

The Legacy Project

What do you need to write your success story, and how can we help? This is the purpose and the promise of the Farm Journal Legacy Project. We've received letters from families across the nation, asking to be considered as one of the case studies working with the Legacy Project team. Each letter speaks of uncertainty, points out past mistakes and shares a common thread of anxiety.

Yet the drive for multigenerational success is overwhelming. Farm owners want to see their lifestyle, traditions and values carry on after them. It seems to be every farmer's solemn wish that his or her children and grandchildren appreciate and come to love the farm that represents generations of positive qualities.

Excerpts from the letters tell the real story, and show you're not alone.

"All of us want this farming operation to continue, but we just don't know how or where to start. It's hard to find any help that isn't as confused as we are!"

Chances are, you've felt the same despair. Most farmers need help creating a viable succession plan. This is exactly why we're initiating the Farm Journal Legacy Project. It is designed to help you achieve your most heartfelt goals.

In the coming months, we'll bring you the real-life stories of FARM JOURNAL readers participating in the Legacy Project.

These volunteers are farm families who recognize the challenges of transition, realize that help is necessary and are willing to share their experiences. Don't be surprised if you find common ground in their stories. Our desire is that you'll take the lessons to heart. We hope you'll gather the family, discuss the issues and embark on a journey of growth and discovery.

"We would like to avoid the mistakes of the past and find solutions that are beneficial to all parties."

The Farm Journal Legacy Project will address the challenges of succession planning and offer solutions that are best for the owner, the family and

the farm. The mistakes of the past tend to revolve around the top three causes of failure to transition the farm to the next generation: insufficient capital, inadequate estate planning and failure to prepare the next generation for a leadership role.

Succession planning is not a winner-take-all proposition. It is based on clearly defined objectives, specific actions and assistance from a team of professionals, including an accountant, attorney and financial adviser.

"My wife asked if we can afford to do this planning, and my reply is we can't afford not to."

Planning success is based on the decisions you make and the actions you take. In succession planning, most people hesitate due to the unfamiliar nature of the process and an over-

FARM JOURNAL Legacy Project

bearing fear of the unknown. Fear of the unknown—the unpredictable reaction of the family—is enough to stop even the best of intentions. Fear of failure is the biggest obstacle on the road to success.

If passing the farm to the next generation as a lasting legacy is the dream, why do so many fail? History shows us that only 30% of agribusinesses will pass from the first generation to the second. Of those that remain, 10% may pass to a third and of the dismal remainder, 4% may go to a fourth. But how do we change the outcome? How do we positively affect the results?

The Farm Journal Legacy Project



Kevin Spafford
writes from Chico, Calif.

will focus on the how, when, what and who of succession planning. We've designed a slate of learning opportunities. From the case study series to live events and interactive classes online, you'll be exposed to the tools, techniques and common sense of good planning. We'll introduce the experience and insights of professional advisers and continue to address your concerns through this column and in our soon-to-be-launched eNewsletter.

The Farm Journal Legacy Project is bent on "Cultivating Multigenerational Success in the Agricultural Community." That mission statement is just a formal way to say, "We want to help," and we're committing our resources to this important initiative. We hope you'll join us on this journey and engage in the process as we deliver information, tools and support to help you write your success story.

Kevin Spafford is a certified financial planner whose firm guides farmers and agribusiness owners through the succession planning process. He is the author of *Legacy by Design: Succession Planning for Agribusiness Owners*. Mail questions to Legacy by Design, 2550 Lakewest Drive, Suite 10, Chico, CA 95928, e-mail to LeaveALegacy@farmjournal.com or call (877) 523-7411.