



LEADER



IN THIS ISSUE

From Ax to Laser	4
It's All in the Family	6
From Potatoes to Broilers	8
Got Crop Insurance?	9
High Tech Can be High Touch	10
Is Bigger Better For You?	11
In the Kitchen with Farm Credit	12
Spend Your Refund	12
2003 Annual Meetings	13
Open House Photo Collage	14

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NOTE FROM THE PRESIDENT



In the last issue of *The Leader*, I used this column to share a few memories with you from my early years on a beef farm in western Maryland. As I reminisced last issue, I started thinking about how important family farms are to our region: not just single-family farms (although they're also important), but those farms that have consolidated operations to support several families at the same time.

We've chosen to feature some of these farms in this issue. I hope you enjoy reading about these operations—from a large timber company in Pennsylvania to a multi-generational and multi-commodity operation on the Eastern Shore of Maryland. I know the challenges of a single-family farm; while larger operations may enjoy some efficiencies, they also have additional challenges—such as how to make group decisions, how to finance additional land, how to handle labor, and how to keep the farm viable for future generations. We've tried to address some of those issues in this magazine, and show you how some of our borrowers have created thriving businesses for themselves and their extended families. I hope you find their solutions as inspirational as I do.

No matter how large or small your farming operation, you know how critical each family member is to its success. I'd like to think things are very similar here at our Farm Credit

family. In a few weeks, we'll be hosting our annual stockholder meetings. I look forward to these meetings each year: they're a great opportunity for us to get all our family together. Like most family functions, there will be plenty of laughter and food, some great story-telling (via our speakers) and a little bit of business as well.

Another important part of the evening is the annual election for our 2003 nominating committee and board of directors. Just as input is important in running a family farm, it's critical to the future success of our association as well. Our 23-member board sets the course for our cooperative, and we rely on them for their leadership and management skills. And, of course, our nominating committee helps us find wonderfully talented candidates for our yearly elections.

Having a board made up of borrowers is one thing that sets us apart from other lenders. I think it makes us better informed, and more aware of the evolving challenges of agriculture. I also think it is one of the secrets of our success.

I hope you'll come to our annual meetings, and share with us your own secrets of success. Nothing makes me happier than seeing one of our family members doing well, whether I'm reading your story in *The Leader* or talking to you at an annual meeting.

See you in April!

Bob Frazee
President
MidAtlantic Farm Credit



EVENT SCHEDULE

Feb	Event	Place
17	President's Day	MAFC offices closed
28-2	Horse World Expo	Harrisburg PA

Mar	Event	Place
15-16	Frederick Homebuilders Show	Frederick MD
22	Willowdale Point-to-Pont	Willowdale PA
22	Howard County-Iron Bridge Race Meet	Glenelg MD
29	Green Spring Valley Point-to-Point	Hunt Valley MD

Apr	Event	Place
Annual Stockholders' Meetings:		
1	Delmarva Convention Center	Delmar MD
2	Modern Maturity Center	Dover DE
3	Yoder's Restaurant	New Holland PA
5	Elkridge Harford Point-to-Point	Monkton MD
6	Daylight Saving Time Begins	
7	Shoemakersville Fire Hall	Shoemakersville PA
8	Holiday Inn Select-Baltimore North	Timonium MD
9	Walkersville Fire Hall	Walkersville MD
12	My Lady's Manor Race	Monkton MD
12	4-H Foundation Shoot	Sudlersville MD
15	Delmarva Poultry Booster Banquet	Salisbury MD
18	Good Friday	MAFC offices closed
19	Grand National Steeplechase	Butler MD
26	Maryland Hunt Cup	Glyndon MD
27	The Maryland Pony Hunt Cup	Monkton MD

May	Event	Place
18	Potomac Hunt Cup	Seneca MD
26	Memorial Day Holiday	MAFC offices closed
30	National Chicken Cooking Contest	Baltimore MD



From Ax to Laser

by Albert Schramm

When Walter Weaber bit into his first tree, he never dreamed how far his chips would fly.

In 1941, when Walter Weaber founded his wood cutting business, wood was the cooking and heating fuel of choice throughout most of America. Only in the big city were other fuels—coal, oil or gas—dominant. Hardwood stove-splits and kindling maintained their predominance until well after the end of WWII. In those early years, the work of harvesting wood was particularly hard; axes and saws were powered by human muscles. The chain saw was still a cumbersome and undependable novelty.

