

ALUMNI NEWS

Realize *your* vision



SUMMER 2017

Register Now for CTEAM 2017-19



Check out our New Website
agrifoodtraining.com

Leading Edge Learning through an unconventional format

As an AME alumni, you have firsthand experience of the benefits of the CTEAM course. The outstanding instructors and mentors who present cutting edge management concepts in a comfortable, yet intense learning environment. Four modules are delivered over four and a half days at select locations across Canada. Each module features tours of exemplary agribusiness operations and case study examinations that prepare participants

to address regional, national and global challenges head on with purpose, creativity and imagination.

Learning is tailored to you and your business

Participants will use their own financial and production data which will enhance what they learn about financial management. The CTEAM participants will apply course material while developing and implementing a strategic operations plan for their own business. The only prerequisite is a desire to learn.

Check out the course prospectus and download a copy at www.agrifoodtraining.com

Refer someone to CTEAM and receive Dinner Out!

If you know someone who might be interested in CTEAM, please encourage them to register today! Feel free to forward the brochure to them, or let us know and we will follow up. If you refer someone to participate in the next CTEAM course, we will send you a \$100 gift certificate for a dinner out on us to be used at: Earl's, Moxie's, Cactus Club, Joey's Restaurant or The Keg!

Investing in Machinery and Equipment Course

In this course, we give farmers the tools needed to construct and implement the optimum machinery management strategy for their farms, based on sound management decisions. A machinery management strategy includes how much equipment to have, how to choose the most favorable equipment option, whether it is owned and financed or leased, rented, and for how long it is held.

This program is planned as a hands-on workshop. Participants will receive an investment spread investment decisions.

The Investing in Machinery and Equipment Course will be offered in the following cities:

- Guelph, ON Sept. 18-19, 2017
- Lindsey, ON Sept. 20-21, 2017
- Halifax, NS Sept. 22-23, 2017
- Brandon, MB Nov. 27-28, 2017
- Winnipeg, MB Nov. 29-30, 2017
- Red Deer, AB Jan. 15-16, 2018
- Saskatoon, SK Jan. 17-18, 2018
- Regina, SK Jan. 19-20, 2018

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February 2018

AME Alumni Program

We are excited to announce the next AME Alumni program will be held in February 2018. This program is open to those who have completed either the CTEAM or CFAME (EDP) programs. Because we want the program to address the topics of interest for you, we encourage the Alumni program to be driven by the Alumni in terms of location and content. So we are inviting CTEAM and CFAME Alums to join the Alumni Advisory Committee for this next program. The commitment would be 2-3 virtual meetings to identify the locations, structure, and potential topics of interest for this next program. If you are interested and would like to help shape the direction of AME Alumni February 2018, please contact Heather Broughton at heather@agrifoodtraining.com or 780-608-7374 by **August 10th**.

CTEAM Alumni in the news

Canola Digest published an article, "Building Leaders", in its March 2017 issue that featured Brooks White, a CTEAM alumni from Pierson, Manitoba.

White was one of several farmers profiled who attended a canola leadership conference across Canada. He says that his experience with CTEAM provided him with the knowledge and networking skills he needs to build a proper business plan for his farm, and share ideas with like-minded farmers, leaving him energized and new ideas to try on his own farm. The article can be found here:

www.canolacouncil.org/media/584618/CanolaDigest-Mar2017/index.html#1



Summer Entertainment: Renegotiating NAFTA!

By Larry Martin



If you watch Fox or CNN, or read the Washington Post or New York Times, you know that there has been unique "entertainment" almost daily since November 8, 2016. And, of course, the slant is different depending which you read/watch. Each has its unique definition of the news.

This summer's entertainment will include renegotiation of NAFTA and already there are wildly varying perceptions of the potential outcome. This was fostered by Trump giving notice of renegotiation just after threatening to withdraw completely.

One of the reasons for the switch in positions is that his Secretary of Agriculture gave a very clear presentation on how much could be lost to U.S. farm states by withdrawing, where many of Trump's core supporters reside. This was an effective attention-

getting device, especially because it occurred after many U.S. farm groups had just wailed about the lost opportunity when Trump killed TPP.

