

Virginia Cooperative Extension

Farm Business Management Update

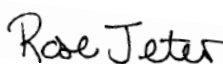
December 2012-January 2013

agecon.vt.edu

Farm Business Management Update is a joint effort of the Agricultural and Applied Economics faculty and the area farm management educators. Subject matter areas include timely information on farm management, marketing, tax management, finance, credit, labor, agricultural law, agri-business, estate planning, 4-H economic education, natural resources, and CRD. Please feel free to reproduce any article. However, please cite the title, author(s), date, and this newsletter. Access the update online by visiting <http://www.pubs.ext.vt.edu/news/farm-business-management-update.html>.



Gordon E. Groover
groover@vt.edu
Extension Economist
Farm Management



Rose Bradshaw Jeter
rosejeter@vt.edu
Communications Manager/Instructor
Agricultural & Applied Economics

New Publication from Agricultural and Applied Economics

New wine publication: Anyone looking to expand their markets beyond domestic markets should take a look at Exporting Wine to the United Kingdom: A Guide for Virginia Wineries. Authors Gustavo F. C. Ferreira, Instructor, Agricultural and Applied Economics, Virginia Tech; Joao P. C. Ferreira, Consultant; Pablo Garcia-Fuentes, Instructor, Management and Business Administration, Southeastern Louisiana University. VCE publication AAEC-12P. 2012.

Exporting wine to another country is very different from selling to the domestic market, and exporting wineries must deal with additional difficulties, such as regulation differences, complex logistics, and language differences — to name a few. This study seeks to inform Virginia wineries about the United Kingdom as an export market and discusses some of the major issues that must be faced. Finally, the authors present information that may be useful to Virginia wine producers so they can overcome some of the foreseeable obstacles. To read the complete publications see www.pubs.ext.vt.edu/AAEC/AAEC-12/AAEC-12.html.

Revised farm transition publication: Planning The Future of Your Farm: A Workbook Supporting Farm Transfer Decisions, VCE publication AAEC-37, was revised in November 2012. To view see the VCE web site www.pubs.ext.vt.edu/446/446-610/446-610.html.

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Calendar of Events

February 7-8

Farm Transition Workshop: Wakefield

February 12 & 19

Farm Transition Workshop: Galax

March 7-8

[Governor's Conference on Agricultural Trade](#)



Virginia Cooperative Extension
A partnership of Virginia Tech and Virginia State University www.ext.vt.edu



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Grain Production and Storage in Virginia: A Summary

Peter Caffarelli,¹ Gustavo Ferreira,² Gordon Groover,³ and Kathryn Boys⁴

Not foreign to many, agriculture is Virginia's number one industry.⁵ In the case of grain production, Virginia produced more than a billion bushels over the period of 1997 to 2011.⁶ In that vein, the purpose of this article is to highlight and examine the current characteristics and trends of Virginia grain production and storage. More specifically, it provides an overview of what is produced, how much is produced, and how much grain storage exists across time. In summary, this study attempts to identify future constraints or opportunities in grain production and storage in Virginia and will provide insight that may be beneficial to industry stakeholders.

Part I. Production: *What grain is produced in Virginia and how much?*

A substantial amount of Virginia's grain production consists of four crops: barley, corn, soybeans, and wheat. According to data compiled by the USDA through the National Agricultural Statistics Service (NASS),⁷ around 6.2 million bushels of barley, 40.1 million bushels of corn, 22.0 million bushels of soybeans, and 17.8 million bushels of wheat were produced in 2011. Representing a total production of nearly 86.1 million bushels, Virginia saw an increase in grain output of 87 percent from 2010 to 2011.⁸ Figure 1, depicts the production levels over time of these four grain crops.

For more "recent" years (2007 to 2011), the relative weight of these four grain crops in Virginia has been the following: (1) 49.6 percent corn; (2) 25.5 percent soybeans; (3) 19.8 percent wheat; (4) and 5.1 percent barley. Moreover, when compared to the entire span (1988 to 2011) given data availability, these individual weights have remained quite similar (50.6 percent corn; 23.1 percent soybeans; 19.4 percent wheat; and 7.0 percent barley). Importantly, and over time, corn and soybeans appear to be the two dominant crops produced in Virginia.

In addition, Figure 1 reveals the fluctuations in grain production that have occurred in Virginia over the past twenty-four years. Worthy of a more detailed analysis, Table 1 sheds some light on the proportional change of "low" (1988, 1993, 1998-99, 2002, 2010) years of total production compared to "high" ones. For example, compared to the entire period (1988-2011), low years are characterized by greater shares of barley, soybeans, and wheat at the expense of corn production. On the other hand, relatively good production years witnessed a slightly higher proportion of corn (50.6% compared to 52.3%).

Part II. Storage: *How much storage is in Virginia?*

To make this analysis more comprehensive, grain storage in Virginia is also examined. Storage facilities allow grain to move according to signals in the market rather than enter the system all at harvest. Generally, there are two types of grain storage: off-farm⁹ and on-farm.¹⁰ According to the USDA-NASS, in 2011, Virginia had a capacity of 33.2 million bushels of off-farm storage and 55 million bushels of on-farm storage.

¹ Graduate Student, Department of Agricultural and Applied Economics, Virginia Tech

² Instructor and Extension Economist, Department of Agricultural and Applied Economics, Virginia Tech

³ Extension Economist, Department of Agricultural and Applied Economics, Virginia Tech

⁴ Visiting Assistant Professor, Department of Agricultural and Applied Economics, Virginia Tech

⁵ Website: <http://www.vdacs.virginia.gov/agfacts/index.shtml>

⁶ Source: USDA-NASS. The crops included in the calculation are barley, corn, soybeans, and wheat.

