

Family Business Insight for your Agriculture Company February 2019

This issue of the Dispatch highlights just two of <u>many</u> examples of the rural brain energy and drive that will sustain the next generation of rural America. We hope you find this issue and the next generation farms profiled as inspiring as we do. We look forward to your comments and feedback.

The Rural Brain is Thriving

By Davon Cook

Search for "rural America brain drain" on Google and you get 6.26 million hits. The main idea is that as population migrates to urban areas, rural areas don't benefit from the societal contributions of its home-grown citizens. Those living in rural America can certainly confirm that population often is stagnant or dwindling and that some towns have a number of boarded-up storefronts. Undoubtedly, the dynamics and the population <u>totals</u> are different than a generation ago. But we reject the conventional wisdom that the collective rural "brain" is being "drained".

We interact with hundreds of ag businesses each year and many of them are led by, or are developing, a next generation of leaders and owners that are impressive. These are folks who <u>choose</u> to invest their careers in agriculture and rural areas even though they have other options. Many are college educated with access to other careers. Many have worked in other careers and/or other geographies and then <u>chosen</u> to return to production ag. As farm size gets larger and labor needs per acre decrease, it's true there may be a smaller <u>number</u> in rural America, but the collective "brain" is very much thriving.

We host producer peer groups that meet in rural communities all over the country and visit each other's businesses. In addition to the production ag success stories we see, we often include a tour of another non-farm business. We are continually impressed by the caliber, size, and complexity of businesses we see in the most unexpected rural places: the large-scale conveyor manufacturer in Minnesota, the gigantic equipment moving company in Kentucky, the seed plot field equipment company in lowa that builds custom worldwide, and more.

Keep reading for two stories demonstrating the current rural brain gain.

Thriving in the Heartland: The Lucas Family

By Alleah Heise

In Davon's introduction to this month's Dispatch, she aptly pointed out our team's privilege of interacting with the best and brightest next generation farm families across the US. Here is a story about a heartland family.

The Lucas Family, from Johnson, KS, farms 16,000 acres of corn, wheat and sorghum in the southwest corner of the state. They also own a Pioneer Hybrid dealership. Surviving in western Kansas as a 4th generation farm has required more than just grit. The Lucas' have been strategic in their approach. Carson and Colby Lucas, brothers, both earned college degrees and held jobs away from the farm. Their brother, Calen, resides in California and serves as an advisor using his off-farm experience to address new challenges faced at the farm.

After teaching English in South Korea and working several corporate jobs, Carson knew he was ready to come back to the farm. "Loren (Carson and Colby's father and 3rd generation farmer) made it clear he wanted us to come back. He always left the door open."

When considering his return to the farm, Carson described needing time away to appreciate the opportunity provided by returning to the family business. "I was working at a 'no thinking allowed' job in Kansas City," Carson shared. But he quickly came to realize that there were few limitations on what he could do at the farm. "I could be as good as I wanted to be. I was incentivized to be creative and to find alternative solutions to the problems we had been facing," Carson went on to say.



It was never just about one next-generation member coming back, though. In this case both Carson and Colby returned. Colby Lucas brings an eye for detail that complements Carson's people-first philosophy. Where Carson builds relationships, Colby aligns those relationships toward the farm's long-term goals and high-quality standards. Together, the Lucas brothers agree that the farm is now working more efficiently than ever, with more opportunities in the future.

This duo, with the help of their off-farm sibling, have their eyes on the future – one that is thriving with a resilient next generation. "The people coming back are making a choice to return. They aren't coming back for the wild money opportunities. They are coming back because they want to make a difference. We get to do that every day," said Carson. "Farming is not easy. The people coming back know there are a lot of challenges and they are coming back with their eyes wide open and they are up for what's next."

One thing is certain. Even though we see the challenges ahead, our team is continually impressed by the next generation members who are making the choice to return to rural America. These key contributors are charting a path forward for agriculture. If the Lucas Family is any indication, the future is in good hands.

Thriving on the West Coast: Tracy Schohr

By Davon Cook

I'm sometimes asked, "What's the ideal preparation for a next generation member joining a family business?" Ideally, I'd recommend a college education, work experience somewhere other than the family-owned business, *desire* rather than *obligation*, passion for the industry, and willingness to dive into new challenges with thoughtfulness and drive.

That description captures Tracy Schohr of Gridley, California perfectly. Tracy is one example of the brains, talent, and drive that are building careers in rural American agriculture. After receiving her degree at Chico State in ag business, Tracy spent eight years at California Cattleman's Association helping shape state environmental policy and advocating for ag. Tracy was involved in her family's farm and ranch operation in her spare time through those years and joined it more substantially during and after a master's degree in horticulture and agronomy from UC Davis. Since then she balanced work at K Coe Isom accounting and consulting firm helping farms and ranches benefit from conservation practices and incentive programs, and then at UC Davis.

Schohr Ranch grows rice, walnuts, commercial cattle, and registered Herefords in northern California. Tracy, her brother Ryan, and parents Carl and Susan are a formidable team. She took on the challenge of updating accounting software and practices as one of her first major projects. In addition, you'll find her managing significant regulatory compliance programs and overseeing the cattle operations.

Tracy's passion, however, is environmental stewardship and the opportunity to use farm and ranch land as a positive force for the environment while sustaining a profitable business. That passion has played out in projects to enhance water-bird habitat and obtain cattle grazing leases on public land by proving the positive impacts on fire fuel load and wildlife habitat. Tracy also lives that passion in her position as an extension farm advisor. That role had her organizing the evacuation/care of almost 1300 animals during the recent Paradise "Camp Fire" and collecting forage and water samples from the affected area. "Being able to help my community during that tough time has been one of the most rewarding things in my career," Tracy said. Tracy advocates for agriculture on Twitter at @beefnsushi.

Beyond that impressive resume, Tracy's example speaks to how the experiences she has had in all those rolesgood and bad—are valuable to her business every day. Her family teases her at times of being a 'free agent' able to pick and choose her task of the day while working on and off the ranch. Tracy said, "I love connecting the science and policy and real-world application together. This situation works well for us because my need for variety is met and I bring lots of ideas and connections back to the ranch. Since my parents aren't retired yet, the workload at the ranch may change down the road."

Tracy and others give us ample reason to believe there is no "brain drain" in rural America. Far from it.

