August/September
Upcoming Events

Women in Boots and Blue Jeans Conference, August 21, 9:30 a.m. to 3:30 p.m., Kirksville and Mexico, MO. Contact Mary Sobba at 573-581-3231.

Master Gardener Training, Mexico, MO. Training begins Sept. 3, each Tuesday evening from 6:00 - 9:00 pm for 11 weeks at Audrain 4-H building. Registration $145, due August 23, call Audrain Extension office at 573-581-3231.

Commercial Ag Beef Tour, Saturday, August 24, in Marion and Lewis Counties. Contact Zac Erwin at 573-767-5273.

Farm Lease Program, August 28, 6:00-9:00 p.m., in Macon, Columbia, and Green City, MO. Contact Joe Koenen at 660-947-2990.

Management Intensive Grazing School, September 6-7, Greenley Research Farm, Novelty, MO. Contact Karisha Devlin at 660-397-2179 or Zac Erwin at 573-767-5273.

Missouri Livestock Symposium, December 6-7, Kirksville, MO. http://www.missourilivestock.com/

Show-Me-Select Bred Heifer Sale, December 14, F&T Sale Barn, Palmyra, MO.
Planning For Your Future

Recently I have read a lot of statistics concerning business plans. One study that really got my attention was conducted by Virginia Tech, Purdue University, and University of North Carolina. The findings showed that farms with a business plan, mission statement, and written goals were 60% more profitable than those that did not. Business plans are essential to improving profits and efficiency, and more lenders are now requiring them.

How many of you have a written plan for your farming operation? In this article, I want to discuss long-range business planning – planning for your future.

There are four issues to consider when developing a long-range business plan. They are:

- What your farming operation might do (its opportunities)
- What your operation can do (management capabilities and resources available)
- What you want to do (dreams, aspirations, personal values)
- What your operation should do in meeting obligations to society (following governmental regulations regarding use of chemicals, etc.)

Your task as the owner/manager is to blend these components into a long-range plan. Briefly, I will take you through a five-phase sequence for planning the future of your farming operation.

**Phase 1: Evaluating your present farm situation and set tentative goals**

It is impossible to plan for the future without evaluating the present situation of your farming operation. The first thing to do is to assess your past year’s business performance. Look at your financial statements. Use farm financial analysis software, such as FINPACK, to do a detailed analysis of your farming operation. This will help in assessing the strengths and weaknesses of your operation and show the general direction it is headed. Next, assess the future business environment. What are your expectations about farm prices? What about production levels and farm costs? What effect will changes in government programs and regulations have on you? The third step is to determine the availability of resources. What is the quantity and quality of land, labor, and other capital and management resources? Lastly, set goals for your farming operation. Be sure to involve your family members or business partners in this process. Remember the farming operation affects them too!

**Phase 2: Developing a long-range business plan**

Now that you have evaluated your present farm situation, you can begin developing a long-range business plan. After evaluating your present farm situation, did you like your results? If you did, then you probably should continue with your present plan (just put it in writing). If not, then you need to ask yourself what do you need to do to make it better? Is there a short-term or long-term problem? If it is a more serious long-term problem, the next step is to identify opportunities for improving profitability. Some opportunities for improving profitability of your present farming operation include:

- Increasing returns over direct costs
- Making adjustments in the enterprise mix
- Improved management of overhead costs
- Expand or downsize your operation

The financial soundness of any business hinges on its ability to meet its financial obligations. If there are problems meeting cash flow or liquidity demands, examine opportunities to increase the net cash income from farm and nonfarm sources. Another option is to reduce income taxes through better farm management, reduce family living expenses, and other nonfarm draws. For solvency problems (high debt/asset ratios and/or declining
family living expenses, and other nonfarm draws. For solvency problems (high debt/asset ratios and/or declining net worth), look for ways to increase farm profits. Good tax management and watching family living expenditures will also improve the solvency position. You can also improve financial soundness through risk management. Production and yield risks can be managed through crop insurance, diversification, and lower risk production practices. Develop a marketing plan to manage price and market risk. Maintain adequate cash and credit reserves to manage business and financial risks.

