

## Midwest Dairy School Focuses on Generational Transfer

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#### Summary and Implications

The Midwest Dairy School provides a one day learning opportunity for producers, industry, and potentially new dairy producers to network and engage in a current topic. With support from the dairy industry and business community, Iowa State University Extension, Northeast Iowa Community College, and Northeast Iowa Dairy Foundation, this program has continued to provide valuable information.

#### Introduction

The Midwest Dairy School is held every year in November and takes place at the Northeast Iowa Dairy Foundation near NICC Campus in Calmar, IA. A current topic related to the dairy industry is offered every year, with the generational transfer subject offered every other year. The school runs from 10 AM – 3 PM and draws participants from Iowa, Minnesota, and Wisconsin. In 2013, 18 participants attended as well as 5 presenters and 6 panelists.

#### Materials and Methods

In the 2012 Iowa Dairy Survey, results showed that 39 percent of dairy farms plan to transfer ownership of the dairy operation to a family member in the next 15 years. These results show that farms are still predominately small in size, family oriented, but plan to remain in the industry.

The school for Generational Transfer addressed how families can work together to incorporate all members into the family operation in a manner that works for everyone involved. It encompassed both ends of the farming business—those entering and taking over the business as well as those phasing out of the operation.

Larry Tranel, ISU Extension Dairy Specialist, Kristen Schulte and Kelvin Leibold, Farm and Ag Business Management Specialists, shared their knowledge of how this can all work for everyone's benefit. Kelvin and Kristen

addressed the business side of transfers, while Larry focused on the communication side of farm transfers. Advice and strategies were offered to help families facilitate these significant transitions while including and honoring each family member's contributions to the whole.

The program was enhanced by a panel of agricultural producers and lenders who shared their experiences to the participants and help answer questions of those participating.

The day concluded with information on the different options for partnerships with an agricultural banker and educator and programs available to beginning farmers to access capital with the Iowa Ag Authority Program.

#### Results and Discussion

Overall the participants and presenters felt that the event was useful. There was an increase in knowledge with each presentation. There was an increase of knowledge by 66% in Business Side of Farm Transfers, 92% in the Relationship Side of Farm Transfers, 70% in Ag Producer & Lending Panel, 38% in Options for Partnerships, and 167% of knowledge increase in Beginning Farmer; Accessing Capital.

Participants walked away from the program with thoughts and ideas to implement in their situation. As an ag lender participating, they learned some new questions to ask clients going through a generation transfer. As a producer going through a generational transfer, they learned that family meetings are very important and that it takes more than one meeting to complete the process. Learning personality differences to open the lines of communication was a beneficial tool to implement going back to the family farm. The ag producer and lender panel created insight and inspiration into the process of transfer.

#### Acknowledgements

Midwest Dairy School is supported and made possible by monetary and donations made by local businesses that support the program. There were 8 sponsors that generously supported the program this year, making the program free of charge.