Keeping Up with the Times

Weaber changed his focus as his market evolved, moving from firewood into a range of other lumber products so that, by the time his son Galen bought the outstanding stock and became president of the company in 1971, the mill was producing about a million board feet per year. Under Galen Weaber's forceful leadership, the company's vertical-growth concentration narrowed

to two primary species: red oak and yellow poplar, which are the two most numerous and desired of the Appalachian hardwoods.

During the 1970s and 80s Weaber's concentration was on increasing the grade quality of products, on the construction of pre-dryers and kilns, and on the change from rough-sawn to finished surfaces. Next came a comprehensive marketing plan and a distribution system to support it. Then, in 1990, the company invested more than \$11 million in plant expansion that included new production facilities for hardwood molding and dimension products. What had been a small mill and a series of open-sided lumber sheds when Galen Weaber took over had become a 100-acre complex of production and distribution buildings within the company's 200-acre site.

"People need to remember that trees are an agricultural crop just like corn, wheat or alfalfa. The only difference is the length of the growth cycle," Galen Weaber explains. "We

are currently harvesting far less than our area will easily support, and our technology has changed so that very little of what we harvest is now lost to wastage." Like the butcher who boasted he used everything but the "oink," almost nothing is lost in a modern mill like Weaber's. Finger jointing and edge bonding technologies make use of small cut-offs, turning them into continuous boards for production of paint-grade moldings or dimension stock. Where a clear finish will be required, such as wide stair treads of clear oak, the joined board can be surfaced with a heavy veneer capable of withstanding finishing operations and subsequent hard use. Even the bark and sawdust are sold off for further use.

Weaber's Forestry Department is charged with finding and buying the logs that supply the mill. Many of the logs must be obtained from land clearers, wood-lot owners and other mills, often small mills that come into possession of logs



The Weaber mill in 1973. Inset is an enlargement of young Matthew Weaber, caught sitting with a friend near right edge of photo.

that are too big or otherwise unsuited to their operations. Weaber buyers are always on the phone or on the road, in search of fodder for the saws. Though red oak and yellow poplar are the primary species of interest, other select hardwood species are stocked in very small lots for a few cabinet shops and other specialty customers.



Left to right: MAFC's Richard Smith with Weaber, Inc.'s management team: Galen Weaber, Larry Shuman, Rod Graef, Matthew Weaber, Jeff Winslow and Nick Georgelis.

Innovative Technology

Even the most experienced sawyers would occasionally err when cutting a log to get the most out of it. The first cut sets the pattern for all that follows. With today's laser analyzers, guesswork is quickly becoming a thing of the past. Weaber is in the process of installing the very latest version of laser-controlled saw carriages. Spinning on a pair of computer-controlled spur centers under the myriad red eyes of a bank of lasers, each log is carefully analyzed by the computer, which then precisely orients the log to the blade to obtain the most efficient yield according to its individual characteristics.

The accuracy of these systems is greatly increased by the new ring de-barkers now in use at Weaber's. Unlike the grinder-

readied shipment—ensure that every product shipped is the best it can be.

"We've found that the investment in modern information and control systems pays big dividends," notes Matthew Weaber, Galen's son and company vice president. "I spent more than ten years working in just about every department of our mill, and it has given me a good perspective on our operations, especially on forestry, marketing and distribution, which are our life's blood."

"One of the things we prize about MidAtlantic Farm Credit," Matt notes, "is the way they understand our marketing and operating needs and respond with innovative solutions targeted to our goals, rather than ordinary 'off-the-shelf' products designed for

and where they want them.

Weaber's modern distribution warehouse is a model of efficiency. Dry storage of up to six million board feet is inventoried and maintained by a real-time, wireless computer system with which warehouse workers use battery-powered, touch-screen computers to scan the bar codes that are added to every pallet moving into or out of the warehouse. This system permits each of the company's sales personnel to see actual inventory on his or her monitor in real time, and to fill each customer's order accurately with minimal need for back orders or delays. Warehouse stock is shrink-wrapped to remain clean and is immediately bar-coded to facilitate its location and readiness for shipment. Pre-packs of mixed sizes are

The Road Ahead

Touring the vast operation with Matt Weaber, it is obvious that he is a young man totally immersed in a love affair with his work. He moves easily through the various buildings, exchanging good-natured banter, a gesture or a wave with everyone he meets. He is at home among the men and machines that surround him. "My father's not ready to retire," he grins, unconsciously fingering a bit of bark or running his hand over a length of molding. "He loves what he's doing too much. Besides, we make a great team. I grew up breathing sawdust, so when my time does come, I'll be ready to take Weaber's into the next generation."