⁷ Website: <http://www.nass.usda.gov/>

⁸ According to USDA-NASS data, 2010 production was 45.93 million bushels and 2011 production was 86.03 million bushels.

⁹ Off-farm grain storage capacity data includes all elevators, warehouses, terminals, merchant mills, other storage, and oilseed crushers which store grains, soybeans, sunflowers, or flaxseed.

¹⁰ On-farm storage capacity data includes all bins, cribs, sheds, and other structures normally used to store whole grains or oilseeds located on farms.

Figure 1: Virginia crop production (in bushels) from 1988 to 2011.

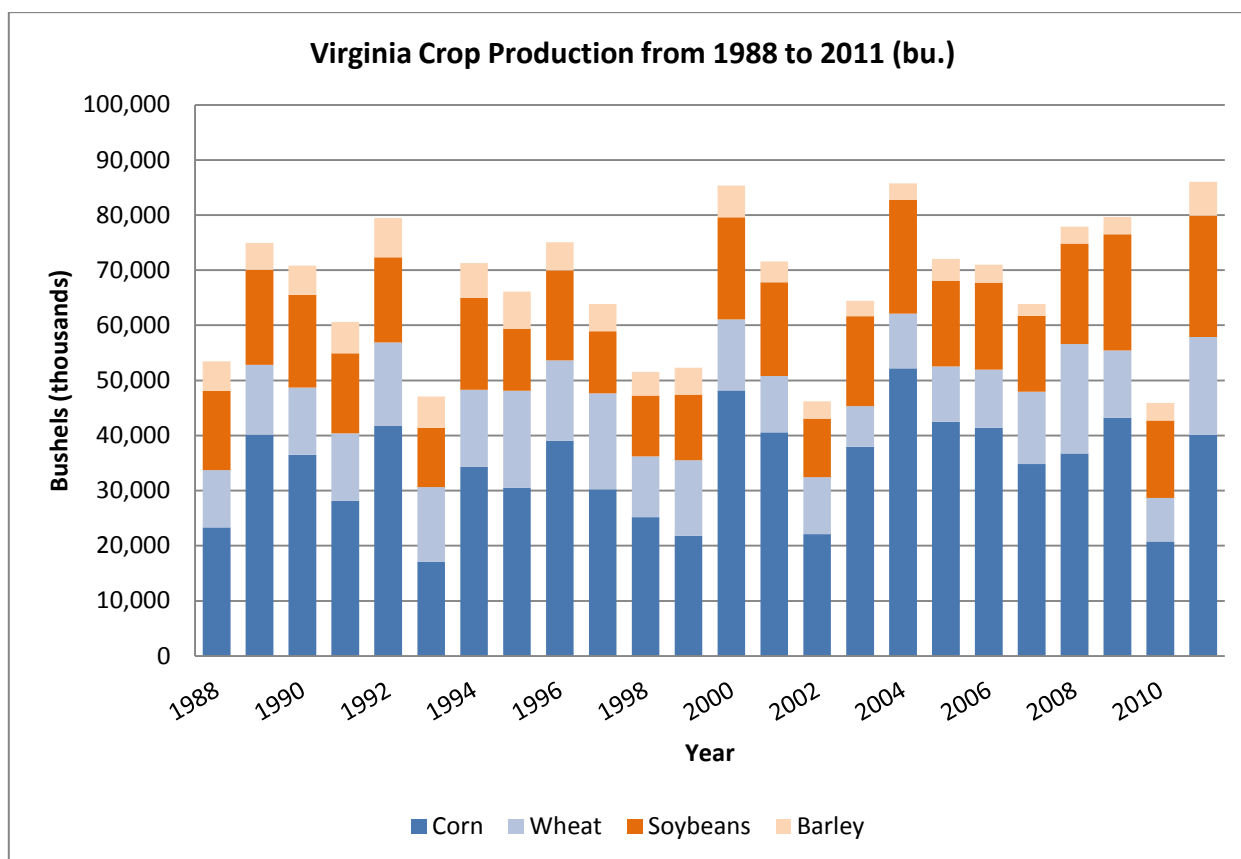
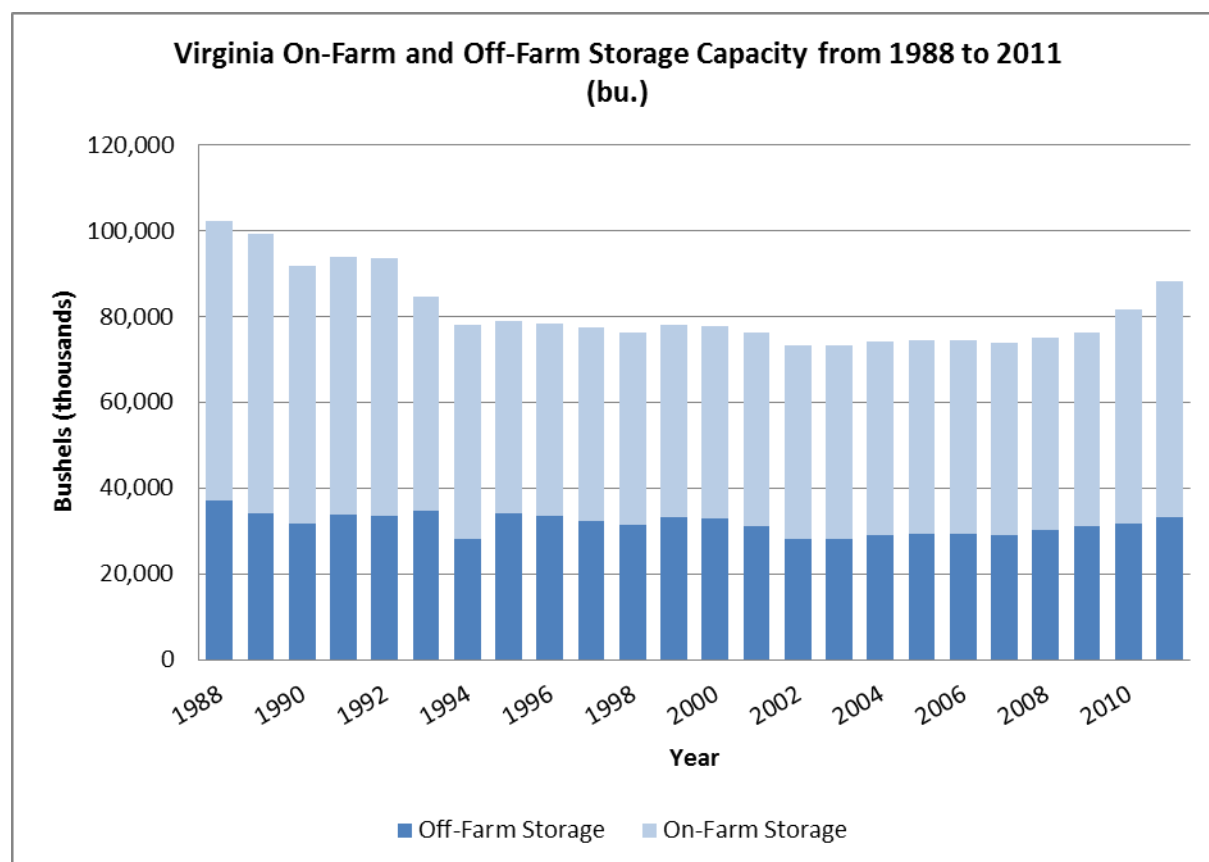