Phase 3: Developing a Transition Plan
Once you have decided on a long-range plan, your next step involves deciding “how to get there from here.” Usually no one can jump right in and make all necessary changes at once. Therefore, you need to ask yourself what can be done now, and what is the most important. Transition planning involves making production and financial projections for use in deciding the best way to achieve your long-range plan. These projections help the owner/manager to think through production and financial details of a new undertaking.

Phase 4: Finalizing your Plan
Before finalizing your plan, be sure to check with your lender and other resource providers. Major changes usually require additional capital, so it is important that your lender agrees with your plan. Changes in a farming operation may also include tax and legal implications. Check with your tax advisor or attorney, in addition to your lender. Once again, be sure to include your family and business partners in the planning process.

Phase 5: Implement your Plan
The last thing to do before implementing your plan is to go through a checklist. If you are making substantial changes, work with your lender on securing funding. Be sure to define the roles that family members and/or business partners will be playing. Look at existing contracts such as leasing land, machinery, and buildings. Do your existing contracts need to be revised or should you enter new ones? Determine if your present business organization fits into the new long-range plan, or whether you should consider a different form of business organization such as a partnership, corporation, or LLC. Evaluate your current accounting and record-keeping system. Review current insurance coverage to determine if there is adequate protection for your business and family. Lastly, develop or update your estate plan.

A business plan is a roadmap for your farming operation. Yes, it does take work to develop one, but it is well worth the time. A great resource (and it’s free) to develop a business plan is AgPlan. Visit the AgPlan website at www.agplan.umn.edu. If you have any questions about AgPlan, developing a long-range business plan, or have interest in trying the FINPACK software, call me at 660-397-2179.

UPCOMING PROGRAM
The fifth annual Women in Boots and Blue Jeans Conference will be held on August 21, 2013, from 9:00 a.m. to 3:30 p.m.. Four sites (Kirksville, Mexico, Carrollton, and St. Joseph) will be participating in this educational event. Topics covered include: marketing outlook and strategies, putting together a marketing plan, estate and succession planning, crop and livestock insurance, and communicating with family. For more information, visit the conference website at http://extension.missouri.edu/boots or call 573-581-3231.
2013 Commercial Ag Beef Tour comes to Northeast Missouri

The 2013 Commercial Ag Beef Tour will be held on Saturday, Aug. 24, in Marion and Lewis counties. The tour will have a “progressive supper” format and is free to the public. At each of the 4 stops, visitors will hear presentations from the owners about their operations and challenges they have faced. Each stop will also feature talks from experts on subjects important to raising and marketing cattle, ending with a complimentary dinner at the last stop of the day. No pre-registration is required.

The first tour stop and registration begins at the Greg and Sue Drebes’ Prairie View Farm, 6096 Hwy Z, Monroe City at 12:30 pm. To drive to Prairie View Farms from Monroe City, drive north on Hwy Z for 4 miles. The driveway is on the east (right) side. Full directions to each stop will be handed out during registration. At the Drebes’ farm, participants will tour a newly constructed modified open-front building and listen to Drebes explain how he decided on the design and how well it has worked for his purebred Simmental and Sim x Angus breeding program. At this stop, Mike Deering, executive vice president of the Missouri Cattlemen’s Association will address Right to Farm legislation. A Department of Agriculture representative will also speak about the USDA Animal Traceability Rule.

The second stop is at the Mark Lehenbauer Farms near Hannibal. Lehenbauer’s livestock operation includes an Angus based commercial herd, and a cattle finishing operation under roof. Lehenbauer only feeds Missouri sourced cattle to take advantage of the Missouri Tax Credit Program and plans to expand buildings to make a 1000 head barn. Craig Payne, MU Extension Commercial Agriculture Program veterinarian, will discuss cattle handling facilities at the Lehenbauer farms. Also presenting a program is John Lory, MU Commercial Agriculture Program Environmental Nutrient Management Specialist.

Stop three is at the John Wood forage finishing business north of Canton. Wood has experimented with various grazing tools and varieties of forages that will extend the grazing season and now uses annual rye grasses that reseed themselves, redtop, timothy, eastern gamma, forage wheat and oats. Wood is a founding member of US Wellness Meats and advises producers interested in direct marking to market to their local communities. At this stop, Justin Sexten, State MU Extension Beef Specialist will talk about novel endophyte pasture renovation.