Were Walter Weaber here today, he might not recognize many of the technological



Weaber's new laser-analysis cutting system is being readied for use. It will further increase the efficiency of Weaber's operations.



High-speed band saws start the process of turning huge logs into products ranging from fine, dimensioned boards to more than 600 molding.



Stickered stacks of prime red oak await movement into the pre-dryers to ready them for the kiln.

type de-barkers formerly used by the mill to remove bark from the log to be sawn, the new system leaves a clean, "whisker-free" log, thereby increasing the accuracy of the laser cut-analysis. Quality control inspections at every step—from the first cut on the log to the final shrink-wrap of the

any business." Richard Smith, MAFC account executive, nods with agreement. "That's an important point. Weaber's is a specialized business, and we provide specialized financial services to support them."

The best mill technology has little value if the customers cannot get the products when

content-labeled for customers that distribute product-packs to several retail locations, and are then palletized and shrink-wrapped for easy handling through the customer's distribution chain. Readily accessible loading docks accommodate virtually any type of rig from large semi-trailers to van-bodies.

innovations that have changed radically the business he founded, but he would clearly understand the gleam in Matt's eye as he scans the crowded wood lot. ❖

It's All in the Family

by Jennifer Stum

...at Garden Fence Farm
and Foxborough Nursery

Passing the family farm on to the next generation has been the ultimate goal for many farmers throughout history. Many farming operations enjoy a multi-generational legacy, with the current generation telling the story of how their hard-working grandfathers and great-grandfathers worked to earn the land that began the family's dream.

A Rich History

There is a similar story for the Crowl family of Garden Fence Farm, a dairy operation located in northern Harford County, Maryland. David, the current managing member, is the fifth generation of Crowls to farm here. His sons Parker, 22, and Tanner, 18, show plenty of interest in being the sixth. Farming, after all, is a deep-rooted legacy for the Crowls. Their ancestors were colonists who settled and farmed in Chester County, Pennsylvania.

The patriarch of the Crowl family is Paul, whose farming

career started with the help of his father, Carroll. After David finished graduate school at the University of Maryland in 1974, Paul and David officially started Garden Fence Farm. In 1975, with the help of Farm Credit, they built a new dairy facility.

Today the operation consists of 250 cows and about the same number of replacements. In addition they crop about 550 acres primarily corn and alfalfa for the cattle, but also includes some small grains and soybeans grown when forage inventories and crop rotations permit. Dairy wastes are returned to the farm according to a nutrient management plan and tillage is minimal to mostly no-till.

In 2001 David, Parker and Tanner began a new custom-harvesting venture: Garden Fence Harvesting, LLC. All told 1,000 acres of corn, 1,100 acres of hay, 40 acres of wheat and ten acres of sudex are harvested and hauled—mainly by Parker and Tanner.

Branching Out

They say that once farming gets in your blood, it's hard to get it out. Marilyn Thompson knows that well: she's David Crowl's sister, and Paul Crowl's daughter. Marilyn is married to David Thompson, and they operate Foxborough Nursery, Inc. in Street, Maryland. Foxborough Nursery is a 150-acre wholesale nursery that specializes in growing liners, grafts, containers and field grown specimens. Proudly, Foxborough celebrates its 25th anniversary this year.

You might be wondering how Marilyn went from growing up on a dairy farm to her involvement today in horticulture. Here her family's story coincides with another local family's story. Marilyn's husband, David, grew up on a gentleman farm where his grandparents kept a large vegetable and flower garden. During that time, he fostered a love of gardening and horticulture. After David earned a degree in ornamental horticulture from the University of Maryland, he and Marilyn founded Foxborough Nursery.



Terry Knutsen, Tanner Crowl, David Crowl, Parker Crowl and Paul Crowl (left to right) gather around the family farm's sign on a blustery winter's day.



Bradley, Andrew, Marilyn and David Thompson (left to right) stand in front of field stock that has fared well despite the drought this past summer.



Foxborough Nursery uses this land to grow their field stock of shrubs and trees.



