

Master Marketer Newsletter

<http://mastermarketer.tamu.edu>

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Master Marketer Highlights

2011 Waco Master Marketer Program

2011 marked the 15th Anniversary for the Texas AgriLife Extension Service's Master Marketer Program. Master Marketer graduated its first class of 60 participants in Amarillo in 1996. Since then, Master Marketer has conducted 23 programs throughout the state and has a total of 990 graduates having a yearly impact nearing \$36,000 on average using the knowledge and tools gained from the Master Marketer Program.

Coordinated by Jason Johnson, this year's Master Marketer Program was held in Waco at the Texas Farm Bureau Conference Center. Wheat, sorghum, corn, and cotton were the primary crops grown by the class with livestock interest being mainly stocker cattle and cow/calf pairs. Congratulations to the 39 graduates who attended the sessions held throughout January and February of 2011.

A special thanks is extended to everyone at Texas Farm Bureau for their hospitality, coordination efforts, and use of their state-of-the-art facilities. Thank you Texas AgriLife Extension Service, Texas Farm Bureau, Texas Corn Producers Board, Cotton State Support Committee, and Risk Management Agency-USDA for your support to this program. We appreciate the many great participants, presenters, and supporters who have allowed this program to continue with great success.

Waco 2011 Master Marketer Graduates



Texas Farm Bureau

The following letter was written on behalf of Texas Farm Bureau regarding their support and involvement with the Master Marketer Program.

March 15, 2011

Master Marketer Program
Department of Agricultural Economics
Texas AgriLife Extension Service, Texas A&M System

Texas Farm Bureau appreciated the opportunity to host the 2011 Master Marketer Program at our new conference center in Waco. We are proud of our new facility and hope that you found it met all your needs. We hope our facility enhanced the information that was presented. We would be pleased to host again in the future.

Texas Farm Bureau has been with the Master Marketer Program for many years—almost from the beginning. After a positive review from former State Director Harlan Huffman, who attended a program in the Panhandle, the Texas Farm Bureau Board of Directors decided to be a sponsor. We started our sponsorship during the second Master Marketer Program and have continued that support ever since.

Texas Farm Bureau appreciates a program that helps farmers and ranchers better market their commodities and we applaud the Texas A&M University staff which make it happen. If not for the program, many Texas producers would not have access to this type of market and risk management information.

Once again, we greatly appreciate the opportunity to be a part of this worthwhile program.

Sincerely,
Glen Jones, Director
Research, Education, Policy Development
Texas Farm Bureau

Upcoming Programs

Grain Grading Workshop

For the 21st consecutive year, two one-day grain-grading workshops will be hosted on May 3 and repeated on May 4 at the Texas AgriLife Research and Extension Center at 6500 West Amarillo Boulevard in Amarillo Texas. The grain-grading workshop is designed for corn, sorghum, and wheat grain handlers and producers. Information from the workshop will help them recognize the different types of damages that occur in these grains and how the damages affect grade. Specific topics covered will include: why grade grain, grain quality and the feedlot industry, grain standards and upcoming changes, and hands-on sessions in determining damages and grades in wheat, sorghum, and corn.

Each workshop will begin at 9 a.m. and conclude at 4:30 p.m. A registration fee of \$65 is required to cover the costs associated with instruction, lunch materials, and equipment used in the workshop. Pre-registration is required, as each workshop is limited to 60 participants. Participants are eligible to receive six CCA credits in Crop Management. The last day for registration is Wednesday, April 27. Registration is available on-line at <http://agrilifeevents.tamu.edu> For more information, visit <http://agecoext.tamu.edu/programs/marketing/master-marketer-program/program-calendar.html> or contact Leon Guerrero at 806-677-5600 or lguerrero@ag.tamu.edu (Continued on Page 3)

Guest Column Upon completion of the 2011 Master Marketer Program, we wanted to share the notions of Ag lenders on what the course did for them, for the producers, and for the relationship between the two of them. The following two Ag lenders are graduates of the Waco course and are providing their point of view on what can be expected on behalf of both parties.



Bob Carroll,
Vice President - Agricultural and Commercial Lending,
Community National Bank and Trust of Texas

After attending the Master Marketer Program in Waco, I have continued to be astonished at the level of knowledge and experience that Texas AgriLife Extension Service brought to the attendees of this course. I know of no other course offered through private consulting or universities that covers all economic areas in agriculture in a more in-depth and real world environment than this Master Marketer Program. I foremost gained a knowledge and appreciation of the decisions and risks that producers encounter each and every day of the year, and how these decisions can greatly effect the bottom-line of their operation.

As a lender to the agriculture producer, I feel the course was extremely beneficial to me as it explained the products and financial services available to the market to reduce risk. This reduction of risk can be done to a level that allows for decisions to be made that prevent financial disaster or to a level that allows the producer to maximize their revenue potential. Increasing financial knowledge and sound decision processes should be an active part of the producer's marketing activities. We are looking to require a written marketing plan for our largest producers to encourage them to explore marketing activities, which will provide them a vision of what to expect and forecast for the coming year.

The keys that were emphasized throughout the course that are critical for success in agriculture were knowing your cost of production, having a written marketing plan, and using marketing to reduce risk in these times of high price volatility. Communication of these items with your Ag lender would provide both parties an outlook on what to expect during the year, instead of waiting until harvest to determine if the crop will be sufficient to meet the producer's cash flow needs.