The final stop on the tour is Terry and Marilyn Little’s TL Ranch north of Monticello. Participants will tour the TL Ranch facilities and hear Little and others speak on the past, present and future of genetic improvement. Little believes using sexed semen is the best opportunity for improving the Angus breed or any cow herd in general and has moved to fall calving- September, October, and November, for ease of operation. Mike Kasten, program director of Quality Beef by the Numbers at MU, will talk about the QB program-outcomes and enrollment. Jared Decker, State Extension Beef Genetics Specialist, will speak on planned mating systems.

A complimentary beef dinner concludes the tour day at the TL Ranch. During dinner, participants will have an opportunity to talk with the owner/operators and guest speakers. This is the 18th year for the tour, sponsored by the MU Extension Commercial Agriculture Program and is under the direction of Rex Ricketts. The tour is also sponsored by the Lewis County SWCD Board of Supervisors, Missouri Beef Industry Council, Missouri Department of Conservation, Missouri Cattlemen’s Association, Missouri Soybean Association, and FCS Financial. For more information, contact Zac Erwin at 573-767-5273 or erwinz@missouri.edu, or Daniel Mallory at 573-985-3911 or malloryd@missouri.edu.
Cattle Handling Facilities

A well designed facility for working cattle will make handling more efficient and reduce stress and injuries for both livestock and producers. This is one of the major topics in the Missouri Show Me Quality Assurance (SMQA) program that 4-H and FFA members are required to take before exhibiting animals. Since we are the caretakers of our animals, we are taxed with the responsibility of providing a comfortable healthy environment so that our animals can reach their full potential, because high levels of stress can cause lower conception rates, suppress immune function, and reduce weight gain. Reductions in these areas can severely affect the bottom line of the operation.

Cattle build upon previous experiences in working facilities, meaning if they balked the last time they came through the chute they will probably balk again. What we need to do as producers is to learn what causes cattle to balk and try our best to eliminate any distractions. Some may be as simple as a shadow crossing the alleyway, entering a dimly lit barn, or a coat thrown over the fence blowing in the breeze. These may seem relatively small but a lot of little objects can add up to a big obstacles. Then the problem compounds as the first animal balks so does the second and so on. A good way to prevent cattle from balking in the alley is to have solid sided alleys; this completely removes visual distractions from the outside and prevents animals from trying to return to the group they can see on the other side of the crowding area. This provides only one way for the cattle to escape, the direction we want them to go.

Another area to examine is noise levels. My favorite way to explain this is imagine going to the dentist office. The patient before you was screaming and all you could hear was drilling and clanging and banging; now all of a the sudden it is your turn, you might have a little anxiety walking back to the exam room. Some effective ways to reduce noise is by adding rubber bumpers at metal to metal contact points and securing panels of the alley and working facility so that they do not sway back and forth causing a constant rattle. This will also help the producer avoid yelling over the noise of the cattle moving through the working facility.

Points to remember

- If you’re hot so are the cattle
- If you’re stressed chances are so are the cattle
- If you think its loud, so do they

When upgrading or designing a new working facility I always make three recommendations:

- First, visit other operations when working cattle to see how different equipment and designs work.
- Second, design the new facility to have enough pens to sort cattle multiple directions.
- Third, make the lead-up alley long enough to hold AT LEAST 3 cows so that there will be a continuous flow of cattle into the chute.

