



# NUTS & BOLTS

... Teachers delivering knowledge that works to North America's Farm and Ranch Families

Volume 12 Number 1

Fall 1998

## Missouri Showed Us

by Wayne Pike

Missouri's farm and ranch business management instructors did a super job planning and executing our 26<sup>th</sup> annual NFRBMEA conference. Chillicothe was a warm and welcoming host city. Even the weather cooperated, causing only one early morning tornado warning.

We kicked off Monday morning with Glen Klippenstein, Missouri cattleman and legislator, who urged us on to greater efforts in our work to help farm and ranch families. Things got just a little technical as we spent two hours with Jerry Murphy, Clear Lake, Iowa, who explained Employee Stock Ownership Plans. Refreshing our minds over lunch was the task of Jerry Crownover, a former ag instructor, currently a rancher, who entertained us with funny tales of his life in agriculture.

John Hebblethwaite, executive director of the Conservation Technology Information Center in West Lafayette, Indiana, gave us some of his perspective of agriculture as seen from his many years of worldwide experience as an employee of Monsanto.

Next on our agenda was Abner Womack, co-director of the Food and Agricultural Policy Research Institute and professor of ag economics at the University of Missouri. Dr. Womack explained the work of FAPRI that uses econometric models to analyze ag policies for the U.S. Congress and other decision-makers. This was one aspect of ag technology that is very critical to farmers and ranchers that most conference attendees did not even know existed.

The next day dawned clear and cool. One busload of family toured the Kansas City area and the Truman Library. Three busloads of instructors and families headed out into the Missouri countryside for a day of sightseeing and instruction. We visited Premium Standard Farms training facility and got a drive-by tour of some of their hog setups. From there, we moved on to a wheat field where a former English family explained their learning curve as it applied to raising

high yielding wheat in Missouri. TransOva Genetics was our next stop where we learned about embryo transplants and the effect that technology is having on beef production. After our picnic lunch at TransOva, it was on to the University of Missouri Forage System Research Farm. At the Research Farm, Jim Gerrish, widely known for his work in grazing, gave a detailed tour of their rotational grazing study despite his aching back.

The next day we studied with Dr. Freddie Barnard, Purdue University, who led us through a hands-on exercise to help us utilize farm records, balance sheets, and cash flow statements in farm decision making. Earl Dotson from the National Pork Producers Council, and Craig Witt, who spoke on behalf of the USDA on risk management, were also sandwiched into this busy day's activity. Not all was "nose to the grindstone" as we listened to Ralph Duren after lunch. Ralph presented us with a symphony of wildlife sounds that entertained instructors and their families. The day ended with a barbecue in the park.

Our final morning began with our traditional story-telling breakfast and ended with the final business meeting.

Congratulations to conference planners Jim Grozinger, Brian Thompson, and John Sponaugle on putting together a very educational, interesting, and entertaining conference.



## A Message From John Caster, Our NFRBMEA President

We had a great conference in Missouri! I want to personally thank all of the Missouri instructors and their spouses who had a hand in making this event enjoyable, memorable, and most of all, valuable to me as an instructor of farm and ranch business management. While I am handing out kudos, I had the pleasure of serving with a fine group of officers this past year. We all owe much to Dennis Jackson, Larry Klingbeil, Mike Lockhart, Tim Holtquist, John Sponaule, and Wayne and Deb Pike for their dedication to excellence. These people have helped develop the NFRBMEA into the premier organization for farm and ranch business management educators.

Those of you who have been members of NFRBMEA have enjoyed the benefits of many of our fine educational conferences. The informal discussions with and encouragement from fellow educators has been priceless. Our professional contacts and experiences have all helped to make us more effective and have made our vocation one of the most enjoyable around.

In addition, just in case you haven't realized it, farm and ranch business management education is becoming more important every day. All major commodity groups are developing production and accounting standards to provide management information. These groups have cited lack of good records as the greatest limiting factor in achieving business goals. This is a good opportunity for our members to take the leadership in providing the desired education in record keeping and decision making principles.

As commodity prices continue at low levels, farmers, lenders, and consultants will be turning to our types of programs for assistance in dealing with the economic realities of reduced farm income. Harlan Hughes, North Dakota State Economist, said in the August 31, 1998 Western Livestock Journal, "I think the single most valuable ranch management tool, bar none, is comparative analysis." Consider Dr. David Kohl's emphasis on Farm Financial Standards; Randy Allen's marketing strategies starting with cost of production; and other nationally recognized speakers emphasizing the need for what our programs provide. We find ourselves in a very important and exciting position. It's a great time to be involved in the business of helping farm families succeed.

I encourage everyone to become an active, involved member of NFRBMEA and begin making plans now to attend the June 1999 conference in Red Wing, Minnesota. Jim Kelm and the conference committee are planning to emphasize technology. As computers, precision farming, infrared photography, Internet, and instant communications change the world of our students, things like net meetings, distance education, presentation software, and LED projectors are changing the world of education as well. The best way I know to keep up with these changes is the contacts we have with our fellow instructors through NFRBMEA.



