Northeast DEALER

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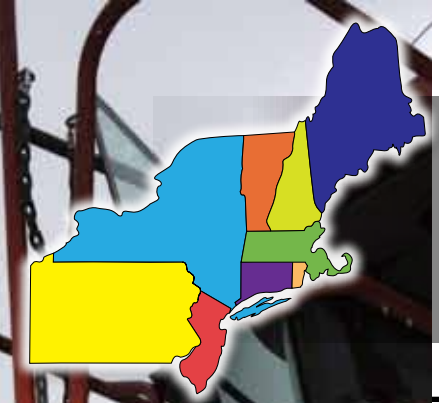
The Newsletter of NORTHEAST EQUIPMENT DEALERS ASSOCIATION, INC.



Cub Cadet Recognizes White's Farm Supply as Top-Performing Dealer

White's Farm Supply Inc., of Canastota, N.Y., recently earned distinction as one of the top 65 Cub Cadet independent retailers in America for 2018. **White's Farm Supply Inc**. received recognition for this achievement during an exclusive trip to Montego Bay, Jamaica.

White's Farm Supply Inc. has been selling and servicing Cub Cadet equipment, including lawn and garden tractors, zero turn riding mowers, utility vehicles, snow blowers and more for 58 years. They have earned distinction as a top-performing dealer 58 times.

"The team at **White's Farm Supply** Inc. works tirelessly to support their employees and provide quality products and services to their community," said Tom Rossman, senior director of sales at Cub Cadet. "Their dedication to conducting good business with customers has brought them to the top of their game. We congratulate Art and Doug White and all their employees. With 1,500 dealers across the country, it's quite an accomplishment to be a top-performer, and we look forward to their future success."

Art and Doug White accepted the recognition on behalf of **White's Farm Supply Inc**.

White's Farm Supply Inc. has four Cub Cadet locations in Canastota, Waterville, Lowville and Franklin, NY. and offers a complete line of Cub Cadet high-performance outdoor power equipment, genuine parts, accessories and attachments as well as expert service and advice.

For more information on all Cub Cadet products, visit www.CubCadet.com.

~ Courtesy of Construction Equipment Guide -Fort Washington, PA, Mon February 18, 2019 - Northeast Edition–Cub Cadet

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2014-2015	20.0%
2013-2014	15.0%
2012-2013	15.0%
2011-2012	5.0%
2010-2011	20.0%
2009-2010	25.0%
2008-2009	37.5%
2007-2008	20.0%

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You may also visit us at www.haylor.com/NEDA

It's time to let your voices be heard in Washington

Ag Committee Has 8 Members From the Northeast and Mid-Atlantic States

Chris Torres, American Agriculturist | Feb 08,2019

When I first saw the makeup of the new House Agriculture Committee, I was pleasantly surprised.

For one thing, there are now 11 women on the committee, which is a great thing to see. Second, and I think more importantly eight members of the committee come from districts in the Mid-Atlantic or Northeast. The previous committee had six members from the Mid-Atlantic and Northeast.

Then reality set in. If you look at the membership roster, most members from our region don't even represent big farming areas. Some areas were left out completely. For example, not one member is from Lancaster County, Pa., which is largely considered the hub of farming in the Northeast and is one of the most productive agricultural counties in the country.

The roster includes three members from New York state, two of whom represent districts between Albany and New York City; one member from the Worcester, Mass., area, the second-most populated region of the state; one from northwest Connecticut, which is historically rural but has grown immensely due to its proximity to New York City; and Rep. Chellie Pingree who represents most of southern Maine, an area known more for its beaches than farming.

Our region is changing fast. Dairy farms are disappearing at an alarming clip; farmers are having to deal with tougher nutrient management regulations; and development is swallowing up areas that have historically been rural.

There is a certain comfort level to having someone like Glenn "GT" Thompson, who represents a large rural area near State College, Pa., and was the vice chairman of the committee in the previous Congress, still on the committee.

On the Senate side, Sens. Kristen Gillibrand, D-N.Y.; Robert Casey Jr., D-Pa.; and Patrick Leahy, D-Vt., will be the region's agricultural voices.

So, write or call your leaders, and stay engaged. Please click here to see the balance of the article.

Value of the Associations' Legislative Work

The impact (value) of the association's legislative advocacy, work-force development, and Industry Relations work can easily be overlooked. Our efforts cannot be accomplished without significant financial investment, support, and grassroots participation. If we're to continue that work, we are going to need your help participating in and financially supporting our legislative work, association governance/direction, and program development. We need your help recruiting new members, participating in legislative visits, giving testimony, contributing financially to the legal/legislative fund, association governance/direction, and program development!

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ASSOCIATION NEWS

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Forrester Farm Equipment Opens in Woodstock, VA.

Recently, close to 50 farmers, families and elected officials huddled together outside Shenandoah County's Va. newest farm equipment shop Friday morning for its opening day.