Most producers comment that time and labor is the largest limiting factor to working cattle, if facilities are designed to safely and efficiently increase flow of cattle, time and labor can be reduced. If you are considering building or redesigning working facilities, contact your local MU Livestock Specialist for recommendations on space requirements for holding pens, crowding pens, and sorting alleys.
New Soybean Virus

On August 31, 2012, University of Missouri Plant Pathologist Dr. Laura Sweets published an article on Soybean Vein Necrosis Virus, a virus disease spread by thrips that is new to Missouri. As you are checking your soybean fields in August and September this year you may notice symptoms of this disease if you look closely at leaves. It shares some similarities with PPO herbicide injury, which is also a common leaf injury symptom in Missouri soybean fields. Initially, small light-green to yellow patches develop near main leaf veins. These patches then develop a mottled light green-yellow-brown pattern. The veins in these areas of the leaflet may become clear to almost translucent which is referred to as vein clearing. As the disease progresses these areas turn reddish-brown with a browning of the veins. The reddish-brown areas may have a scaly or scabby appearance. On more susceptible varieties the brown areas may expand killing larger areas of leaf tissue and giving a scorched appearance to the leaves. The virus that causes soybean vein necrosis belongs to a group of viruses called tospoviruses which are spread by thrips. At this point the disease is still a relatively new disease and there are more questions about it than answers. It appears that the virus is spread from soybean to soybean by thrips but which species(s) of thrips is unknown. Other hosts, especially weed hosts, have not been confirmed.

There are many questions related to the disease cycle, possible yield losses and appropriate management strategies. Varieties seem to vary in their susceptibility to this virus disease and symptoms may vary with varieties. In the fields Dr. Sweets checked in 2012 the incidence of infected plants (plants showing symptoms) ranged from a trace to almost 100% of the plants. The majority of the fields had less than 5% of plants showing symptoms. Symptoms were evident in the upper canopy or upper to mid-canopy. Of the plants showing symptoms, most had small, light-green to yellow blotchy patches near main veins, some vein clearing and some patches in which the veins had turned reddish-brown with a scaly or scabby appearance. Severity in all fields was <10%. More severe symptoms may develop with larger areas of the leaflet turning reddish-brown and premature defoliation occurring. At this time there isn’t enough known about the virus and disease to make effective management recommendations. As more information becomes available on this disease, management strategies can be formulated and recommendations made.

Overall, disease symptoms of soybean vein necrosis were low to moderate across fields in all states in which the disease was reported in 2012. At this time no control measures are recommended. To see color pictures of leaves with Soybean Vein Necrosis Virus view the article by Dr. Laura Sweets by typing the following link into your browser or doing a web search for “MU Soybean Vein Necrosis Virus” and selecting the MU IPCM article link. http://ipm.missouri.edu/IPCM/2012/8/Something-New-to-Look-for-in-Soybean-Fields-Soybean-Vein-Necrosis-Virus/

Problem Insects in Summer Alfalfa: Potato Leafhopper and Blister Beetle

On July 18, 2013 Dr. Wayne Bailey reported in a news release that Potato Leafhopper and Blister Beetle are common in Missouri Alfalfa fields this year. Potato Leafhopper is a 1/8 inch long and fast moving green insect that causes “hopper burn” symptoms of leaf yellowing and may cause leaf drop when in high numbers. The economic threshold for applying insecticide to control potato leafhopper is one insect per sweep of a 15 inch diameter sweep net. A web search for “MU IPCM Potato Leafhopper” will provide a link to an article containing Dr. Bailey’s most recently compiled list of insecticides labeled to control potato leafhopper in alfalfa.
Another possible problem insect in alfalfa, blister beetle, is a thin bodied beetle approximately ¾ inch long when mature, typically black with lengthwise yellow stripes. Blister beetle is generally not a threat to alfalfa plants, but it can be lethal for horses who feed on alfalfa harvested with equipment that crimps or rolls as alfalfa is cut. Blister beetles cause blisters on human skin if they are squashed. The body fluids contain alkaloids that are part of their self-defense. Horses should be fed only from first-cutting alfalfa. Mostly, blister beetles don't arrive until the second or third cutting. Alkaloids in the blistering agent can cause the lining of the horse's digestive tract to slough off, which can be fatal to horses. Dry summer conditions tend to favor blister beetles. MU Extension offices in Northeast Missouri received a high number of blister beetle reports in 2012, and high numbers this year are possible.

**UPCOMING PROGRAM**

**Master Gardener Training in Mexico** – Training begins September 3, each Tuesday evening from 6-9pm for 11 weeks at Audrain 4-H building. Registration $145, due August 23, call Audrain Extension office at 573-581-3231.