

## **FARMING IN A WORLD MARKET**

Chad McCollester, President of Agri-Valley Farm Management, Silver City, IA, spoke to club members about the challenging work of interacting with about 40 land owners of nearly 10,000 acres and the operators of this land who produce grain. McCollester explained that the unsteady grain market and rising production costs has all parties anxious about the best production and marketing strategies. While the US government is still pursuing a 'cheap food' policy, McCollester noted, there is less effort to financially support the policy. He expects less government support in future government farm bills. The current farm bill seems headed for a two year extension because of lack of consensus regarding changes. McCollester explained there are three types of agreements between land owners and operators- cash rent, share rent, and custom farm. The best choice depends on so many variables that a detailed analysis is needed for each situation. McCollester said his job is analogous to a financial advisor to a client where the farm land is the asset. Often today, the client doesn't live on the land and may be a generation or two away from actual farming operations. Yet, farming is now more complicated with many world wide events effecting local choices.