The cold wind whipped through the gravel lot of the old Pangle auction house as Linda Porter, general manager for Forrester Farm Equipment, cut through the red ribbon announcing she was open for business.

Porter's family has a long tradition of buying and selling heavy equipment. Her grandfather owned the first Ford dealership in Chambersburg Pennsylvania, she said. Her father opted not to go into the dealership business but instead took to farming with her uncle. Porter and her siblings all went to work for their dad when they graduated, giving him the opportunity to expand. When Ford-New Holland asked him to open a dealership, he couldn't refuse. "All five of us are in the business," Porter said. "We always have been." Porter's latest venture in Shenandoah County is the third shop she and her family have set up. They still have their first store in Chambersburg and a second location in Stoystown, Pennsylvania.

On hand to welcome Forrester Farm Equipment to the county were two members of the Board of Supervisors

Agriculture is the number one industry in the state of Virginia," said Supervisor Steven Baker, who is also a full-time farmer. "The support you all give our farmers for their equipment, their service. It's immeasurable." "Shenandoah County is open for business," Morris said. "We have talked more than one time about Route 11 corridor being open for business and we need to do that. We need the exposure."

Porter said she is excited to come to town, offering the full range of New Holland and Toro products along with a family feel.

"We're here to bring you the best of what we have to offer," Porter told the crowd, "and we're family. We treat our customers like family."

New Hampshire R2R Hearing

(Right to Repair) Dealers attending and testifying at the right to repair hearings at the state capitol. Bruce, Chris and Tim: Brian nailed his testimony today! Thank you MB Tractor for your support!

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*Based on a 2018 online survey by Walker Research of 1,208 employees of equipment dealers that offer AgDirect financing.

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Equipment Dealers Foundation Scholarship Applications are Now Available

The Equipment Dealers Foundation (EDF), the charitable arm of the Equipment Dealers Association (EDA), has released the scholarship application and guidelines for the 2019-2020 academic year. The deadline to submit all application materials is 5:00pm (Central) on April 30, 2019.

ED's scholarship program supports the training, retraining or advancement of current and potential employees of equipment dealerships. Candidates must be sponsored and recommended by a dealership to be eligible to participate. This program is part of EDF's broader workforce development initiative and aims to provide an incentive for qualified employees to begin or continue their professional growth within the agriculture industry. Scholarships from EDF are $1,000 and are matched by the sponsoring dealership for a total of $2,000. These funds can be used for any educational program; associate, bachelor's and post-graduate degrees in any field as well as technical training in the ag equipment industry. EDF awarded 10 students a total of $20,000 for 18-19 academic year.

More information about EDF's scholarship program, including the guidelines and application, is available here: - Please direct questions to scholarships@equipmentdealer.org.

EDF funds its scholarship program through the support of equipment dealers throughout the United States and Canada. Anyone wishing to make a tax deductible donation can do so online here: –https://www.equipmentdealer.org/contribute-now/

Agricultural Labor: OSHA Lessens Injury and Illness Reporting Requirements

On January 25, 2019, the Occupational Safety and Health Administration (OSHA) published notice in the Federal Register of a final rule reducing workplace injury and illness tracking requirements for large businesses (84 FR 380). Accordingly, establishments with 250 or more employees are no longer required to electronically submit information from OSHA Form 300 (Log of Work-Related Injuries and Illnesses) and OSHA Form 301 (Injury and Illness Incident Report) to OSHA. Such establishments, however, are still required to electronically submit information from OSHA Form 300A (Summary of Work-Related Injuries and Illnesses). The change is intended to protect sensitive worker information from the risk of potential public disclosure under the Freedom of Information Act.

~ Courtesy of Penn State Agricultural Law Blog.

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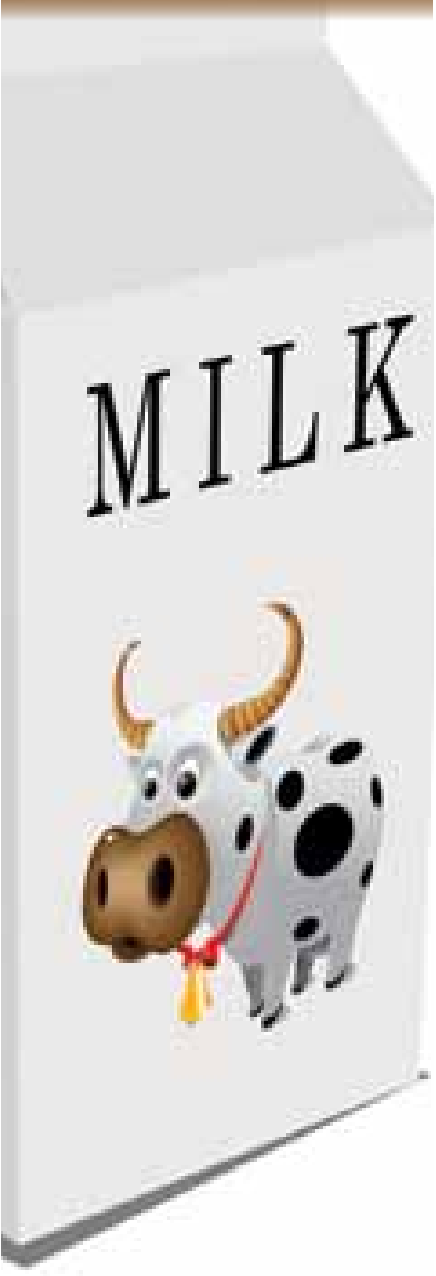
The Whole Milk for Healthy Kids Act has 10 sponsors in the House.