Tanner with cows in free stall barn.



Parker, David and Tanner (left to right) in front of one bay of the commodity shed.

When they developed Foxborough, they decided to concentrate on two areas of the green industry: landscape design and wholesale nursery production of rare and unusual plants.

David and Marilyn have two sons, Brad and Andrew, who are also involved in the operation. Currently, Brad is a senior at the University of Delaware, majoring in nursery production; and Andrew is a freshman at Penn State, majoring in landscape contracting. The two also operate a subsidiary of the operation, called Brothers Berries, a winterberry-harvesting endeavor that began for the two while they were still in middle school. Both Brad and Andrew plan to return to the operation full-time after graduation.

Relative Threads

Both operations thrive because of the ability to rely on each other for help in times of need. They have also found that they can both rely on the services of MidAtlantic Farm Credit as well. Since they began working with MAFC, there have been land purchases, loans for additional cows, as well as vehicle and equipment loans. Whatever the purpose of the loan, Terry Knutsen, account executive for MidAtlantic, has been there to help them when they've needed it. Terry works with both Garden Fence Farm and Foxborough Nursery, so she's familiar with each operation's specific needs and what makes each one unique. Terry says, "Working with both families over the years, I've had the

pleasure of watching them successfully manage their growth and development."

"It's been very rewarding to see that both operations have managed for profit, while still preserving their family farms," she adds. "It's notable that both operations have children eager to carry on the legacy. Harford County's proximity to urban centers presents plenty of career opportunities outside agriculture, so it's pretty impressive that, presented with many of those opportunities, the children have chosen to make their lives the way their parents have," says Terry.

There's no question why both operations use MidAtlantic Farm Credit for their credit needs when it comes to their businesses: knowledge of the industry. "Terry knows my situ-

ation and my specific needs," says David Crowl. "That means, when I need credit, it's a simple process to get it," David adds.

The Thompsons agree that no other lender knows agriculture and, specifically their business of horticulture, like MidAtlantic Farm Credit. Their relationship began around 1980, shortly after David and Marilyn founded Foxborough Nursery. "MidAtlantic Farm Credit knows the cycles of the horticulture business," says David. "They understand our seasons and how that affects our cash flow," Marilyn adds.

Having that kind of comfortable relationship with your lender is essential. Just like family, it's nice knowing you have someone you can always count on. ❖

Growing from Potatoes to Broilers

by Jack Curry

Success runs in the family for Ben and Phyllis Thomas



Raising a half-million broilers and tilling 500 acres of grain requires a commitment and contribution from the entire Thomas family. Left to right, seated: Phyllis and Ben Thomas, rear standing: son Adam, daughter Mandy and son-in-law Chris Erich.

Tucked away on Virginia's Eastern Shore, in the tiny village of Atlantic, you'll find the Thomas family—and one of the area's premier poultry operations. That hasn't always been the case. Like many "lower shore" farming operations, the Thomas' business was originally focused on potatoes. In the mid-70s, Ben followed family tradition and joined his father and brother in the farming venture then known as Percy Thomas & Sons. In addition to potatoes, there were cash grains and a garden center.

A Continuing Evolution

In 1991, Ben and his wife Phyllis decided to break completely from potato farming and expanded into poultry. They financed the construction of their first four poultry houses through Farm Credit, were pleased with the results, and added two more in 1995. Ben jokes, "We went from growing the side dish to the main course!" A second farm was started in 1997, again financed through Farm Credit, and again

with four initial houses, later expanded to six.

Today, after the addition of a third farm and six more houses, the Thomas' family operation includes over 500,000 broilers and 500 acres of grain and soybeans. Only one full-time employee is not a family member, but according to Ben, there are close personal ties that make him "almost family."

A Family Affair

The third farm—"the last!"—says Phyllis, was started to make room for the Thomas' daughter, Mandy, and her husband, Chris Erich. "I never planned to come back to the farm after college, but

after Chris and I were married, the idea took hold," says Mandy. "We realized the things we wanted in terms of lifestyle, independence and financial security were available here, through the poultry business." Chris adds, "It's been a challenge, but we love it, and are learning more every day."