Table 1: Proportion (%) of crops for different time types.

| Time Type | Barley | Corn | Soybeans | Wheat |
|-------------------------|--------|-------|----------|-------|
| Years - Low | 8.7% | 44.0% | 24.1% | 23.2% |
| Years - High | 6.5% | 52.3% | 22.8% | 18.4% |
| Years - All (1988-2011) | 7.0% | 50.6% | 23.1% | 19.4% |

This amounts to a total capacity of 88.2 million bushels. Figure 2 illustrates the state’s on- and off-farm capacity levels from 1988 to 2011. Two characteristics are worth noting. First, in general, total storage capacity remains relatively constant. For instance, from 1993 to 2011, capacity experiences a low of 73.3 million bushels in 2002-03, and reaches a maximum of 88.2 million bushels in 2011. The average over this nineteen year span is 77.5 million bushels. Second, the capacity in Virginia is represented largely by on-farm storage. To this end, for “recent” years (2007 to 2011), the on-farm storage share is 60.6 percent compared to 39.4 percent off-farm. This result is similar to the overall span from 1988 to 2011 where the proportions are 60.7 percent and 39.3 percent for on-farm and off-farm storage, respectively.

Figure 2: Virginia off-farm and on-farm storage capacity (in bushels) from 1988 to 2011.



Part III. Combining Production and Storage

Figure 3 now combines the results of the previous two graphs; that is, it plots the production levels and the capacity numbers from 1988 to 2011. It is important to recognize that these figures are snapshots of total grain production and capacity. In reality, grain hardly enters the marketing channels all at once and, further, not all of it moves directly into storage once harvested. However, even with an imperfect picture, it is possible to indentify where production stands against storage. For instance, from 1988 to 1993, considerable storage above and beyond the grain supply seemed to be available. This claim and others are revealed in Figure 4, which portrays the excess and deficit grain storage years. As shown in this graph, only four years (2000, 2004, and 2008-09) saw total grain production exceed total capacity. This observation reveals that storage “shortages” seem to be concentrated in recent years. Even more pertinent because of its magnitude and timing, the surplus capacity in 2010 of 35.9 million bushels fell by 94 percent to 2.2 million bushels in 2011. This suggests that, if production increases on an upward trend, the current capacity level to store grain may not be sufficient.

Figure 3: Virginia storage capacity and crop production from 1988 to 2011 in bushels.