*A special thanks to everyone who contributed to this issue or submitted articles. We are always looking for more. Please keep them coming in, especially those states outside Minnesota. We want to hear from you, too.— WP&DP*

## Teaching Materials Stipends

by Denny Jackson

At a summer NFRBMEA Board meeting, our Board of Directors decided to encourage the use and dissemination of information from our annual conference in Chillicothe.

We are seeking management education curriculum material. These materials are to be developed by NFRBMEA members and must be based on a presentation from the Chillicothe conference. For example, a lesson may be developed from information presented by Dr. Freddie Barnard.

The materials may consist of word processor files, presentation software (Power Point) files, or spreadsheets. It may be a lesson plan, handout, worksheet or combination of materials and

media. The only stipulation is that any materials must be able to be sent electronically, that is, by e-mail attachment. The hope is that others can utilize materials developed by NFRBMEA members.

NFRBMEA will provide a stipend of \$200 each for the first five individuals who submit teaching materials. Send your materials as soon as possible as an e-mail attachment to:

Dennis Jackson

[dennyj@tc-mankato.scm.tec.mn.us](mailto:dennyj@tc-mankato.scm.tec.mn.us)

Submission makes these materials NFRBMEA property for distribution to others. The topics will be publicized in a future issue of Nuts & Bolts and on the NFRBMEA Web page.

## New Officers for 98 - 99

Our newly elected officers for the 1998 - 1999 year are Maylon Peters (CO), president - elect; John Sponaugle (MO), secretary; and Ira Beckman (MN), treasurer. Check the back page of *NUTS & BOLTS* for their addresses and numbers.

Oliver and Doris Kienholz have taken a break from their long-time post as historians that they created. Thanks to Oliver and Doris for their dedication and creativity.

Thanks to Laurie Morris (CO) for eagerly taking over this job. She will appreciate your donations of photos (make sure you write on the back) or NFRBMEA memorabilia.



## Agricultural Computer Software

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## AN INVITATION FROM THE ABA

For nearly fifty years, the American Bankers' Association National Agricultural Bankers Conference has been dedicated to the working agricultural lending professional. Over the years, the conference has helped to define the profession of Agricultural Banker. This year we continue the tradition with *The Value-Added Ag Banker*.

John Blanchfield, manager of Agricultural Banking and Rural Development, American Bankers Association, extends the following invitation especially to NFRBMEA members. All NFRBMEA members are invited to the 46<sup>th</sup> ABA National Agricultural Bankers Conference.

This year, our conference theme is *The Value-Added Ag Banker*. The conference is dedicated to the proposition that banks that identify, create and maintain a clear value advantage will be in a stronger position to leverage that advantage into superior performance. Every customer contact, every loan made or service rendered should in some way add value to the customer, and in turn, increase the competitive advantage of the bank. Ag banking can no longer depend on credit alone to sustain the industry into the 21<sup>st</sup> Century.

Our pre-conference seminar is titled, *Financing the Alpha and the Omega Farmer*. The session, taught in part by Dr. David M. Kohl, will focus on how a bank can add value to the relationship with the beginning or expanding farmer. We will also learn how the relationship with the retiring farm customer can yield substantial after-farming benefits to your institution. Dr. Alex White, farm retirement planning expert, will share his impressions on wealth management and how you can make things happen at your bank.

Another fifty industry experts will lend their voices and thoughts to the concept of the value added ag banker, among them are:

**Kevin Freiberg**, our keynote speaker, is the best selling co-author of *NUTS!*, the story of South West Airline's crazy recipe for business and personal success. Mr. Freiberg is famous for using powerful stories to illustrate how it is still possible to go home emotionally charged in a do-more-with-less world where change is constant and competition is relentless.

**Dr. David Kohl**, best-selling author of *Weighing the Variables*, will deliver another show-stopping report from the undiscovered universe that is his mind. He takes over the conference on Sunday, Monday and Tuesday. *Credit Scoring for the Real World* will be one of Dave's 1998 messages.

**Bruce Christopher**, author of the provocative book, *Why Women are So Strange and Men Are So Weird*, will be our closing speaker. He will provide tips on how you and your spouse can add value to your relationship.

The ABA has set a special registration rate for NFRBMEA members of only \$425. That is about \$300 off the regular rate. This year's conference is at the Hyatt Regency Hotel in Minneapolis, Minnesota, on November 8-11. Registration is easy. Just call 202/663-5291 for the complete conference program. Be sure to mention that you are a NFRBMEA Member!

The future of agricultural banking and finance will be written in Minneapolis this November. Will you be a part of it? ✓ (EDITOR'S NOTE: See related article on page 7.)

### Calling All Webpages!

by Deb Pike

In July, I had the pleasure of attending a class on web page design during the Minnesota Vocational Ag Instructor's Association conference in Red Wing. It was so much fun and I learned a lot! The class focused on designing a webpage using HTML. Although many word processing and desktop publishing programs have "wizards" to aid in producing webpages, knowing a little bit about HTML can help you understand why your page looks the way it does or help you modify your finished page to make it more effective.