Ben and Phyllis' successful poultry growing techniques must have been passed along, because Chris and Mandy found themselves on several "top ten" lists in Perdue's grower efficiency ranking system after only six flocks of birds. The key to their success is hard work, according to Ben. "You've just got to put your nose to the

grindstone, and not let up until the job is done," he explains. Phyllis agrees, adding "Having good people working with you helps too; dependable people who know what needs to be done and can work as a team—all that helped us make it as chicken growers."

"Ben and Phyllis have been growing chickens for 12 years, which isn't that long in farmer's years," says Bill Rutter, the Thomas' MAFC account executive. "But they've done a remarkable job. They've mastered a new commodity, become one of the largest contract growers on lower Delmarva and consistently rank in the top five on settlement week. That's a success story, by any measure."

Ben's careful planning and step-by-step poultry expansion combined with his family's work ethic made their success almost inevitable. If you're looking for proof that farmers can adapt to changing times, produce new commodities, and still provide opportunities for the next generation, look no further than the Thomas family farm. ❖



The Thomas' review final construction loan details with their MAFC account executive. Left to right: Mandy and Chris Erich, Phyllis Thomas, Bill Rutter, Ben Thomas.

Growing Crops? Got Crop Insurance?



by Dennis Chapman,
claims manager
RHLLC



America the Beautiful: Are you planning a bumper crop this year? Unfortunately, Mother Nature may have plans of her own. Learn how to mitigate some of the risks inherent with farming, with a carefully constructed crop insurance plan.

How do you perceive the half glass of water? Is it half empty or half full? When talking crop insurance do you refer to coverage as a necessary evil or an essential risk management tool to preserve your established equity?

Regardless of your answer to the initial question, there is no denial that sound business decisions need to go beyond perception and be based on facts. And the fact is that crop insurance does provide a tool to minimize adverse risk exposure and help protect against the erosion of hard earned farm equity.

While making an appointment with an agent to discuss crop insurance doesn't usually rank in the top ten of things most farmers look forward to doing, it is high on the list of things that farmers should do. In 2001, there was over \$104 million in crop insurance coverage for 4,542 crops grown on 640,000 crop acres in Maryland and \$30 million in crop insurance coverage on 1,374 crops grown on 237,131 crop acres in

Delaware. In both states only 50% of eligible crop acres were actually insured.

If we look at insurance as a tool to protect accumulated equity, there are many similarities between auto, home, life and crop insurance. For example: the home is probably the single largest investment for most Americans and adverse weather conditions could cause structural damage that would significantly reduce the value. Homeowner's coverage provides the means to preserve home value when there has been damage caused by a covered peril. Likewise, annual crop production costs represent a significant farm operating expense and crop insurance production or revenue guarantees can provide a safety net from the erosion of crop returns caused by a decline in market price or production loss caused by covered perils.

A survey of current insured farmers might reveal the most common reason for having crop insurance is: a require-

ment due to USDA disaster payments or last year's crop wipe out. Most often, homeowners and auto coverage is required at specified minimum limits of coverage, which reduces the amount of informed decision making necessary. But, since most ag lenders don't require any crop insurance, the election of coverage is considered grower optional. With crop insurance being optional there is a larger educational need for growers to make informed decisions on their selections of risk management coverage. In this environment, elections of coverage are most often based on the agent's ability to effectively explain the merits of various risk management tools.

The complexity of making informed decisions about the right level of crop coverage is compounded by the fact that not all crop policies or coverages provided are equal and the rules on the playing field seem to change every year. But, successful crop insurance

agents manage to keep up with advances and changes in crop coverage and diligently convey risk management strategies to existing and potential clients. Rain and Hail, LLC strives to make all the information and technology tools available to both agents and insured during training sessions, grower meetings and through our on-line account web access (rainhail.com).

Whatever crop(s) you grow, MidAtlantic Farm Credit and Rain and Hail, LLC are committed to providing you the necessary decision-making information and the best possible service for all your crop insurance needs.

In the DelMarVa area contact Kathi Levan at 800.573.3028. In other parts of Maryland and in Pennsylvania, customers can contact Tom Weller (AgriRisk Management, LLC) at 877.867.9291. ❖

High Tech Can be High Touch

by Sandy Wieber

Financing dreams
in the 21st Century

A few months ago, Rachel Rosenfeld and Ubaldo Gallardo had a unique opportunity. “We found a great property—16 acres of land in Poolesville, Maryland,” remembers Rachel. The property was perfect for Rachel and Ubaldo: she’s an avid horseman who trains equines on several local farms, while he has years of farming experience through previous employment on a crop farm. Although neither wish to be traditional, full-time farmers, 16 acres would give them a taste of the country, and room for a stable for Rachel’s horses.