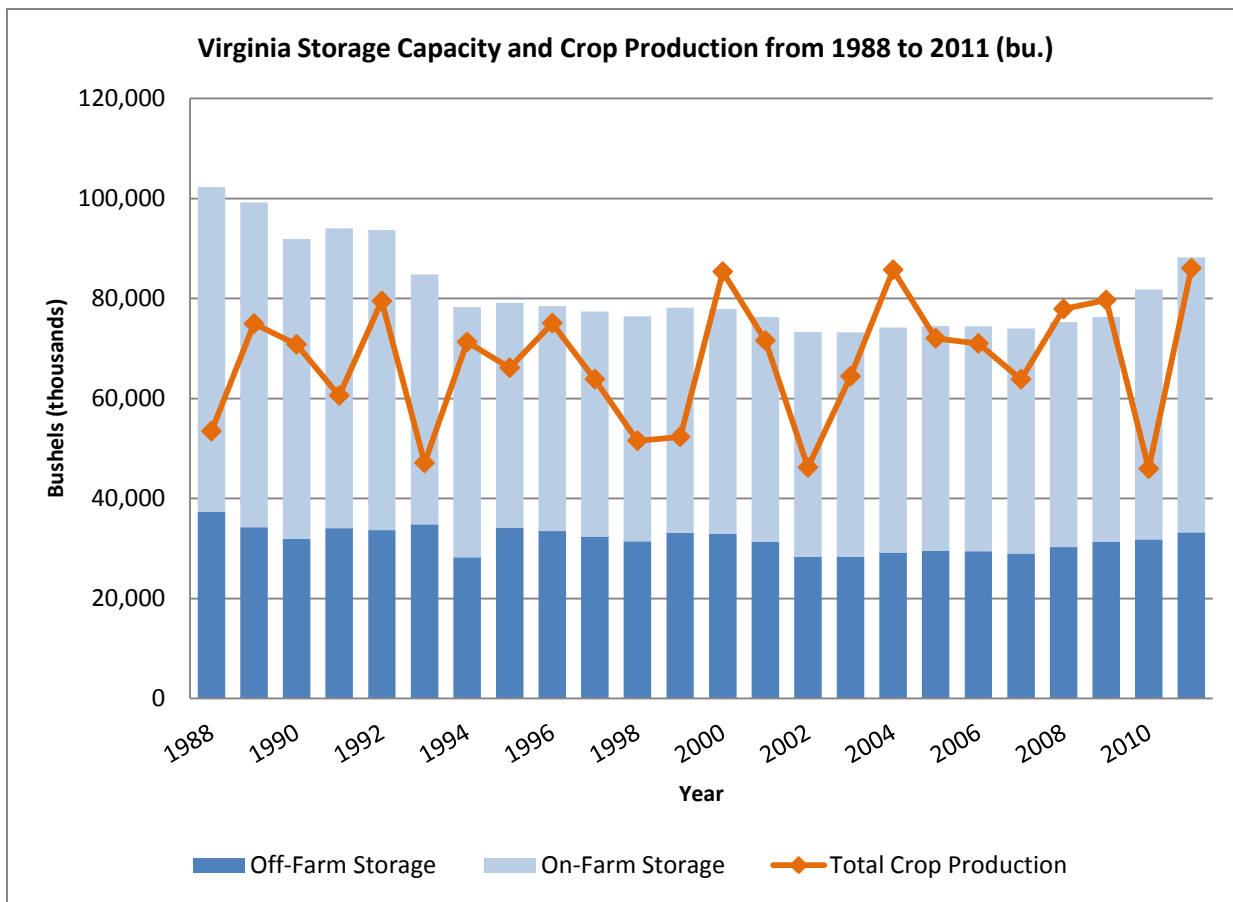
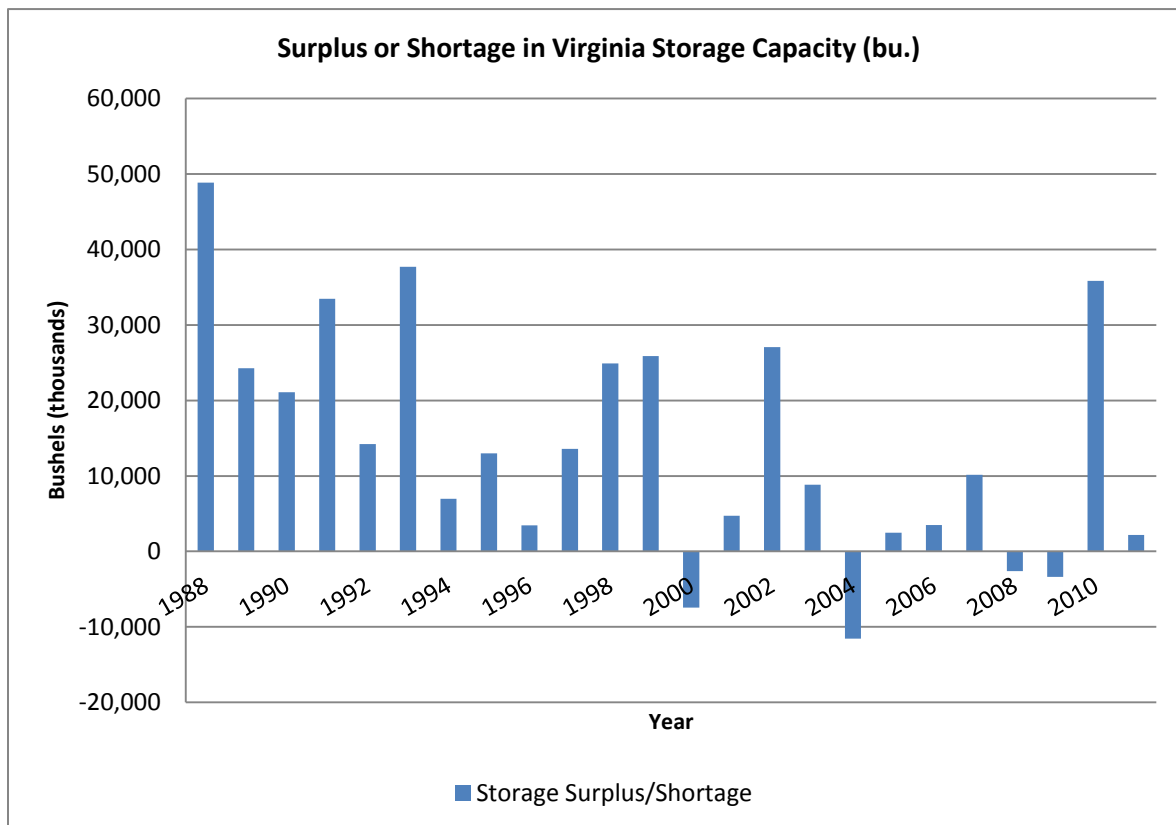


Figure 4: Surplus or shortage in Virginia storage capacity fro, 1988 to 2011 in bushels.



