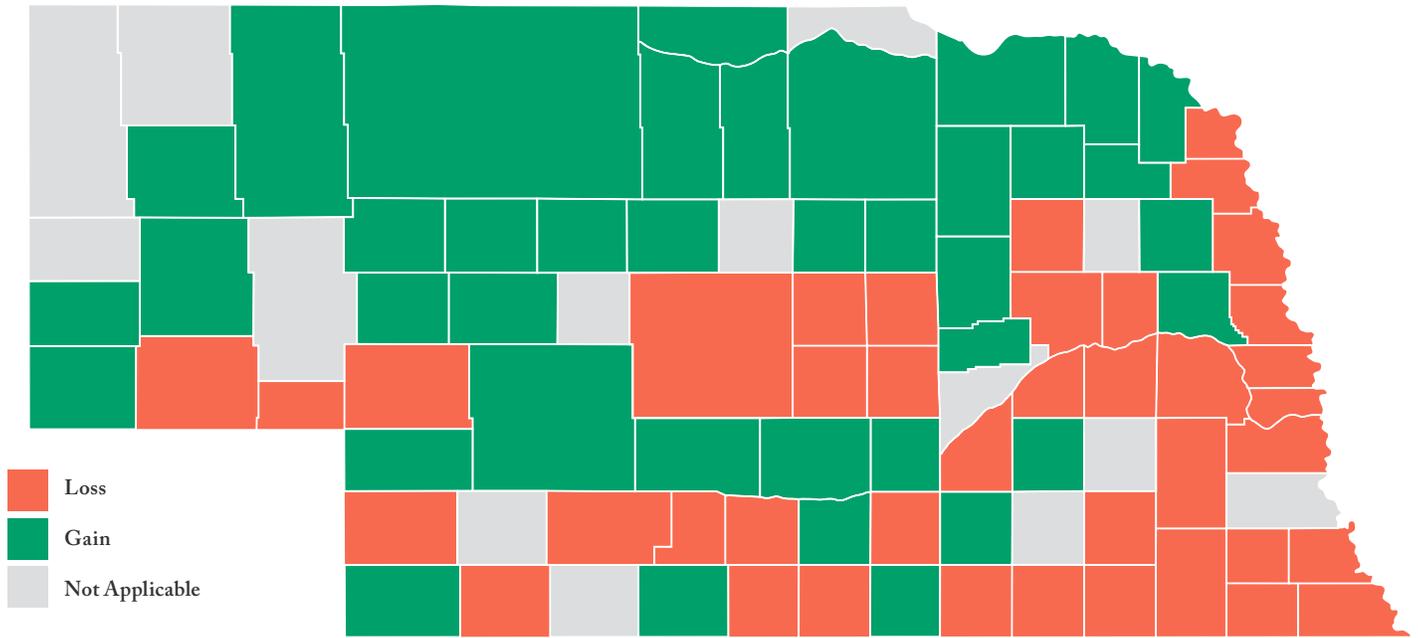


FIGURE 4. GAIN/LOSS TOTAL EXPORT VALUE PER-COUNTY, 2016 VS 2017



**FIGURE 5. GAIN/LOSS TOTAL EXPORT VALUE PER-FARM, 2016 VS 2017**



**COUNTIES’ TOP EXPORT COMMODITIES**

As noted above, commodities are not produced uniformly across the state. Thus, the importance of exports of a commodity will differ across counties and the sensitivity of a county’s agriculture to commodity markets will vary. The estimated commodity export values can be used to look at the geographic differences between which commodities are important to a county in terms of export value. Table 5 lists the number of counties a commodity is the top export product for a county in terms of export value. Figure 6 plots the top export commodity for each county.

