

Master Marketer Newsletter

[Http://mastermarketer.tamu.edu](http://mastermarketer.tamu.edu)

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Texas Cooperative Extension, The Texas A&M University System

Master Marketer Highlights

Master Marketer Upcoming Programs

The next Master Marketer program will be offered in Kingsville this Fall. That location will make it convenient for producers in the Valley and the Coastal Bend. For information, please contact Dr. Larry Falconer in Corpus Christi at (361) 265-9203, or Dr. John Robinson in Weslaco at (956) 968-5581. The Winter 2003 Master Marketer program will be in Lubbock. For more information on this program, please contact Dr. Jackie Smith in Lubbock at (806) 746-6101.

The Tomorrow's Top Agricultural Producer program (TTAP) will be offered for the first time beginning in November. For information on this new program, please contact Stan Bevers at (940) 552-9941. The Advanced Topic Series (ATS) will be kicked off next winter with at least 10 programs offered at 6 key locations around the state. Please call Dr. Steve Amosson at (806) 359-5401 if you would like more information on the ATS.

Marketing Club Corner

By Rob Borchardt

One reason for the creation of this section of the newsletter was to tell you about the various activities of marketing clubs around the state. In this issue, I will highlight a new club in south Texas that I think you'll find interesting.



The Cameron County Marketing Club (CCMC) was recently formed and meets at the county Extension office in San Benito on the third Thursday of the month at noon. The club was started by seven of the graduates of the Weslaco Master Marketer Program that finished in the fall of 2001. An organizational meeting was held in January when the founding members selected the next eight educational topics, adopted bylaws and outlined the purpose of the club. A summary of the bylaws follows;

- I) Membership has two requirements;
 - a) Participate in a futures and options workshop.
 - b) Pay the initial fee and maintain the same investment level as other members.

- II) An initial fee of \$300 will be required by each member.
- III) Officers consist of a chairperson, secretary and treasure.
- IV) The club will exist for one calendar year at a time and the voting members will determine continuation beyond that at the end of each year.
- V) Treasurer has authority to execute any trades CCMC decides on.

As you can probably tell by the bylaws, this club has focused on learning option strategies and putting those strategies into action. They recently purchased several corn calls, with the thought that by this time of the year, most of them have already priced their grain sorghum. These two actions would complete a minimum price contract that would let them participate in a price rally should it occur.

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Guest Column

“Tomorrow’s Top Agricultural Producer Program”



Stan Bevers
Associate Professor & Extension Economist
Vernon, Texas

In November, 2002, the Texas Cooperative Extension and the Department of Agricultural Economics at Texas A&M University will launch a new program tailored to new and/or young producers. Tomorrow’s Top Agricultural Producer Program (TTAP), designed after the highly successful Master Marketer Program, will equip new and/or young producers with the management and marketing skills necessary to compete in the current and future agricultural environment. It is common knowledge that the survival rate of young and new producers within the production agricultural industry is low. In many instances, these producers accumulate large amounts of debt while accumulating the resources necessary to operate the business. In addition, these operations are vulnerable to mistakes of marketing and management. All of these factors combine to make survival difficult.

TTAP is designed with three objectives. First, once a participant has completed the program, he or she will have a completed business plan for their operation. Second,

during the sessions, the participants will be taught the business skills necessary to implement the business plan and make more informed management decisions. Finally, at the end of the course, the participants will be assigned a committee of three mentors to guide the graduates over the next twelve months. The mentors will field questions as well as visit the graduate's operation at least once during the following year.

TTAP is designed for producers who are in the process of taking over existing operations and/or those who are starting a new farm or ranch business. Applicants should be profit motivated, have a goal to be a full-time "career-oriented" producer and have less than 10 years of operational experience.

The program is broken down into four sessions covering fifteen months. The first session will be November 11 – 14, 2002 in Amarillo, Texas. The second session will be January 13 – 16, 2003 in College Station, Texas. The third session will November 10 – 13, 2003 in Dallas, Texas. The final session will be January 12 – 15, 2004 in the Texas Hill Country. Registration for the program is \$1,000 per operation with a maximum of 2 people attending from one operation. Participation will be limited to 40 registrations.

Each session will focus on a particular portion of the business plan. Session I will target the basics of good business management. Good management begins with good record keeping and by knowing where your operation is financially. Management accounting using QuickBooks Pro[®] will be taught to the participants. Session II will concentrate on financial planning and analysis. Good planning begins at the bottom of an operation. Participants will prepare enterprise budgets for each component of their operation. Session III will explore marketing and risk management of the operation. Participants will be encouraged to think outside the box when marketing their commodities. Instructors will use simulation examples to illustrate the impact of marketing and risk management utilizing case studies. The final session will focus on personnel management and legal and liability issues. The participants will then tie the complete business plan together.

The program is sponsored in part by the Houston Livestock Show & Rodeo, Southern Region Risk Management Education Center, Texas Cooperative Extension, AgTexas, FCS, Capital Farm Credit, First Ag Credit, FCS, John Deere Foundation, Lone Star Land Bank FLCA, New York Board of Trade, Texas Corn Producers Board, Texas Wheat Producers Board, Ag Auto Workers, Cotton Incorporated, Rain and Hail LLC, and the Texas & Southwestern Cattle Raisers Association.

Those interested can get additional information and/or brochures from Stan Bevers, Extension Economist, P.O. Box 2159, Vernon, Texas or by calling (940) 552-9941. Stan can also be reached by email at s-bevers@tamu.edu.

Texas Risk Management Education Program Update

New Risk Management Specialist in



South Plains

A new risk management specialist has been hired to serve the South Plains area which is based in Lubbock (Extension District 2). Jay Yates, who has farmed in New Mexico for the past 12 years, started with the Texas Cooperative Extension in April.

Jay holds a bachelors degree in Ag Economics from Tarleton State University and a masters degree in Agricultural Economics from Texas A&M University. His experience includes two years working in the Center for Farm Financial Management at the University of Minnesota, and owning and managing an irrigated vegetable and cotton farm in New Mexico. Jay brings a strong combination of first-hand farm management experience and strong analytical skills to the risk management team. As the risk management specialist in District 2, his activities focus on analyzing the financial performance and associated risk of alternative financing, investing, and operational decisions for crop and livestock producers in District 2. Jay's farming background and experience in Minnesota have allowed him a smooth transition into this position. Producers in District 2 will appreciate Jays expertise and ability to communicate FARM Assistance results to them. Jay can be reached at (806) 746-6101.

Choice Web Site

Texas A&M Extension Ag. Economics
<http://agecoext.tamu.edu/>

The Texas A&M Extension Ag. Economics web site offers valuable information on marketing, farm and ranch management, risk management, rural entrepreneurs, and agricultural policy. With the recent passage of Farm Security and Rural Investment Act of 2002, a special section has been added to the web site and serves as a hub for information related to the farm bill. Just click on [2002 Farm Bill Educational Materials](#). The web site, which is updated daily, contains a wide variety of farm bill related information, including answers to frequently asked questions, a message board to ask questions, and interactive illustrations about program provisions. Of utmost importance to producers of farm program crops is the Base and Yield Update Evaluation software, an on-line decision aid that can assist in making the decision of updating base acres and yields. Hopefully, by the time you receive this newsletter, this software will be available on the web site.

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