Additionally, other calculations support the idea that the storage system may be constrained in the future by production level increases. For example, Table 2 divides the whole period being examined (1988 to 2011) into two halves—a first and a second. As mentioned before and seen again in the table, the four “deficit” years only occur in the later half. These deficit years average a shortfall (production exceeding capacity) of 6.3 million bushels. Next, just considering the “surplus years,” the more-recent half has less of an excess than the older half—11.9 million bushels of extra capacity on average compared to 22.3 million. Naturally then, combining both effects (the shortage and surplus years into “all years”), Period 2 averages significantly less available storage than Period 1 (5.8 million bushels to 22.3 million bushels, respectively). Importantly, all three measures suggest that storage has likely been hampered to a larger degree in recent years than in past ones.

Table 2: Two-period comparison of shortage, surplus, and all years.

| | Period 1: 1988 – 1999 | Period 2: 2000 – 2011 |
|------------------------|-----------------------|-----------------------|
| Shortage Years: | | |
| Number of Years in | 0 | 4 |
| Average Amount (bu.) | 0 | (-) 6.3 million |
| Surplus Years: | | |
| Number of Years in | 12 | 8 |
| Average Amount (bu.) | 22.3 million | 11.9 million |
| All Years: | | |
| Average Amount (bu.) | 22.3 million | 5.8 million |

Part IV. Conclusions and Implications

From poultry, cattle, and hog operations to tobacco, tomatoes, and grain, Virginia clearly offers a wide agricultural portfolio. Specifically, Virginia’s grain sector grows four major crops; of which, corn and soybeans are the largest components. Producing a record-high 86 million bushels in 2011 and holding an average of almost 71 million bushels over the last five years (2007-11), the supply-side is certainly viable. Furthermore, storage numbers reveal that levels have been fairly consistent over time and capacity is mainly held “on-farm.” Coupling the production and storage data suggests that capacity has been more challenged in recent years than in the past which seemed to have plenty of storage to meet output levels. This information is useful going forward. For instance, it implies that, if Virginia grain production goes up substantially, storage may also need to increase to facilitate its movement at the desired time. The data indicate that construction on-farm would probably occur in greater amounts than off-farm for such an increase in capacity. Finally, areas of future research such as a spatial component (where grain is produced and stored) and an examination of the transportation network may reveal additional key insights into one of Virginia’s dominant industries.



Did you know?

Timber taxes are not the same as farm taxes. If you plan to sell timber or have recently sold timber, visit the National Timber Tax Website at www.timbertax.org.

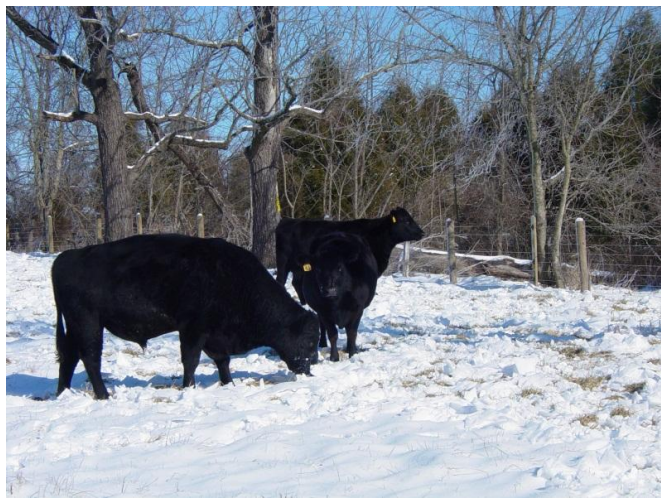
Graze 300

Carl C. Stafford, Extension Agent

As I write this article in early October, a new growing season is well on its way in the Northern Piedmont of Virginia. This statement may be confusing, as spring is long gone, my reference is to the fall growing season of cool season grasses, most notable – fescue. Use of stockpiled fescue is my point and what a nice start we have this fall following a hot and dry summer. Ample rainfall in our area in September and early October improved the prospects of grazing cattle more that 300 days without feeding any stored forages.

There is a growing season and a grazing season, and for many people they are the same. Once grass stops growing, the stocking rate on most farms forces producers to use hay. On the other hand, the grazing season does not have to stop just because grass growth ceases or slows down. It can extend into winter if you have accumulated fescue as a stockpiled forage. However, an adequate supply of stockpiled fescue to reach 300 days of grazing depends on rain, fertility and a stocking rate to allow accumulation of fescue in the late summer and fall.

Photo curtsy of Carl Stafford



Graze 300 is a catchy title first used in March 2005 for a program held in Rapidan and attended by producers interested in learning about extending their grazing season past the growing season. Participants learned that producing and feeding hay is an expensive proposition, especially in

today's economy¹¹ with increasing costs for inputs.

