

Time for Action

Our survey showcases the need to make legacy planning a reality **BY CHARLENE FINCK**

Reading through the results of our AgWeb succession planning survey conducted at the end of 2008, you can almost feel the emotion in the respondents' answers. The heartache and angst is captured by two powerful statistics: Almost 80% of the respondents plan to transfer control of their operation to the next generation, but fewer than 20% are fully confident of their succession plan. That startling gap speaks loudly to the need for succession planning for U.S. farmers.

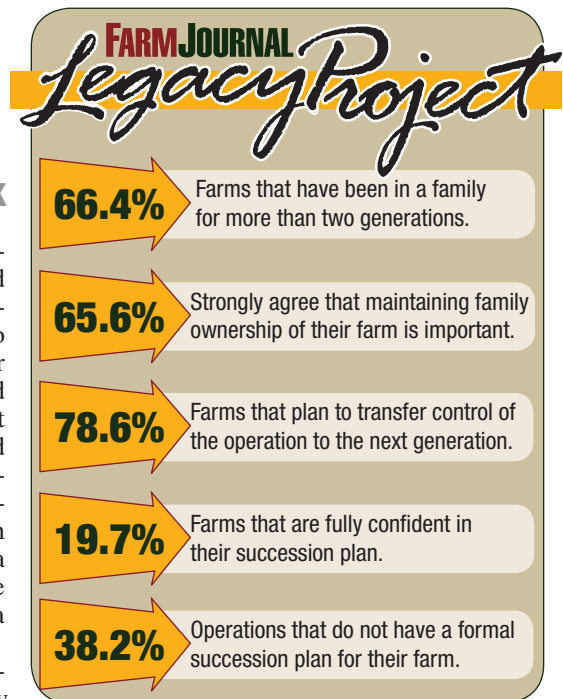
Nearly 60% of the 369 respondents are more than 50 years old and roughly half of those are 60 or older. The majority run a farm that has been in the family for two or more generations (20.8% for two generations, 28.6% for three generations, and 37.8% for four generations). Yet nearly 40% do not have a formal succession plan.

The reasons presented for not being prepared point to a range of concerns. Not having a younger gen-

eration interested in participating in the operation topped the list, with 33.9% of respondents saying it was a barrier to leaving a legacy. Concern over potential family conflicts, cited by 25.6%, was the next most common limiting factor. Beyond those factors, inadequate planning tools, unavailable professional help, inadequate farm resources, disagreement with a spouse and lack of time were targeted as major reasons a plan isn't in place.

The survey looked at succession planning status in five key areas. Estate distribution is in the best shape, with 51.8% of respondents reporting they have completed their plans. Leadership development is the greatest area of need, with only 32.7% saying they have a plan for the next generation.

This online research is part of Farm Journal Media's work to establish a



baseline understanding of where U.S. farmers are in the legacy planning process. Watch for more results from our comprehensive study in a future issue of FARM JOURNAL.

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Congratulations to the Winning Case-Study Families

While we wish we could work with every farm family who graciously nominated themselves to take part in the Farm Journal Legacy Project, we had to select three. Congratulations to the operations listed below

who were chosen to participate in our effort. By following their legacy planning experience in the pages of our magazines, online and on television, we hope others can learn from their experiences.

The Dell Family WESTMINSTER, MARYLAND

"When I saw the piece in FARM JOURNAL, I couldn't believe my eyes! So many of us need this help, and there's no one to turn to." That was Gregory Dell's reaction to our call for case study nominations. Along with his three sons, Gregory would like to take over the farm when his brother Roger retires. A family corporation with 2,300 acres and 160 dairy cows, the Dell family faces the threat of very high land prices in their area outside of Baltimore. The Dells' legacy experience will be documented with multimedia coverage by FARM JOURNAL.

The Esther Family BEARDSTOWN, ILLINOIS

Chet Esther, the current owner of EFFCO, describes himself and his sons as "entrepreneurial farmers." Both he and wife Lori turned 50 this year and are eager to transition management to their sons by their 55th birthday. The couple were able to have full control at an early age and would like their children to have that same opportunity. With 4,300 tillable acres, the Esther sons would like to increase acreage within the next 10 years. The family's succession planning journey will be covered in multimedia fashion by TOP PRODUCER.

The Moes Family GOODWIN, SOUTH DAKOTA

The Moes are a fifth-generation dairy family, with the sixth generation growing up on the farm. With more than 30 employees, the family now operates three companies, MoDak Dairy, MoDak Feeds and MoDak Trucking. The Moes are self-described innovators who are growth-oriented and facing succession challenges. With that comes questions about how to resolve the complications of active versus passive family members and newcomers versus lifetime commitments. DAIRY TODAY will provide multimedia coverage.