Lawmakers Support Bringing Whole Milk Back To School

Reps. Glenn Thompson (R-PA) and Collin Peterson (D-MN), have introduced legislation allowing whole milk in school nutrition programs.

The Whole Milk for Healthy Kids Act of 2019 (H.R. 832) has eight other co-sponsors, including Rep. Mike Conaway (R-TX), ranking Republican on the House Agriculture Committee. Peterson is chairman of the House Agriculture Committee.

Related: Let's hear it for whole milk!

Adding whole milk to school menus reflects research showing that such products benefit children and gives school administrators one more tool with which to develop healthy eating habits.

"Whole milk provides yet another way for children to receive dairy's nutritional benefits as part of a healthy eating pattern," said Jim Mulhern, president and CEO of National Milk Producers Federation. "This bill encourages the proper nutrition they need to lead healthy lives."

"We thank Rep. Thompson for his leadership and Chairman Peterson for being an original co-sponsor on this bill to allow schools more flexibility to offer the same types of milk that children and teens enjoy at home. Providing expanded milk options will help ensure that students get the nutrients that milk uniquely provides, including calcium, vitamin D and potassium," said Michael Dykes, D.V.M., president and CEO of International Dairy Foods Association.

(Courtesy of: National Milk Producers Federation, which is solely responsible for the information provided and is wholly owned by the source) and American Agriculturist/Farm Progress Co.

Biotechnology: USDA Issues Final Rule Establishing National Bioengineered Food Disclosure Standard

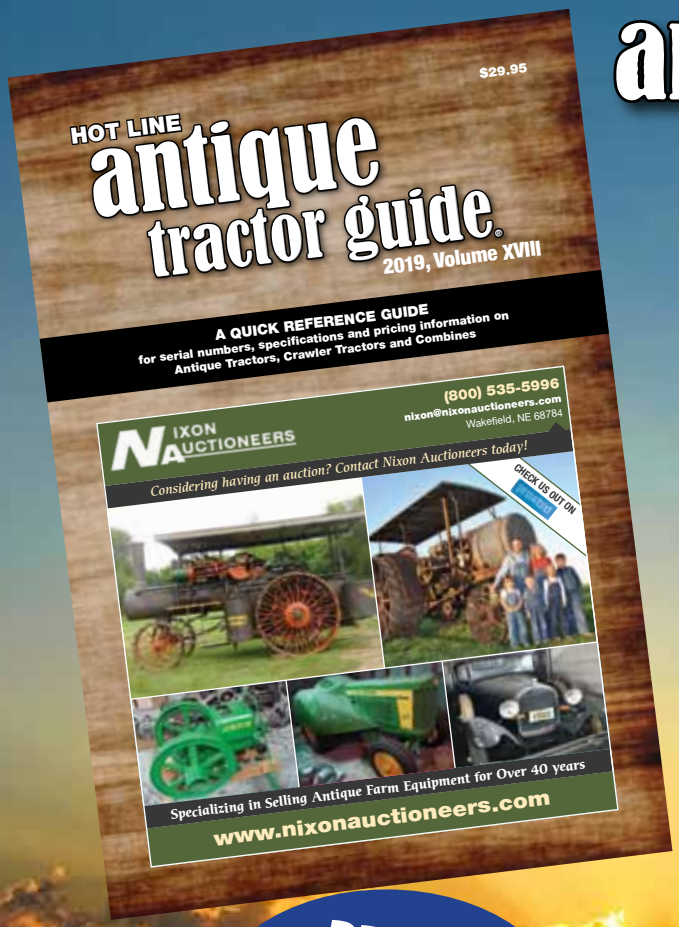
On December 21, 2018, the U.S. Department of Agriculture (USDA) published a final rule in the Federal Register establishing the new national mandatory bioengineered (BE) food disclosure standard (83 FR 65814). In promulgating this final rule, USDA was acting pursuant to legislation enacted by Congress on June 29, 2016 (S.Amdt.4935 to S.764). BE foods also are commonly referred to as genetically modified foods or GMOs.