Early discussions among the three agriculture ministers resulted in reports that there are few irritants in their sector. We'll see.

The most important thing about agriculture in NAFTA is that it is actually three separate agreements. This is in part because of differences in what is produced in the three countries, partly because the Canada U.S. agreement (CUSTA) was already in place, and partly because Mexico had constitutional protections for their farmers on beans and maize that needed to be changed to make the deal effective.

The result has been tremendous increases in U.S. grain exports to Mexico and substantial structural changes in a number of other industries.

On the surface it would appear that the biggest issue in these talks is what happens if they fail and the three countries pull back. Mexico has already begun importing South American grain

and oilseeds in retaliation for a range of Trumpian positions on Mexico. Several industries and supply chains would be strongly affected if the three countries were to go back to their old pre-NAFTA, pre-CUSTA trade policies.

The most obvious issues will be Canadian protection on supply managed products, and the ongoing sugar issue between Mexico and the U.S. Of course RCALF will do their best to get country-of-origin labelling back on the table for meat and livestock imports.

The most basic question is whether these industries will be treated on their own right or get traded off in other parts of the negotiations: ie. more market access for the U.S. for dairy in exchange for improved Canadian access for autos or softwood.

A very important goal in Canadian policy is to obtain assured market access in other countries so there is incentive to invest in Canada, not only in primary agriculture, but also in food processing. One hopes there is an actual strategy in place to work toward this end in both the NAFTA and other trade negotiations.



Introduction to Risk Management Course using Futures and Options begins soon!

**January 9–11, 2018
Guelph, ON**

This course is geared toward any farmer or agribusiness manager whose product or raw material prices are based on commodity and/or foreign exchange markets.

Key areas for learning:

- Risk and Management
- Mechanics of Futures Trading
- Hedging with Futures
- Cash-Futures Price Relationships
- Uses of Futures and Basis for Sellers and Buyers of Commodities
- Trading and Hedging with Commodity Options
- Technical Analysis
- Developing a Marketing or Purchasing Plan

Register now so you don't miss out! To register or for more information visit www.agrifoodtraining.com

Bob Ross Memorial Scholarship



“We are very honoured that Bob’s dedication and commitment to farm management excellence are being recognized through this Scholarship. Bob was passionate about the value of the CTEAM program, and he would be very pleased that we are supporting the program and Canadian family farmers in his memory.”

— Nancy Ross and Family

Applications are now being accepted for the Robert L. Ross Memorial Scholarship, which gives a Canadian farmer the chance to attend the Canadian Total Excellence in Agricultural Management (CTEAM) program.

Robert (Bob) L. Ross was instrumental in inspiring and encouraging farm management excellence across Canada and the United States through his leadership and passion for the agricultural community. A dairy farmer and farm business consultant from St. Marys, Ontario, Bob fought a courageous battle with cancer, passing in March 2014.

In 2014, as a tribute to his passion, leadership and legacy, the Robert L. Ross Memorial Scholarship program was established by Agri-Food Management Excellence, Farm Management Canada and the Ross Family.

One scholarship of \$11500 CAN is available to be applied towards tuition and travel. The successful applicant can choose to attend CTEAM starting in December 2017.

Applicants must be more than 21 years of age and possess passion and devotion to excellence in farm business management. See the application for a complete list of requirements.

The deadline for scholarship applications is September 15, 2017.

Applications can be downloaded at www.agrifoodtraining.com.

Eligible applicants must demonstrate

- A progressive operation and entrepreneurial spirit
- How the value gained from the program will be used
- To contribute to the farm business
- To contribute to the agricultural industry at large
- Why taking CTEAM interests you personally
- Passion for the industry

If you know someone who demonstrates the criteria above, please encourage them to apply. More information can be found at agrifoodtraining.com/bob-ross-memorial-scholarship1



Management Practices of Successful Canadian Farmers

The following article was written by Larry Martin as a guest column for Country Guide Magazine. It first appeared in the May 17, 2017 issue. In case you missed it, please see below:

In our CTEAM program and other activities, we get to meet a range of Canadian farmers and often are able to assess their success both financially and personally - ie. their ability to meet or exceed personal and family goals.

