

Harpster Family Shares

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may be transferring their farm operations: "Don't get out of it too fast."

Gary Snider, Farm Credit of Western New York, added a financier's perspective to the topic of farm business transfers.

"There are risks in transferring a business," he said.

Snider stressed the need for clear communication between generations. Those stepping into management roles need to show respect to their elders, and those turning the business over must exercise trust in the younger generation, he said.

While each generation may have different ideas and management styles, it's important to realize that "both sides are right," he said.

"It's very easy for Mom and Dad to become very conservative when it's time to hand over the farm," he said. This may cause them to distrust the younger generation's energy and ideas. Snider urged the older generation to let go of this skepticism. "Trust," he said. That includes developing and nurturing leadership many years before the day the children take over the business.

By the same token, the younger generation must respect those who developed and managed the business before them.

"If you want this thing to be successful, you're going to have to bend over backward to be respectful to your parents," he said.

Snider urged family members to develop and write down goals for their farm business. He cited a Wall Street Journal article that reported businesses with written goals had nine times the income of businesses



PDMP members listen to advice on how to successfully negotiate a farm business transfer.

with no goals, and three times that of businesses with unwritten goals.

L.L.C.s are today's trend, offering simplicity, flexibility, and some liability protection in partnerships, Snider said.

In a "perfect world farm transfer," a younger generation family member would work off the farm for two to three years, then work as an employee on the farm before an L.L.C. is started on operating assets, according to Snider.

Initially, a younger member should have a small percentage of assets in the L.L.C., with a goal of reaching 50 percent in five to seven years. As the first retirement step, the older member should transfer L.L.C. interest, then, as the second step, sell the real estate.

National Dairy Shrine Names Students For Recognition Awards

Dorshorst, Iager Take Top Rankings

COLUMBUS, Ohio — Each year the National Dairy Shrine sponsors a contest for graduating college seniors who are planning a career related to dairy-production agriculture and who excel in leadership skills, academic ability and show keen interest in dairy cattle. This year's 'Top Ten' will receive their recognition and cash awards during Dairy Shrine's Awards Banquet on Oct. 3 at the World Dairy Expo, Madison, Wis.

Nathan Dorshorst, Junction City, Wis., is the 2002 first-place award winner. A graduate of the University of Wisconsin, Dorshorst majored in dairy science and

will begin his first year in Madison's School of Veterinary Medicine this fall. Ultimately, he hopes to own and operate a successful dairy farm.

Dorshorst fosters a strong commitment to the dairy industry, illustrated by his long list of achievements and involvement with 4-H, the Holstein Association, Badger Dairy Club and the judging team. Dorshorst wins a \$1,500 cash award that will be presented Oct. 3 at World Dairy Expo in Madison, Wis.

Winning \$1,000 for second place is Amy Iager of Fulton, Md., and an honors graduate of Virginia Tech. Armed with a degree in dairy science and a chemistry minor, Iager plans to work a year and a half as a legislative assistant for the Federation of Animal Science Societies Scientific Liaison Division in Washington, D.C., then go on to graduate school and study dairy cattle transgenics.