Under the new final rule, food manufacturers, importers, and other entities that label foods for retail sale will be required to disclose information about BE food and BE food ingredients. Additional options also are available for small food manufacturers. Additionally, an exemption is provided for food derived from an animal that has consumed feed containing or consisting of a BE substance if the food is not otherwise considered to be BE.

For more information and to view the new BE labels, visit the USDA website at: https://www.ams.usda.gov/rules-regulations/be.

~ Courtesy of Penn State Agricultural Law Brief — Jan. 2019

antique tractor guide



PRICES SUBJECT TO CHANGE

Offers reference information such as specifications and serial numbers for over 100 antique tractor and crawler manufacturers, plus 10 antique combine manufacturers. Special sections for antique paint color history, and threshing machine are also included.

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10 Things Drones Could Do On the Farm Someday

If you think this is tongue-in-cheek, you might want to do some homework!

Our 8-year-old grandson, Graham, is captivated by unmanned aerial vehicles. He knows them as drones. He still remembers the time his uncle got a toy drone stuck in a tree. Recently, Graham asked his uncle to bring his drone and fly it for him.

This drone isn't a toy. It's a DJI Phantom 4 Pro. There was no getting stuck in a tree this time. My son passed his Part 107 exam from the Federal Aviation Administration and is certified to fly UAVs.

Graham watched in awe as the drone disappeared into the sky. Then he marveled as he saw live images from the drone show up on the monitor.

You have some idea of what drones can do for Ag today. What about when Graham is 15? 25? 50?

Think possibilities

Perhaps no one can see out that far. Here are some ideas. Before you think this is all tongue-in-cheek, you might want to do some homework. Some of these ideas may not be as far-fetched as you think.

1. Count corn plants per acre.

There are companies that claim drones can do this now. If you have the right app, you can get stand counts in the spring from a drone flight while you watch.

2. Draw maps of weeds in the field.

Pie in the sky? Again, you can do this today if you have the right equipment and software.

3. Identify waterhemp from marestail.

OK, as far as we know, no one can do this yet. But one software company claims it should be reality within two years. Once you can identify weeds from the air, writing prescriptions to spray them individually may not be far behind.

4. Scout livestock.

Our son's demo flight over the sheep pasture was sharp enough to show that two ewes were marked with red crayon by the ram, meaning they had been rebred. That's today!

5. Estimate yields before harvest

If you can count stalks in the spring, why not size up number of ears and ear size in the fall? It might take artificial intelligence to do it. Some plant breeders are already working with companies to train software to spot gray leaf spot in breeding nurseries.

6. Spray.

Drones big enough to carry liquids and spray already exist. The question is how long before it becomes practical. Talk about avoiding soil compaction!

7. Determine tile location and prepare tile maps.

If you think it's too far-out, you're not paying attention. If you fly fields at the right time of year today, tile lines that are working show up.

8. Seed cover crops.

Why rig up a high-clearance sprayer or mount a seeder on your combine if a drone could do it? Is it happening today? No. Could it happen? Why not?

9. Identify tree species and plan a timber sale.

Some Purdue Extension educators who are part of the Quad Squad, armed with UAVs for demonstration purposes, are working with timber owners. Just because you can't do this today doesn't mean you never could.

10. Bring lunch to the field.

OK, maybe this one is in the George Jetson stratosphere. But if drones can carry payloads, why couldn't your spouse pack up lunch and send it your way? Never say never.

Comments? Email tom.bechman@farmprogress.com.

~ Courtesy of America Agriculturists *magazine, Farm Progress Daily 1-14-2019*

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AgDirect Equipment Financing - Measuring Farm Equipment Efficiency

Although tracking the costs of owning and operating farm equipment requires considerable time and planning, it is important to the success of every operation, especially when managing tight profit margins.

"Lower commodity prices have made all farm expenses more visible," says Mary Anne Mullen, vice president of AgDirect Credit. "Producers are taking a closer look at their finances to find ways to reduce costs and increase profitability. Machinery and equipment costs are a big component in determining the overall financial strength of their business."

Establishing a baseline

According to Mullen, one of the first steps producers should take to control their equipment costs is to prepare a budget at the beginning of the year.

"Setting a goal allows you to monitor your progress throughout the year and make adjustments along the way. Whether you measure profitability by cost per acre or cost per hour, the key is choosing a metric, being consistent and evaluating your costs regularly."

At minimum, Mullen recommends calculating costs on an annual basis, but she points out the benefits of a monthly or even quarterly review.

"If you're analyzing your equipment line-up once a year, it can seem like a hassle. But if it is a regular part of your financial management, it feels more like operating a gearshift – second nature."

Using a benchmark

Once a budget has been set and metrics have been selected, Mullen says producers can use financial benchmarking to measure their farm equipment efficiency and pinpoint where improvements can be made to increase profitability.