As a result of this class, Landmark FBM Ed now has its own webpage. Please visit us at:

<http://spider.smig.net/users/landmark/LndmrkHome.html>

We'd like to know about other farm and ranch business management ed sites out there, and encourage anyone who might be interested in creating their own webpage to give it a try. There are many good resources available, both in book-form and online.



Wheat farmer Peter Brewer explains his technique to NFRBMEA members during the 1998 conference tour. We also toured a Premium Standard Farms facility, TransOva Genetics, and the University of Missouri Forage System Research Farm.

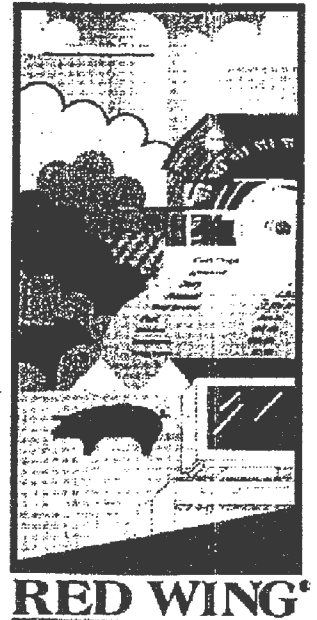


George Spengler from Vertical Solutions, Inc. of Minot, ND demonstrates farm accounting software for an interested NFRBMEA member. Look for the Vertical Solutions ad in this issue of *NUTS & BOLTS*.

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## Persons and Hest Named Honorary Lifetime Members

**D**r. Edgar Persons and John Hest were recently named Honorary Lifetime Members of the NFRBMEA. The Honorary Lifetime Membership classification was created especially for these two outstanding NFRBMEA members at our 1998 annual conference in Chillicothe.

Dr. Persons earned his distinction as an Honorary Lifetime Member during his long tenure as professor of agricultural education at the University of Minnesota. He was a leader in promoting the concept of a national meeting of farm and ranch business management education instructors that eventually

led to the NFRBMEA and our annual conference. Dr. Persons is well-known for his tenacity and humor. He is retired from the University and is now determined to make money raising beef cattle near Kensington, Minnesota.

John Hest was the creator and first editor of our organization's newsletter, *NUTS & BOLTS*. He came up with the concept of publishing information that farm and ranch management instructors throughout the country would find interesting and useful. He kept that post for seven years, publishing four issues annually. John

also served as membership secretary for those years and was instrumental in providing the communication that held our early organization together. John lives in Hawley, Minnesota and is retired from a long career in farm management education.

Our membership voted to present these outstanding NFRBMEA members with engraved metal Honorary Lifetime Membership cards and to consider their dues paid into perpetuity.

Congratulations, John and Ed.



## Minneapolis to Host ABA National Agricultural Bankers' Conference

by John Caster

The 1998 American Bankers Association National Agriculture Bankers Conference will be held November 8 - 11, 1998 in Minneapolis. The location should be an attractive one for farm and ranch business management educators to hear the largest number of nationally known speakers anywhere.

Although the conference is aimed at bankers, every session has information of value to us as educators. This conference will bring in the experts on many hot topics in agriculture. The pre-conference seminar will address financing needs of beginning, expanding, and retiring

farmers. Topics on the conference agenda will include leadership, how farms be financed in the future, new dairy futures and options, the USDA dairy option pilot program, government agriculture policy, economics of large scale hog production, legal and business aspects of long term contracts for farmers, the agricultural outlook, coming changes in agricultural lending, dealing with phasing out of direct government payments, the impact of technology, global trade agreements, ag exports, banking on the Internet, farm land values forum, the Y2K problem, and many others.

These topics provide information you will use immediately in discussions on farm visits, stories and illustrations that will make your classroom time more exciting, opportunities to meet with potential guest speakers for your classes and seminars, ideas for new directions in your local FRBM programs, and, of course, opportunities to meet many interesting and knowledgeable people from across the nation and world.

This will be an experience you will not forget. Call 202-663-5291 for registration information.



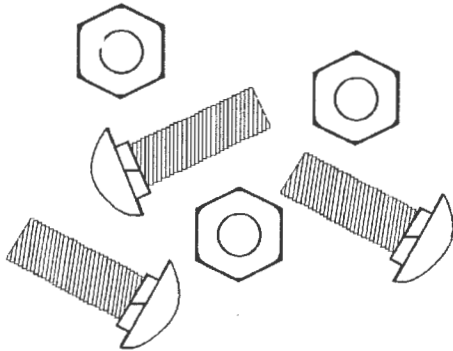
Farm & Ranch Business Management instructors not only assist pork producers, but help out with pork consumption, as well. Three busloads of hungry teachers and their families enjoyed a feast at the Pear Tree restaurant in Bevier, MO during our recent conference.

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