**TABLE 5. NUMBER OF COUNTIES & TOP EXPORT COMMODITY – 2016 - 2017**

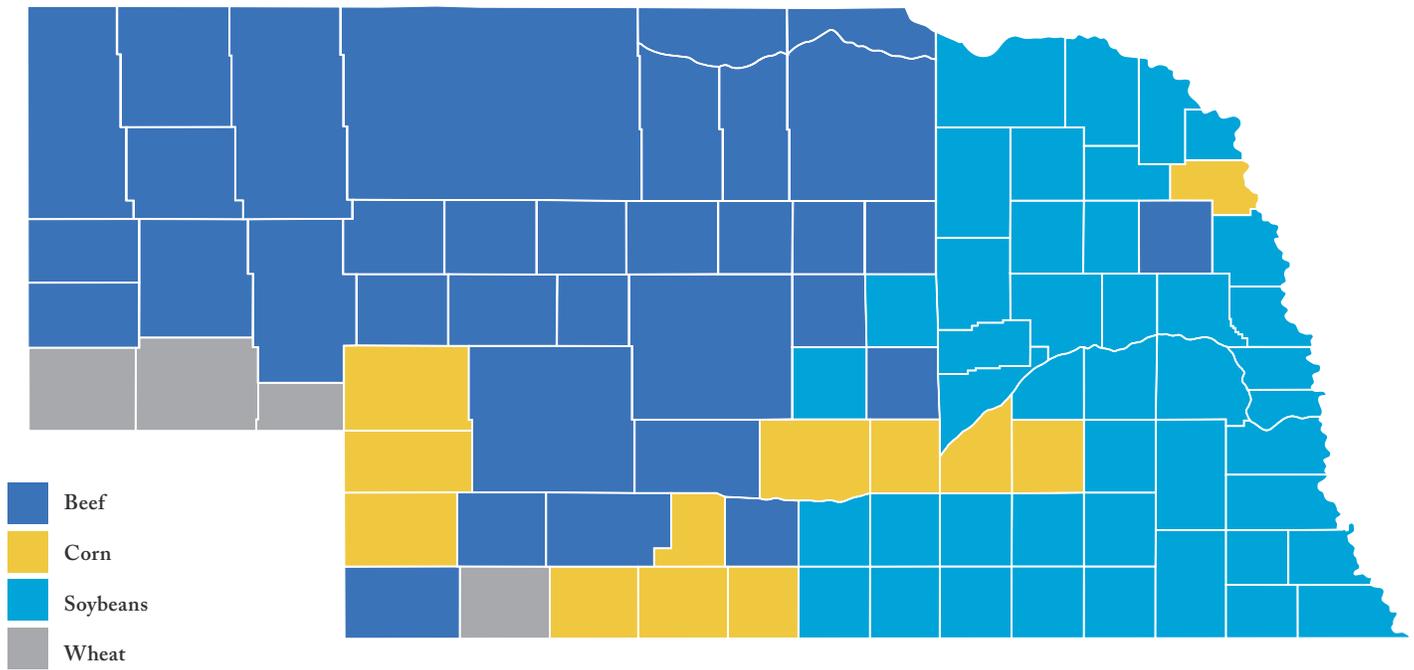
	Soybeans**	Beef**	Corn**	Wheat
2017	42 counties	35 counties	12 counties	4 counties
2016	42 counties	27 counties	20 counties	4 counties

*\*\*Includes value of soybean meal, ethanol, distillers dried grains, and hides and skins.*

Soybeans were the top export commodity for 42 counties, almost one-half of Nebraska’s counties. Soybeans’ prevalence is somewhat surprising given total corn production in Nebraska vastly exceeds soybean production. Each year, nearly one-half of the soybeans produced are exported, whereas, most corn produced stays in the country and is fed to livestock or is feedstock in ethanol production. Because a greater share of soybean production is exported, it’s importance to counties in terms of export value is magnified. Beef is the top export commodity for 35 counties, corn is top in 12 counties, and wheat in four counties. Strong beef exports in 2017 resulted in the number of counties where beef is the top export commodity increasing by eight, while counties with corn as the top export commodity dropped by an equal number.

The geographical distribution of the top export commodities across the state shown in Figure 4 illustrates clearly the regional nature of the importance of commodity export markets. Soybeans dominate in the eastern one-third of the state. Beef dominates in the Sandhills, northern Panhandle counties, central counties, with one outlier in the eastern part of the state, Cuming County, which clearly reflects the strong feedlot sector in that county. Wheat is the top export commodity in the southern tier of counties in the Panhandle along with Hitchcock County. Corn dominates in the central Platte and southwest regions of the state.