Several characteristics of these successful people become obvious rather quickly. Not all participants will have all of them, but the majority have most of them. This article focuses on the management practice of these successful farm owners and managers.

➔ **Successful managers pursue continuous learning.**

This is not only our observation, but was found to be correlated with profitability in a 2015 study sponsored by Farm Management Canada and the Agricultural Management Institute. Continuously seeking knowledge through courses, travel, conferences, formal mentoring processes, or reading widely are exposed to new ideas and new opportunities. Whether the ideas are in management or production, they provide perspectives which in turn allow farmers to differentiate their operations. One new idea or customer from a course or conference can make a lifetime of difference in profits and satisfaction.

➔ **Successful managers treat their businesses as businesses and have a positive attitude.**

They don't focus on what they can't or haven't done, rather on why they have done well and will do well in the future. A defining characteristic of CTEAM is the pride and optimism of the participants: they've had successes and assume success in the future.

Farmers have extremely strong values about farming, family and community. Successful ones know that to manifest these values is to have a successful rural business that contributes to the community, makes it attractive for family to come back, or for others to work there. Therefore, they strive to be as professional as possible in searching out and taking advantage of opportunities for their businesses.

This seems obvious, but it's not: in any field, positivity and professionalism separate the best from the rest.

➔ **Successful managers have written plans that include performance measures - ie. goals and performance against goals.**

Having written plans has several advantages and gives focus to your operation:

- Writing it makes you decide what's important
- Being clear about what's important focuses your work
- Being clear about what's important keeps you from wasting time on what's not.

"Written" doesn't mean long. We see business plans prepared for farmers that are 50 and 60 pages long. They rarely get used. Most successful farmers can describe the strategic aspects of their plan - vision, value proposition, strategic intents and mission - in less than a page. In fact getting to this stage helps with focus.

➔ **Successful managers use their plan to make decisions and manage - it's not a tome that's bound on six sides!**

A focused strategic plan must get translated into actions. For example, if a farm has a strategic intent to improve human resource management and labour productivity, it will have an operating plan detailing the actions that will be taken. The operating plan will designate who is responsible to take what action, time lines for when it will be done, resources required to do it, and measures of success.

But there will also be a management process (usually regular management meetings) to insure actions are taken and deadlines met, as well as a process to make changes in the operating plan as learning occurs.

➔ **Successful managers understand and use their financial statements to make decisions.**

This column has in the past addressed what can be learned about improving operations and making investments based on analysis from and with financial information. We've seen this in our CTEAM experience, but this winter with additional experience from our Advanced CTEAM, Machinery Management courses and a project that's being done with BDO nationally, this is becoming even clearer.

Farmers who measure their performance on categories of costs and revenue diagnose and resolve problems in operations. Farmers who know and understand their debt and

investment ratios make good strategic capital investment decisions. Those with good numbers on field operations make good decisions on what equipment to acquire and whether to buy, lease, rent or share.

In addition, it is very apparent that farmers who understand their financial performance and incorporate that into their plans have a huge advantage in access to capital.

➔ **Successful managers treat their people as strategic assets, not as costs**

They understand and practice the elements of strategic human resource management - Recruiting, Retention, Compensation. As a result, they find creative ways to attract, keep and improve good people through

- Training
- Performance bonuses
- Equity or
- Concepts such as phantom shares.

➔ **Successful managers understand and benefit from good marketing management - both differentiated and "commodity" products.**

Commodity producers understand cash, forwards, futures, basis, and options instruments. They then develop strategies that incorporate them, and follow them with discipline. Farmers who sell either commodities or differentiated products understand that the first lessons of marketing are that value is created by understanding what attributes customers want or can benefit from and deliver those attributes consistently. Providing value provides premiums.

➔ **Successful managers deal with succession before they have to**

Succession has three components, all of which need to be planned:

- Transition of management
- Transition of ownership
- Financing the transfer of ownership

They are separate yet related issues which, if not planned for clearly create more family anguish, more lost family farms, and more needless tax paid than any other cause.

Farms that address these three issues head-on in their plans not only avoid needless distraction, cost and loss, they will also have a leg up on preparing the next generation for both ownership and management.