"It's one thing to know what your equipment costs are, and another to know how those costs compare with other operations of a similar size and scope," she explains. "Having a good benchmark or peer group is an important aspect of understanding your machinery costs."

Land grant-based data is one resource producers can rely on to compare their machinery costs. The United State Department of Agriculture and some farm accounting software applications can also provide producers with references for comparing liquidity, solvency, financial efficiency, asset turnover ratios and machinery investments.

"Benchmarking allows producers to identify underlying costs of owning and operating farm equipment and reveals true cost of production," Mullen says. "Ultimately, this can help you set realistic expectations of what your equipment is worth and what you can comfortably afford."

Analyzing asset use

Because machinery purchases are one of the biggest investments made in any operation, another best practice for managing machinery costs includes analyzing asset use.

"Owning an entire equipment line might seem like a good thing, but it could be money down the drain if you've acquired pieces that aren't being utilized," says Mullen.

"Evaluating asset use allows producers to weigh some of the trade-offs such as owning versus leasing or owning versus custom hiring. It can also help you avoid overvaluing equipment when it's time to sell or trade," she explains.

Mullen reminds producers to consider ownership and operating expenses before making equipment purchases, too.

"Whether you're buying new or used, spend some time calculating all of the costs involved including variable costs such as labor and parts availability, and, be mindful of warranties," she adds.

No matter your equipment needs, AgDirect can help you finance them. To learn more about AgDirect or locate your nearest AgDirect territory manger, contact the AgDirect financing team at 888-525-9805 or visit agdirect.com.

~ Article courtesy of AgDirect, Farm Credit Service

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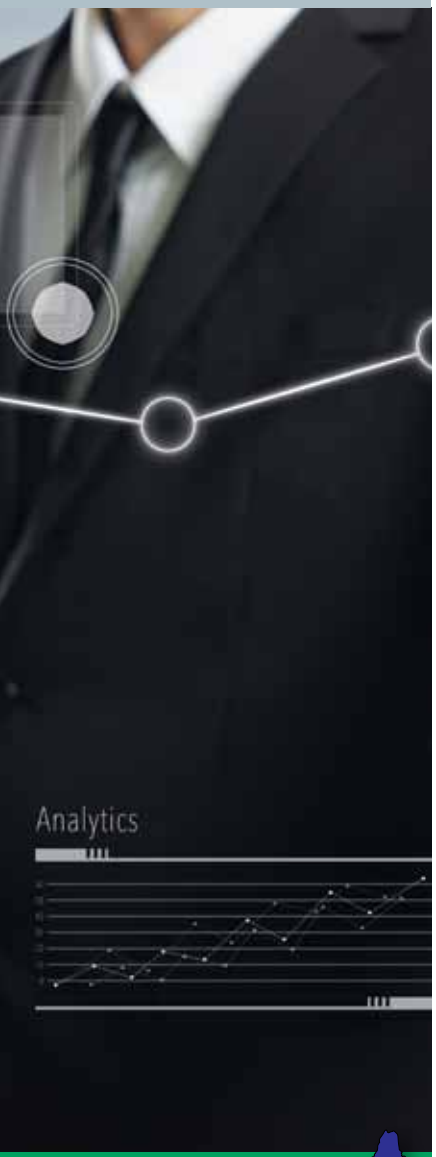
Make Sure Your Sales Career Is The Exception, Not The Rule

by John Chapin



To be successful in the world of selling you need to be a contrarian. In every industry successful salespeople are the exception, not the rule. In the insurance field only about 20% of the agents who start are still agents ten years down the road. In real estate, the average Realtor sells three houses a year, and even though some may stay in the business because it's the family's second income and the company allows them to, three houses a year is poverty-level income. In the corporate world, most salespeople don't make quota and in many cases, even those that do aren't making six figures. That's the bad news. The good news is: the top people in sales make tons of money and most have really good lives as a result. The other piece of good news is that success or failure, with rare exception, is completely up to the individual. Sales truly is the highest paying hard work and the lowest paying easy work and the reality is: those that don't make it never make the commitment to put in the necessary work to be successful. All of that said, here are a few thoughts to entertain in order to be successful.

FIVE IDEAS FOR SALES SUCCESS

Idea #1: **You must embrace the suck.**

Like homework as a kid, or eating your Brussel sprouts, there are some things in life that you don't want to do but you have to. Sales in the same. Whether its paperwork, computer work, planning, or calls sheets, there will be things you don't want to do but you have to. Even some sales related activities aren't fun. I don't know a ton of people who love to prospect or cold call, me included, but if you don't prospect, ultimately you don't make the necessary sales.

