

**CIRAS USDA BioPreferred<sup>SM</sup> RESEARCH REPORT ANNOUNCEMENT**

[Development of a Purchasing Managers' Index for Biobased Products](#)  
[CIRAS Pilot Project Report](#)

Liesl Eathington, and David Swenson\*  
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\*Respectively, Assistant Scientist, Department of Economics; and Associate Scientist, Department of Economics,  
Iowa State University

The federal government has strong motives for monitoring and encouraging the growth of biobased product industries; to the extent that they shift their fossil-fuel-based counterparts, in turn biobased products will help reduce greenhouse gas emissions. Should these industries take hold and expand, they may boost rural development by providing new business opportunities in rural areas as well as helping to stimulate demand for agricultural commodities, which in turn increases prices. The U.S. Department of Agriculture (USDA) BioPreferred program promotes new uses for agricultural commodities by encouraging their use throughout the federal government. In developing its BioPreferred program, the USDA has completed and sponsored research that has helped to better define and identify biobased products and biobased companies.

- The probability of developing a composite economic indicator to evaluate the expected performance of the biobased product sector is explored.
- Various types of composite indicators and their appropriateness for describing trends in the overall biobased products sector are discussed.
- Probability of using purchasing managers' expectations to differentiate between various characteristics of sector performance was tested.
- Several methodological and administrative issues involved in moving from a pilot study to a full-scale biobased products purchasing managers' survey are considered.