

Farmer's *Corner*



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MAKE A GAME PLAN

This time of year, with football games aplenty, basketball games on 27 out of 32 channels, and baseball just around the corner, inspires this simple question: “What do all successful coaches and/or teams have in common?” The answer? A game plan! Those with a plan and the ability to execute it will be most successful.

What goes into formulating a good game plan? They do some scouting to see what they are up against for opposition, what playing conditions will be like, and what their teams are good at. They also try to prepare for the unexpected and be ready for those “what if” situations.

Marketing grain also benefits from a game plan. Having a plan for marketing the crops in the bin and those to be planted leads to a higher rate of success than just winging it. A successful scouting program for marketing includes both offense and defense.

This time of year allows for spending some time on a marketing game plan. Start as always with an analysis of costs per acre. This is easy with the old crop left to sell since costs are pretty well known. It’s also important to estimate cost per acre for the upcoming crops to be planted. Historical averages are a good place to start until the picture becomes clearer.

Extending the sports metaphor, it is also necessary to determine how many points it is going to take to win. That is the profit per acre objective. This leads to what price per bushel (based on average yield) will get the job done.

The current score (price level) dictates what action to take next – is it time to be on offense or defense?

If the current market is not at profitable levels, put in targets and check them periodically. If prices moving lower would prove catastrophic, it may be time to sell the grain and attach a Minimum Price Contract to allow the chance for more while at the same time establishing a floor to limit losses (play some defense).

Teams with no game plans or without the will and ability to execute them are usually the ones that make history. For example, the Philadelphia '76ers started off tying the NBA record for losses to start a season. If they had a plan, it wasn't executed.

Come up with a game plan that has a reasonable chance for success, and execute it by taking action. A plan that isn't acted on is the same as no plan at all. Know when to adjust that plan; you may not win as big, but any win is better than a loss. Know when it's time to play defense and limit the downside exposure.

Know your cost per acre, have a profit goal in mind, and put in targets to implement your game plan. Review the plan from time to time, and know when to switch to defense.

As always, our assistant coaches are here to help you with your game plan. We can answer questions that you might have and then help you take the action to put your plan into play.