Because the couple had been pre-approved by a lender, they made an offer on the land. Unfortunately, because there was no house on the property, their lender backed out two weeks before settlement.

“We were panicking,” says Rachel, “because the seller wanted to keep moving. We were afraid we’d lose our chance.”

When their mortgage broker suggested they try Country



Rachel boards her horses on a local farm. She looks forward to the day when she and her husband, Ubaldo, have their own farm on the property they financed through Country Mortgages.

photo by Holly Richard



“Customer service means servicing the customer in the fastest, most convenient way for them. Accommodating an individual’s needs—that’s the real mark of service.” —Cherie Hall, Country Mortgages

Mortgages by Farm Credit, Rachel and Ubaldo turned to the Internet.

“I was a little worried because we’re certainly not farmers—this is just a little piece of land. But we filled out an application on the website (at mafc.com), and Cherie called us the very next day,” says Rachel.

“We know people need answers quickly, so we respond to all Internet inquiries within 24 hours,” says Cherie Hall, an account executive for Country Mortgages. “It’s good we can do business fast, because Rachel and Ubaldo needed to settle in two weeks.”

Cherie and her clients never met face to face, but completed all the necessary paperwork through email, the Internet and Federal Express.

“It was an easy process,” recalls Rachel. “We had a very short deadline, and I’m self-employed, and there was no house on the land...but none of these things were a problem with Country Mortgages. It really was easy.”

Rachel and Ubaldo hope their future will continue to be as easy. They’re already looking at house plans, hoping to build a traditional, 2,500 square foot home in the next few years. They’ve already settled on a style they like, and guess where they found it? On the Internet, of course.

“There’s so much information online,” says Rachel. “And it’s available on my schedule—when I have time to look. We found a lender on the Internet, and I have no doubt we’ll be able to find a home design as well.” ❖



Rachel and Ubaldo pose in front of their computer in their Poolesville home. “We aren’t rich people,” says Rachel, “but we had a great opportunity!” The young couple look forward to building their dream home on a 16-acre plot, also in Poolesville.

photo by Sandy Wieber

Is Bigger Better for You?*

A guide to expansion for MAFC's dairy farmers.



by Ken Lewis



At some point, every farmer will be faced with the question—what should I do in my operation in order to remain competitive and be profitable? Do I need to expand to accomplish those goals?

If you are considering expansion, considerable thought and research must go into the decision to make sure it is right for your situation. The following is a list of some of the factors that should be considered:

Your Age and Health.

Certainly a person in their 60s with deteriorating health would answer these questions differently than a person in their mid-40s in sound physical condition.

Your Personal Goals. Are there younger family members interested in maintaining the family business that have lofty goals and ambitions? If you are 60 with no family members desiring to continue the business, you may decide to continue “as is” until you are ready to retire and sell the farm.

Your Personality. Are you a doer or a manager? At your present scale of operation, you are likely accustomed to having personal control over everything from doing the fieldwork to milking the cows. With any significant increase in scale of operation, you will not be able to do all things and will have to rely on other people to accomplish tasks that you used to do. Some farmers do not have the personality to adapt to such changes in their life.

Your Physical Resources. Does it make sense to build additional facilities? Not every farm tract is conducive for large facilities.

Your Farm Location. Is the local area where your farm is situated still suitable for dairy farming in the long term? If you are in an area where your operation is one of the last few dairy operations around, expansion on that farm and area may not be prudent.

Your Financial Condition. Most expansion projects require a huge capital outlay. In most cases, you should have a reason-

ably strong financial position to even consider expansion. To borrow any significant sums of money, your lender is going to desire a strong financial position, not only for collateral purposes to secure the loans, but more importantly, to have adequate financial position to fall back on in the event of adversity. Adversity can appear in many forms—drought, herd health problems, cost overruns in the building project, low milk prices and many others.

The next major question to address is the size of the expansion. One factor is the high cost for the new facilities and technology, especially the cost of the milking center and equipment. If you need to borrow all or most of the funds needed for expansion, the scale of expansion needs to be very large, probably an increase of 300 cows or more, in order to drive the debt servicing costs per cow down to a manageable level and where sufficient cash flow margin can be reached.

