

## Message from the President



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It is a gross understatement to say American farmers and ranchers have a significant impact on our everyday lives. Their hard work and dedication are significant contributors to each meal we are privileged enough to enjoy. The increased availability of higher quality food, both here in the U.S. and worldwide, has been well documented. However, information relative to the individuals helping to provide our food, tends to receive less notoriety.



**Alan Hoskins**  
President

Based upon information cited in the United States Environmental Protection Agency and American Farm Bureau websites, the number of farms in our country has decreased from 6.8 million in 1935 to 2.2 million today, with nearly a 68% total reduction. It should be noted however, that 1 in 4 of the current 2.2 million in farms produce greater than \$50,000 in gross revenue. Given that statistic, it can be surmised, the number of farms providing a living wage to the operator is actually 550,000 as opposed to 2.2 million. This translates into a 92% reduction in the number of farms over the same period. Approximately 97% of the current U.S. farms are operated by families consisting of individuals, family partnerships or family corporations.

Given the data referenced above, only 2% of the approximate \$313,000,000 U.S. citizens live on a family farm. The number of individuals claiming farming as their primary occupation is even lower with that figure being only 1%. Similarly to their sheer numbers, the American farmers and ranchers share of the dollar consumers pay at the grocery store has also been on the decline. In 1980, 31 cents of every dollar paid at the retail level was received by the actual producer. This number has decreased by 48% to only 16 cents per dollar as of today.

Given the statistics cited above, I feel very comfortable saying: America's farmers and ranchers represent a model, beneficial for study by any segment of our business society. The efficiency of significantly fewer individuals providing a more readily available and higher quality product, while receiving less of the gross revenue for the goods, is a testament to the producer's willingness to adapt new technologies and business practices.

For those of us who live in rural areas, we have seen signs and/or posters with the following words, "If you ate today, thank a farmer or rancher". Most farmers and ranchers did not enter their profession expecting thanks for their daily activities. This is a perfect opportunity to publicly express my gratitude for all of the efforts put forth by the women and men who help provide food to our communities. I realize these are merely words, and they are long overdue, but they are my heartfelt appreciation for the hard work you put forth and the risk you incur every day.

*Source: Alan Hoskins, President*



## Maple Syrup Makers Go High-Tech With Wireless Monitoring

Maple syrup production has come a long way from metal buckets hung on trees, but even high-tech operations have had to rely on old-fashioned foot patrols to fix a common problem... leaks.

The tubes that draw sap from trees straight to sugar houses often get pulled down or bent by falling limbs or chewed by critters, meaning sugar-makers spend hours and sometimes days stomping through snowy woods to find and fix problems, a big time-waster in a sugaring season that lasts just a few weeks.

Sugar-makers are harnessing new technology to keep the precious sap flowing. Meadowbrook Maple Syrup in January installed a monitoring system that is already paying off. Designed to help mid-to-large scale syrup producers keep an

electronic eye, their sap vacuum lines, the Tap Track system consists of solar battery-powered radio units strapped to trees, with each unit monitoring the pressure on a half-dozen lines.

The data is transmitted to a computer or smartphone, where it shows up as a map with green dots indicating lines with good sap flow and red dots indicating leaks. Users can even get text messages alerting them to problems.

"I think it's the thing of the future. I really do," owner Donnie Richards said. In the past, Richards and his crew would have to walk the woods of Milton listening and looking for leaks, which was time-consuming. Now he uses his iPhone to check the system and can immediately see a leak and when it is repaired.

Richards' operation includes about 5,000 taps, with about 18 miles of tubing spread out over more than 100 acres. The new system costs \$1 to \$2 per tap, but inventor Jason Gagne said the return on investment can be seen in one season. He said the test site of 20,000 taps resulted in a more than 5% increase in sap collection, or an extra \$15,000.

It takes warm days and cold nights for sap to flow, so the conditions are just right for syrup-making for only about 4 to 6 weeks. Proctor researchers expect the new system to make their operation more efficient and productive.

"With these remote monitoring systems, we can effectively lower our labor costs and increase our production," Richards said.

