

Master Farmers Give Personal, Financial Advice At Young Farmers Convention

OSAGE BEACH, MO.

Find good advisers. That was a tip Master Farmers shared at the Missouri Young Farmers/Young Farm Wives Association meeting, Feb. 6-7, at the Lake of the Ozarks.

Advisers include a good spouse, educators, a reliable banker and trusted investor in the futures market. Farmers must be lifelong learners and willing to change. Those were points from four new Master Farmers.

The roundtable panelists were Richard Oswald, Langdon, Mo., who raises specialty crops such as white corn; Brent Sandidge, Marshall, Mo., who raises hogs; Denis Turner, Hartville, Mo., who raises dairy replacement heifers on grass; and Bill Cook, Garden City, Mo., who exports identity preserved soybeans. They were selected for the honor by Missouri Ruralist magazine and University of Missouri Extension. FCS Financial gave \$1,000 checks to each.

Panel moderator was Ron Plain, Columbia, MU Extension agricultural economist.

Richard Oswald has a photograph of his father as a young man in a straw hat driving mules. "Before he died, he drove tractors with air-conditioned cabs. Now I sit in a tractor guided by GPS while I surf the Web on my Blackberry."

Other panelists shared similar stories, as all began farming with help from parents.

Young farmers quizzed the panel. First topic was how to survive in times of volatile commodity prices.

Sandidge said his father built the farm with hard work. Now farmers are financial experts. "We sold hogs on an open market; now we hedge hog prices to reduce risks."

Cook said farmers must learn the futures market. "Get a trusted adviser. The futures can eat you up, calling for margin checks every day on a crop you haven't even planted yet." Cook advised farmers to avoid futures contracts with buy and sell options to protect prices from ups and downs.

"First, you have to know your cost of production," Cook added. "I did everything wrong and learned the hard way."

Turner said he raises dairy heifers for other farmers on contracts that specify the price. The challenge becomes controlling production costs. He substitutes quality forages for expensive feed

grains.

How does a young farmer get started? Look first to parents and extended family, but don't stop there. Cook said older farmers need young partners. "If you have farming skills, you are a valuable commodity."

Sandidge said young people must learn financial management. "At today's costs, you'll spend more money than you ever imagined. You must learn budgets. If you can't manage your personal finances, you can't manage a business."

Three of the four panelists told of buying farms "at the worst possible time," the farm crisis of the late 1970s and early 1980s. Oswald said he bought a farm at age 23 with an open loan rate of 5 percent. Two years later interest rose to 17 percent. "I couldn't write the check," he said. After refinancing his farm credit, he went to work at nights in a meatpacking plant at Rock Port, Mo., to pay bills.

It's not all economics, Cook said. Good farmers must know the values, character and attitude needed to be a farmer. "Attitude is your choice," he added. "You must understand that your greatest value is yourself and your family. You must make good choices."

When asked about getting away from the farm business, each panelist admitted that was tough.

"I thought I was too busy to go to a short course to learn swine rations," Sandidge said. "That was a big mistake. By getting away, you learn."

Turner said, "The first time I was away for a week, I was miserable all of the time." But later he knew he'd learned so much that getaways became necessary. "You just plan for it, budget for it. Getting away for two days to come here took planning."

Cook said, "You don't have to reinvent the wheel on everything you do. Listen to your parents."

All panelists gave examples of how educators help them in their business. "I bug the specialists down at the university all of the time," Sandidge said.

Forms to nominate Master Farmers will be available at MU Extension offices and MissouriRuralist.com. Deadline is Aug. 1, 2010. Δ



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