Another factor to consider is making sure the expansion will

result in adequate scale for the long term. From your milk marketer's point of view, the most desirable producers are those that can produce a tanker load of milk per milking, which translates into a herd size of about 800 cows.

How do you go about developing the information needed for making the decision to expand? The process begins with a feasibility study and ends with the development of a business plan. The most practical means is engaging outside professional consultants to assist in this process. As the plan widens in scope, you will likely need to draw in other professionals, such as your nutritionist, veterinarian or other specialists. Pennsylvania Farm Bureau and Farm Credit employ consultants who can help and are only a phone call away.

In making such a major decision, remember to keep your emotions out of the process as much as possible. The decision to expand needs to be made for the right reasons. ❖

*This article is excerpted from the 2002 Dairy Herd Summary, published by PA Farm Bureau and MAFC. For your copy, call your local MAFC office.

in the kitchen with Farm Credit

Thanks for the Recipes

In the summer issue of *The Leader*, we asked you to send us your favorite recipe. All recipes received (we got over 25!) have been included in a Farm Credit District cookbook (see order form below). A big thanks goes to all those who participated. Part of the promotion for sending us your recipe(s) was a random drawing for five gift baskets from Scenic View Orchards located in Sabillasville, Maryland. The five lucky winners were:

Jackie Senkbeil
Westover MD

Nadine Valerio
New Holland PA

Tom Patrick
Myersville MD

Elizabeth Kauffman
Harrington DE

Rebecca Shank
Boonsboro MD

How Do You Spend Your Patronage Refund



Last year, MidAtlantic distributed over \$17.5 million in patronage payments to our members. That's a lot of dough! In fact, some of our members tell us that being a part of our cooperative is like being a kid on Christmas morning—opening those patronage payments and distributions twice a year.*

We know you love receiving your patronage check, but we're curious how you spend it. Whether you took that vaca-

tion to Disneyland that you've always wanted to take, bought a new car or truck, sent a child to college, paid off some of those nagging bills...tell us. If we use your story in the future, we'll send you a pewter tractor bank (in case you'd like to save some of the money from your refund this year!)

For your convenience use the form below. If you need extra space, attach a separate sheet of paper. Deadline for submissions is April 30, 2003.

Recipes were gathered throughout the AgFirst Farm Credit District (stretching from Pennsylvania to Florida) and compiled into a cookbook that is now available to purchase. Proceeds from the sale of the cookbooks will go to the MAFC scholarship program. These would make great gifts for birthdays, weddings or house warmings. Don't miss out—send your order today.

Print clearly or type:

I would like to order _____ cookbook(s) at a price of \$10.00 each (plus \$3.50 for shipping).

Name: _____

Telephone (include area code): _____

Address (Street, PO Box, City, State & Zip Code):

Please allow approximately four (4) weeks for delivery.

Send order forms to: MidAtlantic Farm Credit
Cookbook Order
PO Box 687
Avondale, PA 19311

Print clearly or type:

Name: _____

Telephone (include area code): _____

Address (Street, PO Box, City, State & Zip Code):

Here's how I spent my refund (we've been making patronage payments since 1991; your favorite story does not have to be from this year):

Send your story to: MidAtlantic Farm Credit
Patronage Story
PO Box 687
Avondale, PA 19311

*As always, patronage payments are based on a variety of factors, and—although our past payment history has been great—they are not guaranteed. Members of the former Keystone Farm Credit association currently receive patronage refunds only; revolvment payments will begin in 2003.

The Key to Your Success

Mark these “key” dates and places on your calendar now!

Before we know it, spring will be here and so will MAFC's Annual Stockholders' Meetings. Plans are well under way with facilities reserved and speakers booked. Mark your calendars and plan to join the staff and other stockholders at the meeting site most convenient for you.

Information You May Want To Know:

Voting will take place at each meeting location. Ballots will not be sent to customers via mail.

Registration will begin at 6:00 p.m. at each location. The meetings will be called to order at 6:45 p.m. and dinner will be served at 7:00 p.m.

Patronage checks will be available for eligible members at the meetings.

Watch your mail—information will be mailed in early March. You'll want to send your reservation early!