Idea #2: **You must embrace failure and rejection.**

As human beings this one is tough. Acceptance by others is hardwired into our DNA. Thousands, and perhaps even hundreds, of years ago if we weren't accepted by the group, we died alone out in the wilderness. In the 21st Century this is no longer true. Yet, most of us, especially salespeople, still have a major need to be liked and accepted. Most of us have moderate to severe approval addiction. It's also time to recognize what lies on the other side of failure and rejection: massive success. You must see each failure and rejection as a stepping stone to the next sale. Every call, whether a yes or no, gets you closer. You've got to change your definition of failure. Though Thomas J. Watson probably said it best, "If you want to increase your success rate, double your failure rate."

Idea #3: **You must embrace discomfort and fear.**

What's interesting is that the psychological fear felt while cold calling causes the same reaction in the body as someone exerting themselves physically, on a long run for example. This feeling is one of self-preservation. It tells the individual to stop cold calling just as it tells the runner to stop running. From a physical standpoint, when running or pushing ourselves physically, this feeling is created by physical discomfort and first kicks in when we have expended about 40% of our physical capacity. In other words, we have another 60% to go. In both cases we need to override the discomfort and fear if we are going to grow, expand, and become more physically and mentally. Everything you want is through your fear and outside of your comfort zone.

Idea #4: **You must embrace challenges and curveballs.**

Challenges and curveballs make you better, stronger, smarter, and more resilient. The more you face and overcome, the more you can face and overcome. Obstacles you face, and ultimately overcome, are like the fire that tempers the steel, they make you tougher and more capable. While I'm not suggesting you hope for the flat tire, the health issue, or any other of lives problems that you will encounter on your journey, do your best to rise to the challenge, embrace them, and let them build a better you.

Idea #5: **You've got to play mind games with yourself.**

The above ideas are going to require you to fly in the face of a lot of what you've been taught over the years. They're going to force you to be a contrarian and see good in bad, and blessings in hardship. That is the champion's edge. The ability to turn adversity into motivation. Is it for the things you want: the cars, houses, money, and the feelings those give you? Is it to prove yourself to yourself and/or others? Or is it for the people in your life: kids, grandkids, parents, friends, or even future generations? Is it about how you'll be remembered once you're gone, the mark you left on the world?

Remember, life will pay whatever price you ask but it's not just going to give you the prize without paying your dues, without being committed, without deserving success, without stepping out of your comfort zone, facing your fears, and going after it. Life will test you again and again to make sure you're worthy. Every single day you're going to have to put your helmet on, fasten your seatbelt, ride the roller coaster of life, and go get it.

John Chapin is a motivational sales speaker and trainer. For his free newsletter, go to: www.completeselling.com John has over 29 years of sales experience as a number one sales rep and is the author of the 2010 sales book of the year: Sales Encyclopedia. - The largest sales book on the planet (678 pages). – 508-243-7359 - 24/7 – www.completeselling.com

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Ag. stories you might have missed

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Need to catch up on the news? Here you are.

Need a quick catch-up on agricultural news this week? Here are nine stories you might have missed.

1. U.S. and Chinese negotiators are working on multiple memorandums of understanding that would form the basis of a final trade deal. The MoUs would cover areas including agriculture, non-tariff barriers, services, technology transfer and intellectual property. – *Farm Futures*

2. Another year of low commodity prices looms, and that will continue to weigh on farm income, according to USDA chief economist Robert Johansson, speaking at the 2019 Agricultural Outlook Forum in Washington, D.C. – *Farm Futures*

3. China plans to increase its soybean planting through "multiple" methods, according to a government statement. The country released a policy statement for agriculture that seeks to bolster growth and offset trade challenges. – *Reuters*

4. African swine fever has been detected on three farms in Vietnam, the first confirmed cases in the country. All pigs on the farms located in Hung Yen and Thai Binh provinces, which are southeast of Hanoi, were culled. The disease has affected 25 provinces and regions across China since August. – *Reuters*

5. As of Feb. 1, Wisconsin had 8,046 dairy herds, down 40% from 10 years earlier, according to state Department of Agriculture data. In 2018 alone, Wisconsin lost almost 700 farms or about two dairy farms a day. – *Journal-Sentinel*

6. ABC's "Shark Tank" TV show is coming to Lincoln, Neb., on April 5-6, courtesy of the Engler Agribusiness Entrepreneurship program at the University of Nebraska–Lincoln. It is the first casting call in Nebraska for the TV program in which aspiring entrepreneurs pitch business proposals to self-made business tycoons. – *Nebraska Farmer*

7. Switching to no-till went smooth for Jason Kontz of Colman, S.D., who raises corn and soybeans and finishes cattle. He made the switch because he was motivated in part because gullies were forming on his land. – *Dakota Farmer*

8. And your bonus.

9. Mother and daughter duo Lauren and Laila Shutt hold the state titles in their division for "Miss United States Agriculture." The national competition is June 21-22. There are state pageants in Iowa, Pennsylvania, Florida, Kansas, Missouri, Nebraska and Ohio. – *Pahomepage.com, Miss United States Agriculture*

~ Courtesy of Farm Progress, American Agriculturists, Feb. 22, 2019

Best Practices For Accepting Customer Checks

Accepting checks is most likely a common part of your dealership's daily operation. Accepting checks comes with risks, particularly when sales entail large amounts of money. There are steps that you can take to mitigate the risks associated with accepting customer checks. These steps include the implementation of an overall business policy as well as training on best practices for employees. Following these simple steps can help avoid frequent issues. Read more at: Equipment Dealers Association, St. Louis, MO.

