



AgBiz Masters Prepares Young & Future Business Owners

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Editor's Note: This is a special feature from the Center for Dairy Excellence exclusively for the Farmshine newspaper.

One of the greatest challenges we have as an industry is getting more individuals to think of dairy farming or farming in general as a business. Whether the conversations are with policy leaders, ag lenders, or even within individual farm families, we must continually stress the importance of looking at the business aspects of a dairy farm.

Most dairy producers do a great job at managing their dairy herd and planning their crops. They

know how to treat a sick cow, what to put in a feed ration, and when to top dress their alfalfa. However, doing some of the basic business practices, such as managing cash flow, monitoring cost of production, and creating a business plan, doesn't always come as easily.

As prices and margins become more volatile, knowing basic business principles is essential to having successful dairy farm businesses. A new learning series called AgBiz Masters, sponsored by a network of agricultural organizations, is helping young and beginning farmers learn these business and financial management concepts. The program blends e-learning opportunities through the Internet with periodic face-to-face regional seminars.

AgBiz Masters

A Learning Series for Young & Beginning Farmers

More than 110 participants are enrolled in the AgBiz Masters program. A two-year series, the first year including two in-person sessions and five eLearning modules offered through Farm Credit University.

For this week's CDE page, we interviewed three of the AgBiz Masters participants to find out how it is helping their business prosper. For more information about the program, call Raechel Sattazahn at 1-800-349-3568, extension 6016.



SALLY HAGGERTY Grape Farmer, North East, Erie County

Sally and her husband Jason have a grape vineyard on five acres from her parents. They also work closely with Sally's parents who farm 300 acres and have an ag equipment business. Eventually Sally and Jason hope to take over her parents' operation.

Why participate in AgBiz Masters? "Our lender recommended the program, and we felt it was definitely something that could give us a good base of knowledge for writing a business plan and becoming more strategic as we begin transitioning into my parents' business."

What parts of AgBiz have you completed so far? "We attended the Mercer meeting with Dr. David Kohl. That was an invaluable opportunity to listen to what was going on across the state and hear Dr. Kohl's insight on the temperature of the economy and on where the industries are heading."

"We also completed the first two modules of the program. The first was about megatrends and what is facing our industry. The second was on strategic business planning, which included doing a SWOT analysis, identifying a vision and mission, and writing your core values."

How has the program had value for you? "It's going to give us the tools to take our business to the next level. We can use those tools to carry out an honest business, keep our numbers in check and stay true to our goals."

"It also will help us re-evaluate when something is not working. On any given day something could happen that could change your situation, and you may have to re-evaluate your goals and direction."



JESSICA AND GREG PAINTER Dairy Farmers, Mt. Pleasant, Westmoreland Co.

Greg and Jessica farm about 170 acres and are in the process of building a dairy facility for 45 cows. The Painters also raise beef cows and custom raise dairy heifers. Greg has an agriculture service business where he sells seed, ag plastic, and spreads lime.

How did you learn about AgBiz Masters? "A friend of ours who was enrolling in it suggested we look into the program. From there, we talked to our ag lender who encouraged us to do it."

"Our initial decision to participate was because of the break Farm Credit offers in interest. However, the more we got involved in the program, the more we realized it is definitely worth it not only to meet other business contacts, but to see different business practices we could potentially apply to our own business."

What parts of AgBiz have you completed so far? "We attended a local webinar and we completed several of the online modules as a couple. The webinar was invaluable. Dr. Kohl shared his perspective on global trends in agriculture and each of us analyzed what was going on in our own regions. It was really interesting to see what was happening across the state."

How has the program had value for you? "The education will obviously help us. It has forced us to sit down and look at our balance sheet and what we prepare for our lender. It also forces us to think through the money that is coming in and going out of our business and where we are going from here. It helps us think through the areas where we could expand the productiveness and growth of our business."



RYAN AND JENNIFER CLARK Dairy Farmers, Tyrone, Blair County

Ryan and Jen operate Windy Lane Jerseys, a 110-cow dairy operation with 108 heifers and 100 acres of rye and corn silage. The Clarks started dairying in November 2007 on a rented farm. Ryan grew up in a crop operation but worked on dairy farms while he was growing up.

How did you learn about AgBiz Masters? "My lender asked me if I wanted to participate in it and I thought it would help build my relationship more with the banker."

"The criteria in lending is really changing, and I thought it would help me learn more about what the banker wants when you visit with them or ask for a new loan. The interest deduction we receive from Farm Credit really helps, too."

What parts of AgBiz have you completed so far? "I completed a couple of the modules and participated in the meeting with Dr. David Kohl. During that meeting, we talked about good business measures and how to look at our own operation and see where we can go from here."

"The first two modules helped me learn a little more about the terminology they use in the banking industry. I am looking forward to the next ones because they look a little more in depth"

How has the program had value for you? "I hope the program helps me keep a good relationship with my lender and get a better understanding of what we need in the future to grow our business. I think it will help me learn to be a better business manager."