This course should be on the top of every producer's list if they are dependent on agriculture production as their source of income.



Jim Armstrong,
Vice President,
First Victoria National Bank

A present day farmer or rancher certainly understands the amount of hard work, tenacity, and foresight required to grow, produce and harvest a successful crop. The next and final step, marketing, determines whether that successful crop is profitable or not. Often, the most profitable operator is considered "lucky" because of the timely marketing of his commodities. Luck is often defined as preparation meeting opportunity. The Master Marketer Program presents its participants with the preparation to be able to recognize the opportunity.

In today's agriculture environment, so many factors are involved in the growing, producing and harvesting of a crop that a farmer or rancher can no longer simply rely on just information from the local county agent, favorite Ag radio personality, or even the latest television shows. The Internet can provide timely information but often is delayed or dated just enough to place the validity of data in jeopardy. The Master Marketer Program provided speakers with such a vast array of experience and expertise that a participant gains a wealth of resources to contact for the most timely information possible.

Personally, I came away from the program with a better understanding of my loan customers' hedging and options programs. Those customers which take advantage of the hedges or options deserve a loan officer that can understand their strategies. Customers feel more comfortable with a lending institution that is fully aware of their farming or ranching programs, understands the potential of sophisticated business marketing applications, and is willing to help them attain their goals.

Farm Assistance Update

Steven Klose,

Associate Professor and Extension Economist,
Department of Agricultural Economics,
Texas A&M University



At the Waco Master Marketer program, we once again reminded participants of the financial planning service available through the Texas AgriLife Extension Service. The FARM Assistance program has

now been providing strategic planning services for over 12 years. We have conducted over 1600 individualized analyses for farmers and ranchers across Texas representing roughly 4 million acres of land and over \$1.6 billion in managed assets.

Repeated client feedback suggests that participants highly value three main benefits of the FARM Assistance analysis. First is the ability to evaluate the general financial outlook for their operation, answering the question: "Am I headed in the right direction?" Second is the ability to compare the likely outcomes of significant changes to their operation. And finally, many people describe an improved ability to communicate with managing partners, spouses, family, bankers, etc. Specific client evaluations over the last 3 years indicate:

- *99% would recommend the program to another producer.
- *95% of clients gained a better understanding of the financial aspects of their operation.
- *96% are better equipped to evaluate financial risks and impacts of alternative decisions.
- *94% believe that their management ability improved to the benefit of their bottom-line.
- *On average, participants expect a \$22,363 annual benefit from their participation.

The agriculture industry is constantly changing. Keep a careful eye on the financial road ahead of you with an annual FARM Assistance - Planning Solutions Analysis. Give us a call at 1-877-TAMRISK or check us out at www.farmassistance.tamu.edu

Upcoming Programs, Continued from Page 1

Association of Agricultural Production Executives

The need for top producers to network, have a sounding board made up of the best and the brightest, get objective feedback, see things from different perspectives, and benchmark their performance is becoming increasingly important. To address this issue, AAPEX, Top Producer, Monsanto, and Texas AgriLife Extension Service are teaming up to offer a two-day conference to look at different structures and best practices of peer advisory groups as they have been used inside and outside agriculture to enhance the performance of the participating companies.

The conference is being held July 11-12, 2011 at the Gaylord Texan at 1501 Gaylord Trail in Grapevine Texas. Enrollment is limited to 180 participants and the registration fee is \$750 per participant and includes meals. Registration does not include lodging, however, there is a group rate being offered of \$134 (plus a \$15 resort service fee) per night for single or double occupancy at the Gaylord Texan. Room reservations can be made by calling (866) 782-7897 and asking for The Association of Agricultural Production Executives block. This block expires on June 17, 2011.

For registration and additional information, please visit <http://associationofagriculturalproductionexecutives.org/Summer%202011%20Letter%20&%20App.pdf> If you have any further questions, please contact Danny or Bridget at (979) 845-7171.

Choice Website

Daniel Hanselka,

Extension Associate,
Department of Agricultural Economics,
Texas A&M University

<http://www.txfb.org/>



Texas Farm Bureau was founded in 1933 with the mission of providing a voice for farmers, ranchers, rural citizens, and everyone interested in preserving and protecting agriculture. One of Farm Bureau's most important principles is that of grass roots policy development. The organization works to implement Farm Bureau policy at the county, state, and national levels and keep lawmakers informed on agricultural and rural issues.

The Texas Farm Bureau website provides a wide array of agriculture-related information, including publications pertaining to state and federal legislation and policy issues, water development and planning, and agricultural education. The site also has a section for news where you'll find current and past newsletters, publications, and reports on various agriculture-related and rural topics, press releases, state data, and other documents.

Finally, the site has a useful list of website links to other agriculture-related sites, organizations and associations, and featured events and meetings.



Improving Lives. Improving Texas.



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If you would like to receive this newsletter by mail,
or have any other questions about the Master Marketer system,
please write Emmy Williams at emmywilliams@tamu.edu or call 979-845-8011.

Educational Programs of Texas AgriLife Extension Service are open to all citizens
without regard to race, color, sex, disability, religion, age, or national origin.

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