Attendees at the first Graze 300 program saw firsthand that excellent body condition cows and nice calves at their side could be produced by grazing into early March, having eaten little or no hay.

One downside to winter grazing is the threat of snow and ice covering your feed and wet fields easily damaged by hoof action. Many farmers are accustomed to sod damage in winter, an accepted result from feeding cattle hay in concentrated numbers. However, it is the last thing a pasture manager is willing to accept as the pasture comes first no matter if you own or rent land, but particularly if you rent from a landowner who values a good sod. Sod damage happens in the winter no matter how careful you manage. Yet damage can be minimized when you develop and implement a management plan to address these issues.

Dr. Kevin Dhuyvetter at Kansas State University concluded, based on characteristics of high, medium and low profit beef producers, that the most important factor in a profitable beef farm is control of total costs see for details www.agmanager.info. And cost control is more important than adding value or increasing volume of your production.

In the majority of cases, the highest beef production costs come from farms feeding the most stored feeds. So to follow Dr. Dhuyvetter's recommendation of controlling costs, farms must look for ways to stockpile fescue to Graze 300. Develop a plan to implement stockpiling fescue to reduce stored feed and thus reduce total costs and increase the bottom line.

Photo curtsey of JB Daniel, NRCS



¹¹ See "[How much does that hay cost and what should I charge?](#)" in the Progressive Forage Grower to read a discussion on the cost of hay.

Lock in 2013 Corn and Soybean Profits Today

Peter Callan, Extension Agent, FBM

Corn and soybean prices reached all time highs during the summer of 2012 caused by the devastating drought in the Midwest. During such periods, producers will increase production to cash in on the high prices. The increased production will result in additional products sold in the world marketplace which will reduce demand for the products and depress prices for producers. In times of high prices, it becomes profitable for producers to plant crops on marginal cropland which further increases harvested bushels. Consequently, the potential for larger supplies of corn and soybeans available in the marketplace will put downward pressure on prices and profit margins, if 2013 is a normal crop year. Many producers are reluctant to forward contract part of their 2013 corn and soybean crops during December 2012 because they are not sure of 2013 input costs.

Research at Virginia Tech shows that to produce 150 bushels of corn per acre will require 165 pounds of nitrogen, 86 pounds of phosphate and 57 pounds of potash. Using late November 2012 fertilizer prices and corn seed price of \$200/bag and fertilizer input costs (\$215), these costs make up about 45 percent of total production costs to produce 150 bushels per acre yield. In addition, soybeans require 52 pounds of phosphate and 91 pounds of potash to yield 50 bushels per acre. With soybean seed currently priced at \$20/bag of seed and these fertilizer inputs priced at \$90 per acre, these items are approximately 39 percent of total production costs to grow 50 bushel soybeans. Thus seed and fertilize costs make up a significant part of total production costs.

In late November 2012, fertilizer dealers in Virginia are projecting that 2013 prices will be comparable to 2012 prices with one major caveat. The 2012 drought has significantly reduced water levels on the Mississippi River where barges are major transporters of fertilizer to dealers in the Midwest. If water levels remain low in the next three months, it is highly likely the Mississippi River will be closed to barges from St. Louis to the Gulf of Mexico. Consequently, fertilizer will be delivered by rail and trucks. This will increase transportation costs and significantly increase the odds that shortages may occur because the fertilizer will not be delivered to dealers on a timely basis. Thus shortages are a likely outcome and prices will increase because supplies will be diverted to

regions with the largest demand. In today's volatile fertilizer markets, dealers have indicated that it is difficult to lock in prices for more than one or two weeks.

Therefore, it is advantageous for producers to buy and store fertilizer on their farms in order to avoid potential price increases and shortages and seasonal prices that go up during planting season.

Many farms have tanks that are used to store liquid nitrogen and fertilizer. In addition, some farms have built machinery sheds that have concrete floors which were constructed with vapor barriers that prevent moisture from reaching the surface of the concrete floor. Purchasing and taking possession of the fertilizer inputs will allow producers to lock in part of their fertilizer costs for 2013.

Crop insurance can be used to help cover production costs in the event that yields are reduced by drought or adverse weather conditions. Revenue crop insurance can be used to lock in prices that generate profits. Likewise, during a drought year, revenue crop insurance can help a producer fulfill the financial obligations of a forward contract when the producer is unable to deliver bushels needed to fulfill the contract. I strongly encourage producers to work with their crop insurance agents to determine the levels of crop insurance and revenue crop insurance that are needed to lock in profits and meet the financial obligation of the forward contracts in the event that a drought occurs in 2013.

The profits generated by forward contracting 2013 corn and soybean crops and locking in fertilizer costs will be significantly greater than the opportunity (interest) costs of purchasing inputs several months before planting. Likewise, the price of the tarps that are used to cover machinery that was parked in the machinery shed will be a minor investment compared to the savings in fertilizer prices that will be generated by purchasing and storing fertilizer in the machinery shed!

In an era of highly cyclical and volatile grain and fertilizer markets, producers in December 2012 have an excellent opportunity to consider ways to limit risk and stabilize some of their production costs in 2013. Producers should look for way to reduce the uncertainty of spot markets for input and develop a plan to reduce risk with insurance.

The Management Calendar

By **Gordon Groover** Extension Economist, Department of Agricultural & Applied Economics, Virginia Tech

Farm business managers should consider putting the following activities on their management calendar for December and January.