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DEPARTMENT OF AGRICULTURE

~ Source: PA Department of Agriculture PDA Round-Up

Research shows the practice is compatible with no-till, doesn't increase sedimentation

Manure Injection Offers Hope, Challenge For Restoring Chesapeake Water Quality

Widespread adoption by dairy farmers of injecting manure into the soil instead of spreading it on the surface could be crucial to restoring Chesapeake Bay water quality, according to researchers who compared phosphorus runoff from fields treated by both methods. However, they predict it will be difficult to persuade farmers to change practices. **Read Article** – (Courtesy of: The Penn State Ag Sciences Headlines Issue is brought to you regularly as a ser-vice of Penn State News and Media Relations and the College of Agricultural Sci-ence/2-6-19)

Supreme Court Holds That Federal Arbitration Act Does Not Apply to Independent Contractor Drivers

In a decision issued this week, the U.S. Supreme Court unanimously held that the Federal Arbitration Act—which generally requires parties to honor agreements to arbitrate disputes—does not apply to agreements between motor carriers and independent contractor drivers. The case concerned the FAA's exemption for "contracts of employment" of transportation workers, which most courts have interpreted to mean that the FAA does not apply to employee drivers, but does apply to independent contractors.

In the decision, however, the Supreme Court ruled that the FAA's exemption extends to all drivers, regardless of whether they are employees or ICs, because at the time of the FAA's enactment in 1925, "contract of employment" was commonly used to describe an independent contractor relationship. The decision does not affect the enforceability of arbitration agreements under state arbitration laws, some of which do not have the same transportation worker exemption as the federal act.

~ ATA Dispatch

A copy of the decision is available. **Click here**

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OFFER EXPIRES March 31, 2019

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ON THE LIGHTER SIDE ◆ ◆ ◆

The Six Mistakes of Man

1. The delusion that personal gain is made by crushing others.
2. The tendency to worry about things that cannot be changed or corrected.
3. Insisting that a thing is impossible because we cannot accomplish it.
4. Refusal to set aside trivial preferences.
5. Neglecting development and refinement of the mind, and not acquiring the habit of reading or studying.
6. Attempting to compel others to believe and live as we do.

Profit Planners:

Why Not Give Ag Student Chance?

Hiring a high school student for the summer could benefit everyone. The local ag instructor has a high school student he wants us to hire for the summer. The boy will be a senior and has no farm experience but seems like a dependable kid. We need someone to do odd jobs and mow barn lots. Is it worth a chance? What should we pay him?
See the entire article. **Click here**

Article courtesy of American Agriculturist, Farm Progress, 2-12-19

Textron Stops Production of Dixie Chopper

Dealers have been notified that Textron Specialized Vehicles, the company that acquired Dixie Chopper just four years ago, has ceased production of Dixie Chopper and Jacobsen zero-turn mowers and Jacobsen Truckster L/M series utility vehicles. Textron officials have told dealers the decision was difficult, but pressure from the market and economic circumstances has made it necessary.

The Dixie Chopper dealer portal will remain active and plans are currently in place to maintain employees in Greencastle, IN to provide service, support and fulfill parts and accessories orders. All factory warranties on new units, whether currently in a dealer's inventory or purchased from remaining factory stock, will be honored by Textron.

Additionally, Textron reportedly will continue to work with financing partners on dealer floorplan and retail financing programs, to help dealers manage and sell existing inventory. All remaining stock of Dixie Chopper and Jacobsen units in the company's possession will be sold.

