

following: a business description including mission statement, objectives and goals, a production plan explaining what and how a marketable product will be produced, a financial plan illustrating that the business can make money long-term, a marketing plan and a risk-management plan.

### The Three Ps

Lacy advised the audience to remember “The Three Ps” of financial sustainability. The first “P” stands for profitability over the long run. The second “P” stands for payments. Can you maintain cash flow and pay bills in timely fashion? The third “P” represents position or solvency. Is your financial position improving over time, as indicated by a declining debt-to-asset ratio?

Lacy emphasized a smart approach to determining profitability, which starts with the inclusion of all costs. Costs associated

with management must be included, along with operating expenses such as feed, seed, fertilizer and machine repairs, fixed costs like interest and depreciation, and labor. While figuring total costs on the basis of dollars per cow may be useful for some things, calculation on the basis of dollars per unit of product sold is necessary to determine profitability.

“Cattlemen sell pounds, and they need to know what it costs to produce a pound sold,” said Lacy.

### Financing options

Discussing options for obtaining financing, Lacy said the conventional way is through commercial banks or the Farm Credit system, but the USDA Farm Service Agency and certain state agencies also provide options that may be advantageous

to young producers. He also noted lease-purchase and share-rental agreements as potential avenues to establishment of new cattle operations.

For those determined not to fail for lack of a plan, but in need of help, Lacy recommended a University of Minnesota website dubbed AgPlan. Created by the University’s Center for Farm Financial Management, the site’s sole purpose is to aid rural businesses with business plan development. Lacy suggested that interested parties try one of AgPlan’s business plan “templates.” Users are guided step-by-step through the process of developing each of the important parts of a business plan. The website also directs users to additional resources. Connect to the site at [www.agplan.umn.edu](http://www.agplan.umn.edu).

To view the PowerPoint that accompanied Lacy’s presentation and/or to listen to his presentation, visit the Newsroom at [www.bifconference.com](http://www.bifconference.com).

**“Cattlemen sell pounds, and they need to know what it costs to produce a pound sold.”**

— Curt Lacy

# Starting from Scratch

Kevin and Lydia Yon provide tips for building an operation from the ground up.

by *Mayzie Purviance, Angus Media intern*

**K**evin and Lydia Yon of Ridge Spring, S.C., didn’t have much when they started their journey in the cattle business. After many years of hard work and perseverance, their story of “not much” turned into the classic American dream.

Both majoring in animal science at Clemson University, the Yons met at a Block & Bridle cookout. They hit it off and soon became the perfect team, accepting a position to manage the Angus herd at Congaree Farms near Columbia, S.C.

From 1989 to 1996, life was good for the Yon family. They had three children, lived in a house provided by their employer, were building a strong cow herd, produced their first bull sale in 1990, and were involved in the community.

Fast-forward to 1996: 200 cows later, with three kids under the age of 5 and seven years invested in building a set of genetics, their lives took a turn when the owner of Congaree farms said he wanted out of the cattle business in six months, at which point they would no longer be needed.

The family loaded up and moved to Ridge Spring, S.C., in hopes of finding their niche. They purchased 100 acres from the Watson



► Kevin and Lydia Yon of Ridge Spring, S.C., shared many helpful tips with young producers about trying new things, financial planning, and having a continuous vision of what could be. One that seemed to stick out the most was, “Remember, people are always watching.” Subscribers to the digital edition of the *Angus Journal* can click on the photo above to watch a video about the Yons that appeared on the *Angus Report*, and it is available at <https://www.youtube.com/watch?v=E9IReTmJoU0&feature=youtu.be#t=3m41>.

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family (former customers), 100 head of cows from the Congaree herd, and a small farmhouse. They had no operating cash, no equipment and no clue where this new venture would take them.

After many years of back-breaking labor, the Yons have achieved their dream. During the course of 16 years, the Yon family has “taken in” six different family-owned operations around Ridge Spring, purchased a pecan farm, hosted numerous sales, and have successfully expanded their farm and family.

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financial planning, and having a continuous vision of what could be. One that seemed to stick out the most was, “Remember, people are always watching.”

The people of the Ridge Spring community watched the Yons from the moment they drove into town and realized that they were a quality family. They saw the way the Yon family took care of their livestock and their land. They watched as the Yons became a success in the agricultural industry and as they went out of their way to improve the community. The residents of Ridge Spring took notice of their effort and the love they put into their work every day.

That close scrutiny laid the foundation for opportunities to help get to where they are today.

“If they (members of the community) see somebody that has come in and is trying to improve the whole community, that is maybe a 4-H volunteer, Little League volunteer, volunteer fireman, PTA, you name it,” Kevin said, “more often than not they’re going to want to help you because you’re going to help their family and their community.”

To view the PowerPoint that accompanied their presentation and/or to listen to their presentation, visit the Newsroom at [www.bifconference.com](http://www.bifconference.com).

# Know Your Consumer

Millennial advocate talks about the importance of consumer connection.

by *Shelby Mettlen*, assistant editor

**F**ifth-generation rancher Amanda Radke had a strong message for young farmers and ranchers at the 2017 Young Producers’ Symposium. The blogger, agricultural journalist and millennial mom from South Dakota urged conference attendees to know their consumers.

“There’s so much to think about as we begin our careers in production agriculture, the one that’s easy to forget about is the person you don’t know,” she said, referring to urban consumers who are generations removed from the farm or ranch.

She reminded her audience that person has a vote that can determine how you do your business in the future.

Radke said the word “sustainability” has been stolen from agriculture, and explained that the word really doesn’t represent what farmers strive for.

Farmers and ranchers do better than sustain what they have, she said. They take the land and resources they have and make them better.

Radke urged farmers and ranchers to take back the word sustainability, adding that those in agriculture need to take control of the conversation and talk about not only how they use those resources, but how they improve them.

Telling your story isn’t always a top priority for farming and ranching

professionals, but it’s important, Radke said. She urged young producers to use social

media to help start the conversation, but to also look for opportunities in everyday interactions.

She suggested sharing visual graphics on Facebook and Twitter to give a snapshot of straightforward information.

Radke pointed out the importance of being prepared to have conversations outside your comfort zone. Listen to what consumers have to say first, then inform them, she advised. Don’t get defensive or make consumers feel inferior.

Find common ground with your consumer, Radke said. Talk about family values, how you treat your animals, how you care for the environment, and that food safety, quality and nutrition are also important to you and your family.

Be clever and creative, she suggested. Entertain questions first, and inform second. Be relatable, make your story accessible and visible, and use information that is transferable and compelling.

“We’re gaining ground,” she said, but it’s important to continue to make an effort to avoid losing that footing.

To view the PowerPoint that accompanied Radke’s presentation and/or to listen to her presentation, visit the Newsroom at [www.bifconference.com](http://www.bifconference.com).



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