- ✓ Before the end of the year (calendar tax year filers), follow up on end-of-year tax management strategies recommended by your tax advisor. Additional information can be found in IRS publication 225 Farmer's Tax Guide at www.irs.gov/pub/irs-pdf/p225.pdf. Hard copies of Farmer's Tax Guide can be obtained from many of your public libraries.
- ✓ Begin closing out the farm books by collecting information for the farm net worth statement. Around the first of the year when you need to walk off all that holiday food, take a notepad or try out any or all of the new technology as you walk around the farm. Record the number and approximate value of all farm assets (cattle, tractors, machinery, buildings, inventories of grains and feedstuffs, chemicals, fuel, etc.) that can be organized on the asset side of the balance sheet. Be sure to place the notes or recording in a safe location (safety deposit box or fireproof box) for possible insurance claims, IRS audits, or background for financial statements. Review your end-of-year bank statements or contact your lender for current listings of all personal and business liabilities. You now have all the information you need to complete a market value net worth statement.
- ✓ If you are using cash accounting methods for tax purposes (computerized business records or hand-kept), you need to make sure your actual records match the deposits and check dates for all claimed income and expenses. A quick check of the records will help address any problems that might arise at tax time.
- ✓ Plan to get all tax records summarized and to your tax advisor by February 1, 2013. Also take a look at the listing of Virginia tax credits that may apply to your business this year at: <http://www.tax.virginia.gov/site.cfm?alias=TaxCredit>. Make sure your tax advisor is aware of these credits. An abbreviated list of credits for agriculture and forestry are listed below.
 - Agricultural Best Management Practices Credit
 - Biodiesel Fuels Credit
 - Credit for Taxes Paid to Another State
 - Conservation Tillage Equipment Credit
 - Fertilizer & Pesticide Application Equipment Credit
 - Land Preservation Credit Provisions Prior to 2007
 - Land Preservation Credit Provisions for 2007 & After
 - Long-Term Care Insurance Credit
 - Riparian Waterway Buffer Credit
- ✓ Use 2012 financial and production records to develop projected budgets, cash flow, and income statements for 2013. If you are using Quicken or QuickBooks, use the automated feature to create a budget based on last year as a starting place to create a detailed budget to reflect your expected costs and returns for 2013. If you are using the Virginia Cooperative Extension "Farm Record Book: Expenses and Receipts," the back pages provide forms to summarize all your financial data.
- ✓ Depending on the type of farm, begin working on a marketing plan for 2013 by collecting information on prices and world market situations.
- ✓ Keep up-to-date on the release of economic, crop conditions and estimates, world agricultural situation and outlook, and many other USDA reports by looking at the USDA report calendar at http://www.usda.gov/wps/portal/usda/usdahome?navid=AGENCY_REPORTS.
- ✓ Check on crop insurance policies by visiting the Risk Management Agency website at <http://www.rma.usda.gov/> to find an agent and view the multitude of policies (crops, livestock, forages, vegetables nursery, clams, and more) that are available in your area.
- ✓ Close out and summarize livestock and/or crop records for 2012, noting problems that must be addressed when making cropping, feeding, and breeding decisions during 2013. Compare 2012 records to previous years looking for strengths and weaknesses.
- ✓ Review 2012's crop, hay, and livestock records for labor problems, bottlenecks, and down times. Include all employees in spotting and planning to correct labor bottlenecks. Draw up a labor flow chart listing estimated times and identify employees who will be responsible for major tasks. This is very important if you have expanded acreage, livestock numbers, and/or replaced an employee or changed the number of employees.
- ✓ Plan to start the new year by scheduling regular meetings with all workers and family members to discuss work activities as you gear up for the spring push. Make sure all workers feel free to suggest ways to improve efficiency. Think about creating an employee handbook for important information on pesticide safety, farm bio-security, and safe operations of machinery and equipment.

Selective information that might be useful to farmers and their advisors:

- The Virginia's Use Value Assessment Program (<http://usevalue.agecon.vt.edu/>) web site has been updated for Tax Year 2013 (TY) see the following items:
 - TY2013 Rental Rate Approach estimates for Agricultural and Horticultural lands are at: http://usevalue.agecon.vt.edu/Agri_Hort_estimates.htm
 - TY2013 Income Approach estimates for Agricultural and Horticultural (with brochures), Forest, and Open Space are at: <http://usevalue.agecon.vt.edu/estimates.htm>.
 - Frequently Asked Questions (FAQs) about the Use Value Assessment Program are at <http://usevalue.agecon.vt.edu/FAQ.htm> and to view or print all of the Frequently Asked Questions, a PDF file can be found at: <http://usevalue.agecon.vt.edu/myweb3/Publications/FAQs%20Pub%20%28Nov%202012%29.pdf>.
- Time to order your Virginia Cooperative Extension “Farm Record Book: Expenses and Receipts” (Publication 446-017). This 120-page record book provides an organized way of keeping track of annual financial, labor and personnel, and production-related records. It provides forms for many categories of expenses, receipts, labor, and financial summaries to meet the needs of most agriculturally-related businesses using cash accounting methods. Column headings are included for major items with some columns remaining blank for your own headings. Forms are arranged to facilitate transferring totals to income tax forms (Schedule F, tax depreciation, and Form 4797) and to help complete end-of-the-year analysis. Virginia Cooperative Extension “Farm Record Book: Expenses and Receipts” is available from Virginia Cooperative Extension for \$12.00. Call your local extension office and request the order form VCE Publication 446-016, print the form at www.ext.vt.edu/pubs/agecon/446-016/446-016.pdf, or contact me at (540) 231-5850.
- Need help understanding and using financial statements? The Center for Farm Financial Management has created a new online workshop series to help agricultural producers and/or anyone who works with them to understand and use common financial statements and measures. The website, Interpreting Financial Statements and Measures (IFSaM), is intended to teach producers the basics of interpreting the four major financial statements and the 21 financial measures recommended by the Farm Financial Standards Council. IFSaM is a series of online videos that producers can work through at their own pace. Each session provides benchmarks, based on actual farms, that producers can use to evaluate their own financial position and their financial performance. Case farm examples are used to bring the data to life. There are also optional “test your knowledge” quizzes at the end of each session. In total, there is over 2 ½ hours of information. Best of all, it’s free. This series was created with funding from the North Central Risk Management Education Center. IFSaM is located at <http://ifsam.cffm.umn.edu/>.
- Planning to hire new farm employees? If yes, then take a look at Melissa O'Rourke's (extension farm and agribusiness management specialist, Iowa State) article *Farm employee management: Getting the new employee off to a good start on day one* <http://www.extension.iastate.edu/agdm/articles/others/OroukeNov12.html>
- A must read for all of us involved in agriculture is the current issue of “Choices,” published by the Agricultural and Applied Economics Association and can be found at www.choicesmagazine.org/. There are 2 main themes in the third quarter (October 2012) edition:
 1. “An Evaluation of Food Deserts in America” are articles addressing the following
 - Food Deserts Suffer Persistent Socioeconomic Disadvantage
 - Will Long Term Food Desert Consumers Purchase Fresh Fruits and Vegetables?
 - Effects of the Revised Food Packages for Women, Infants and Children (WIC) in Connecticut
 - Food Deserts: Demand, Supply, and Economic Theory
 2. What Happens When the Well Goes Dry? And Other Agricultural Disasters are articles addressing the following
 - The 2010 and 2011 Arkansas Drought Experience
 - Agricultural Impacts of Texas's Driest Year on Record
 - Damages to Louisiana Agriculture from Natural Disasters
 - Drought Issues in Semi-arid and Arid Environments
- Additional reading from the University of Kentucky's Ag Economics Department Newsletter are listed below and can be viewed at <http://www.ca.uky.edu/agecon/index.php?p=209>
 - Equine Market Signals Mixed in 2012
 - Tax Update and Implications for 2012
 - It's More Than a Will, It's a Way – Steve Isaacs
 - Investment Analysis of Auto Shutoff Precision-Agri Technology

Farm Transition Workshop: Overview of Farm Transition



A Farm Transition Workshop
will be held on
Thursday, February 7, 2013
from 12:30 p.m. – 7:30 p.m.
at the



Virginia Diner, U. S. Route 460 in Wakefield, Virginia

What: Farm Transition Workshop: Overview of Farm Transition

When: February 7, 2013 12:30PM – 7:30PM

Where: Virginia Diner, U.S. Route 460, Wakefield, VA

The \$10/person registration fee will help cover program expenses. Dinner is included in this partially grant funded program.

Please contact Diana Hundley at the Virginia Cooperative Extension Office in Waverly, VA at (804) 834-1309

Please make checks payable to: **VCE-Sussex County**
and send them with the completed form to:
P. O. Box 190, Waverly, VA 23890
Space is limited so register today!

If you are a person with a disability and desire any assistive devices, services, or other accommodations to participate in this activity, please contact Virginia Cooperative Extension, Culpeper Office, at 540-727-3435 during business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, to discuss accommodations one week prior to this event

“A Comprehensive Approach to Farm Business Succession Planning”



A Farm Transition Workshop Series

will be held on

Tuesday, February 12 and Tuesday, February 19

from 9:30 a.m. – 3:30 p.m.

at the

**Matthews State Forest Conference Center located ¾ mile west of Galax, Virginia on Rte 58
across from Wild Turkey Lane**



Families with questions about taxes, legal and family issues of transferring their land and agriculture, greenhouse, and nursery businesses are encouraged to attend the two day workshop series.

The two part workshop series will help farm owners and their families plan for the successful transfer of the farm land and business. Some of the topics that will be included in this program are:

- Goals for the Future of Your Farm – Handling the tough issues of family communication
- Business Profitability – Maximizing income to assist in farm transfer
- Retirement Planning – Developing a stable income stream in your later years
- Estate Planning – Approaching tough questions about fairly dividing your estate
- Tax Management Issues – Minimizing taxes in business and wealth transfer
- Business Organizations – Utilizing business entities to manage and transfer assets

The speaker panel will include a nationally recognized attorney who has expertise in ownership succession issues, the use of limited liability companies (LLCs), and other techniques used to transfer wealth, tax management issues and elder law.

The \$10/person registration fee will help cover program expenses. Lunch is included in this partially grant funded program. Registration must be received by **February 8, 2013**.

Please contact Kevin Spurlin at the Virginia Cooperative Extension Office in Independence, VA
at 276-773-2491 if you need more information.

Names of those attending: _____

(Please Print)

Address: _____

Please enclose \$10
per person.

Please make checks payable to **VCE-Grayson County** and send them with the completed form to:

P.O. Box 129

Independence, VA 24348, no later than February 8, 2013