*Source: The Guardian*

## Deadly Virus Sending More Pigs Straight From Fair to Slaughter

Porcine epidemic diarrhea virus, (PED), a pig virus spreading across at least 29 U.S. states, has spurred officials from Colorado to West Virginia to recommend that fairs host "terminal" shows this summer. Translation: The hogs on display will head from the grounds straight to slaughter.

To limit exposure to the PED virus, state Veterinarian Paul McGraw banned the spring weigh-in of pigs before Wisconsin's county fairs. More local fairs may do the same this summer. The precautions may not be enough to contain the disease.

"If you take him to the fair, you take him to the butcher show right after that," says Lawrence Kane, a market

adviser at Stewart-Peterson Group in Yates City, Ill. "They don't want the animals to come in. We are not going to contribute to the spread of PED."

The number of confirmed cases in the U.S., the world's biggest pork exporter, has surged since the illness was first confirmed in Iowa last May. The disease, which poses no threat to humans or other food supplies, can kill all pigs under three weeks old and prevents older hogs from gaining weight, delaying their arrival at slaughter plants.

Effective or not, the new recommendations are being taken seriously. In Wisconsin, most fairs are heeding McGraw's advice and

holding terminal shows, says Bernie O'Rourke, an extension youth livestock specialist at the University of Wisconsin, Madison. Instead of spring weigh-ins at which animals may mingle, some fairs are using DNA testing to verify animals' identities, O'Rourke says.

Though Iowa, the biggest U.S. swine producer, has suffered the most confirmed cases of the virus, the state isn't mandating terminal shows. Individual counties will make that decision, state vet David Schmitt has said. In any event, children who show pigs that grow into market hogs expect their animals to end up at a processing plant.

*Source: Business Week*

## *June is National Dairy Month*

National Dairy Month started out as National Milk Month in 1937 as a way to promote drinking milk. It was initially created to stabilize the dairy demand when production was at a surplus, but has now developed into an annual tradition that celebrates the contributions the dairy industry has made to the world. After the National Dairy Council stepped in to promote the cause, the name soon changed to "Dairy Month."

National Dairy Month is a great way to start the summer with nutrient-rich dairy foods. From calcium to potassium, dairy products like milk contain nine essential nutrients which may help to better manage your weight, reduce your risk for high blood pressure, osteoporosis and certain cancers. Whether it's protein to help build and repair the muscle tissue of active bodies or vitamin A to help maintain healthy skin, dairy products are a natural nutrient powerhouse. Those are just a few of the reasons that you should celebrate dairy not just in June, but all year long.

*Source: International Dairy Foods Association*

## *The Importance of a Contingency Plan*

Have you ever dreamed of selling your business and retiring to pursue a lifelong passion or hobby? Hopefully, that will happen, but let's face it, life is unpredictable. So, it's important that you prepare for all exit options.

Having a contingency plan in place provides the necessary backup in the event the unexpected happens. This plan should be in writing and should outline what actions you want taken.

The plan should document items such as:

1. Who you want to run the business in your absence
2. Whether the business should be sold, continued or liquidated
3. Who should your loved ones consult regarding a sale, continuation, or liquidation
4. If your company should be sold, what issues were most important to you
5. What buyers if any should your loved ones make sure to contact or make sure to avoid
6. Any other items that are important to you

Think of your contingency plan as the set of instructions that you leave your loved ones when you aren't around to guide them. These instructions are not typically included in your will, estate plan or business plan.

Often the contingency plan is supported by disability or life insurance that will ensure your plans will have the funding they need to be carried out. The worst legacy a business owner can leave for his or her family and employees are the headaches that come with trying to wrestle with the company's issues without the owner's leadership and guidance.

Odds are you will exit your business in the best of scenarios since you have an exit plan, but isn't it better to be prepared for "just in case?" Call it a contingency, call it expecting the unexpected. Call it whatever you want, just be smart - be prepared.

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# American Farm

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**For more information on the benefits of Legence Bank's Smart Business Checking for your farm operation, please contact Olivia Bradley with Legence Bank at 800.360.8044 or by email at [obradley@legencebank.com](mailto:obradley@legencebank.com)**

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