**FIGURE 6. ESTIMATED TOP EXPORT COMMODITY BY COUNTY, 2017**



## CONCLUSION

Nebraska was the sixth-largest agricultural exporting state in 2017 exporting \$6.4 billion of agricultural goods. Nebraska topped the nation in exports of beef and hides and skins; was the third-largest exporter of corn, feed and other grains, and processed grain products; the fourth-largest exporter of soybeans; and the fifth-largest exporter of soybean meal. Other Nebraska products exported include ethanol, popcorn, wheat, pork, dry edible beans, and a host of other commodities and processed products.

This report uses various means to measure the relative value of agricultural exports to Nebraska farmers and ranchers. Estimates of per-unit values, the total dollar export values by county, and per-farm values of exports were calculated to describe the reliance of different areas of the state to trade. The report also examines the top commodity exports by value to counties. It's no surprise given the prevalence of soybean, beef, and corn production in Nebraska, these three commodities are important at the county level in terms of export value. Somewhat surprisingly, soybeans are the most important export commodity in nearly half the state's counties despite the abundance of corn production relative to soybean production. Exports of other commodities, though, like wheat and pork, also play important roles in several counties across the state.

The analysis identifies which Nebraska counties potentially have the most at risk if international trade were disrupted. It is hoped this analysis will help Farm Bureau members, industry stakeholders, and policymakers better understand how much Nebraska agriculture relies on export markets.

## APPENDIX: DESCRIPTION OF ANALYSIS

The production-based approach used in the analysis is patterned after the approach formerly used by the United States Department of Agriculture Economic Research Service (USDA-ERS) to allocate export value to states. Each county's share of total state production for a commodity was calculated and multiplied by the commodity's total export value for the state. In this way, each county's export value for a commodity can be estimated. USDA-ERS now uses a cash receipts-based methodology for allocating export value. This analysis uses the production-based methodology instead to take

advantage of the most recent data available. Commodity cash receipts are only reported at the county level in the Census of Agriculture conducted every five years and the last available census was performed in 2012.

The approach can provide reasonable estimates of the relative importance of exports to the counties, but it does have shortcomings. For example, the value of beef and pork exports includes other costs like processing, transportation, margins, etc. These costs are reflected in the export value attributable to a state and will consequently be reflected in the county value estimates. In addition, the value of beef and pork exports adds value for producers of corn and soybeans, and this value is not reflected in county level values of these commodities. A commodity produced in one county can be sold in another county, and processed in a third county, further dispersing the value of the exports sold. However, even with these shortcomings, the figures can provide a reasonable approximation of the magnitude or importance of various commodity exports.

County and state-level production data for 2017 for corn, soybeans, wheat, sorghum, and dry beans comes from USDA National Agricultural Statistics Service (USDA-NASS). Cattle numbers for 2017, including both cows and calves, also comes from USDA-NASS. County level data for hog numbers was not available, so a receipts-based approach was used using data from 2012 USDA Census of Agriculture. Production data was not available for all counties due to the insufficiency of the data. Thus, some counties may not have estimates for a specific commodity. Nebraska 2017 export data comes from the U.S. Census Bureau.

The analysis also sought to account for the export of products and byproducts which could be traced to a specific commodity, such as ethanol and distillers dried grains. The export value for these processed goods was apportioned to counties based on counties' production share. To estimate the value of exports of beef and veal for each county, the share of each county's cattle inventory of the state's total inventory was calculated. The estimated share serves as a reasonable proxy of the importance of beef cattle in the county. Each county's share was then multiplied by the beef and veal export value for the state to estimate the value of beef exports to the county. Using total cattle inventory blends both the cow/calf and feeding sectors of the industry in the figures, however, given the goal of the analysis is to estimate the relative importance exports to Nebraska counties, the approach taken was reasonable.



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