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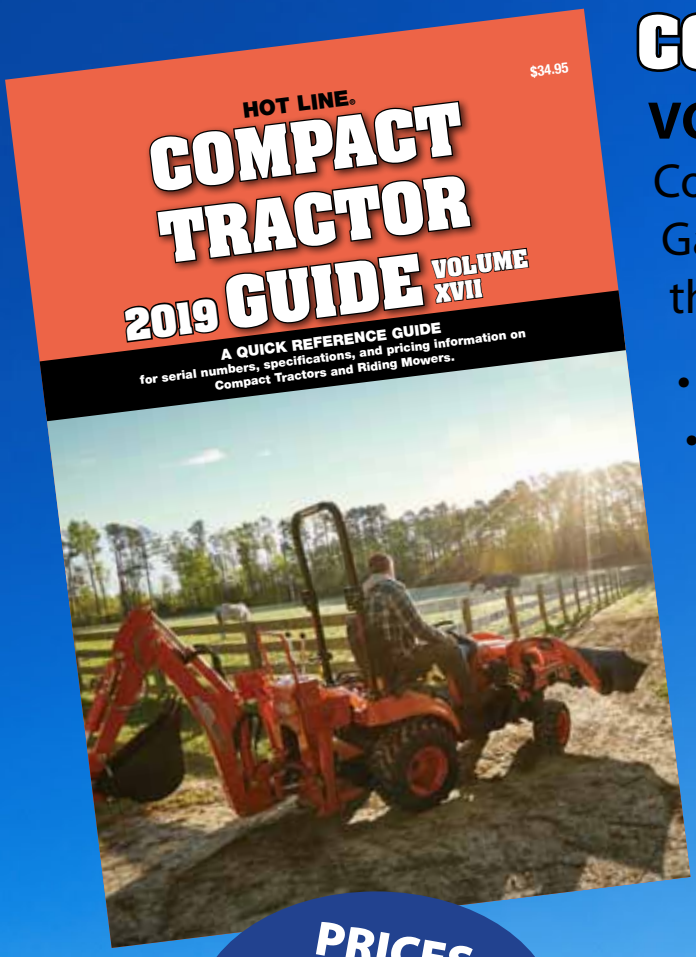

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WHAT is a Valuation?

A business valuation is a report written by a qualified appraiser for purposes including business succession, estate and tax planning, litigation, buy-sell situations and other purposes.

Part 2 of 4

BY BART BASI

Basi & Associates at The Center for Financial, Legal & Tax Planning, Inc., 4501 W. DeYoung St., Suite 200 • Marion, IL 62959, P: (618) 997-3436, www.taxplanning.com.

A Primer on Valuations: What, Who, When and How

In our previous advisory, we discussed WHAT a valuation is and WHO can perform them. This month, we lean back into valuations covering the WHEN aspect.

Once again, knowing the value of a business is important to anyone who has an ownership interest in a company. Valuing a business is often overlooked until the last minute. At this point, the business owner realizes how vital a valuation is for making important business decisions. Business valuations play a major role in facilitating the accomplishment of satisfying the objectives of business owners in various situations. Some of the major reasons for getting your business appraised are discussed below.

WHEN A VALUATION IS CRUCIAL

1) DETERMINE GIFT AND ESTATE TAXES:

When the owner of a business transfers an interest in a company, either as a gift or at death, the IRS requires a valuation to be done in order to assess the proper estate and gift taxes. The objective in the valuation process is to minimize the tax burden.

2) FAIR AND ENFORCEABLE BUY-SELL AGREEMENTS:

Buy-Sell agreements are used in businesses to provide for liquidating the interest of a withdrawing or deceased shareholder. Under this type of an agreement, it is important for both parties to receive a fair and equitable value for their interest in the business.

3) BUYING AND SELLING SHARES IN A COMPANY:

Many times, the company or a stockholder may wish to buy or sell some shares. A sound valuation can ensure a semblance of fairness to all parties involved.

4) IMPLEMENTING AN EMPLOYEE STOCK OWNERSHIP PLAN (ESOP):

An ESOP is a form of retirement plan that enables employees to own an interest in a company. This type of ownership is usually established through investing the company's stock into an Employee Stock Ownership Trust (ESOT). When an employee retires or dies, their interest is either paid or transferred to their decedents. The value of the stock must be determined annually for these purposes.

5) WHEN A SHAREHOLDER WANTS TO DISSOLVE THEIR SHARES IN THE COMPANY:

When a shareholder wants to leave or "disassociate" themselves from the company, the ability to arrive at an equitable price is vital in resolving the issue.

6) WHEN A DIVORCE OCCURS:

In the event of a divorce, the value of the business itself is required for a property settlement. Sometimes both parties will agree to an independent appraiser. More commonly, however, the parties will each hire their own experts and the matter will either be settled or decided in a court of law.

7) MERGERS OR ACQUISITIONS:

When a company merges with another, the shareholders of the merged company must be paid either cash or stock of the acquiring company. In this situation it is essential for both companies to be valued.

8) COMPENSATORY DAMAGES CASES:

In lawsuits involving breach of contract, loss of business opportunity, antitrust, condemnations, or other legal issues, the business appraiser must provide expert testimony to aid the court in reaching a reasonable value to justify any damage awards.

If you have any questions about valuations or would like additional information on them or Succession Plans, please contact the professionals at The Center.

~ Thanks to Basi, Basi & Associates at The Center for Financial, Legal & Tax Planning, Inc., 4501 W. DeYoung St., Suite 200 • Marion, IL 62959

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