2003 Annual Meetings

DATE	LOCATION	CITY/STATE
Tuesday, April 2	Delmarva Convention Center	Delmar MD*
Wednesday, April 3	Modern Maturity Center	Dover DE
Thursday, April 4	Yoder's Restaurant	New Holland PA
Monday, April 7	Shoemakersville Fire Hall	Shoemakersville PA*
Tuesday, April 8	Holiday Inn Select-Baltimore North	Timonium MD*
Wednesday, April 9	Walkersville Fire Hall	Walkersville MD*

*Asterisked locations are new locations this year. Our board and annual meeting committee reviewed each of last year's locations and chose some new locations so that our meetings would be in the most central, convenient locations for our members, held in venues with great food and facilities. Please join us at this year's meetings to take advantage of both!

Entertainment

Speakers for the meetings will be Jolene Brown and Glen Ward. Jolene will speak at the meetings in Delmar, Dover and New Holland. Glen will be the speaker at Shoemakersville, Timonium and Walkersville.



Jolene Brown

Jolene is a real “Farmer Brown” as she is active in their family farm operation near West Branch, Iowa. From the grass roots farmers and ranchers to their associations and corporations, thousands have celebrated, appreciated, laughed and learned with her fun-filled insightful speeches. She brings humor, hope and helpful ideas to the people of agriculture.



Glen Ward

Glen is a humorist and inspirational speaker. His impersonations of well-known political and musical celebrities enable him to truly entertain his audiences before delivering his very timely and inspiring remarks.

MAFC Open Houses

Members enjoy snacks and hospitality in December.



Happy Winners: Dan and Jane Boyer of East Greenville, Pennsylvania were the winners of the door prize at the Fogelsville office. Shown with the winners are (left) Dave Smith and (right) Carla Green, both account executives for MAFC.

photo by Gavin Grim



Bucket of Cheer: Karen Reeves and her daughters, Grace and Sarah, enjoy their tub of goodies. They were the big winners from the Westminster, Maryland open house drawing.

photo by Holly Richard



All Smiles: You would be too if you were Linda and John Horst who were pleased to receive their revolvment check from Hagerstown, Maryland employee, Debbie Caten. MidAtlantic returned over \$6 million in patronage to members in Maryland, Delaware and Virginia.

photo by Holly Richard



Sweet Rewards: Cindy Clopper of Denton, Maryland (right) receives her check from loan assistant, Becky Baynard.

photo by Angel Carrier



Oh Christmas Tree: Hailee Philips of Berlin, Maryland shows her cookie of choice at the Berlin.

photo by Angel Carrier



Good Cheer: Judd Hawthorne enjoys a cookie at the Avondale, Pennsylvania office. Mr. Hawthorne is from Atglen and was also the winner of the tub of goodies at this location.

photo by Donna Dawson



Visiting Neighbors: Members from the Frederick, Maryland area visited with account executives as well as their own neighbors in December. It was good cheer and hopes for a bright 2003 for all.

photo by Holly Richard



Cha-Ching: Jacki Hearn (left) presents Josephine Hearn of Georgetown, Delaware with her revolvment check.

photo by Angel Carrier

Congratulations to the following guests at our annual open houses. Each won a “Tub of Goodies” from their respective offices:

Avondale
Judd Hawthorne
Atglen PA

Bel Air
Sue Baronian
Street MD

Berlin
Bill Thompson, Jr.
Berlin MD

Chestertown
Patricia Grussing
Rock Hall MD

Denton
Wilber Levengood, Jr.,
Goldsboro MD

Dover
Thomas F. Vandranen
Wyoming DE

East New Market
Ronald Cohee
Preston MD

Elkton
Jane Balderston
Colora MD

Fogelsville
Dan Boyer
East Greenville PA

Frederick
Denise Carmack
Detour MD

Georgetown
John D. Swartzenstruber
Bridgeville DE

Hagerstown
Dean & Dorothy Bennett
Williamsport MD

Lancaster
Joseph B. Martin
Manheim PA

Pocomoke
Sam McWilliams
Wattsville VA

Quarryville
John Z. Lapp
Gap PA

Salisbury
James Hobbs
Fruitland MD

Shoemakersville
Harold Strause
Hamburg PA

Westminster
Karen Reeves
Westminster MD



Signing In: Timothy Englerth from Paradise, Pennsylvania signs in at the Quarryville office.

photo by Donna Dawson



Lucky Ticket: At least that's what Leroy and Ellen Hildebrand were hoping as they filled out the raffle ticket for a door prize at the Frederick, Maryland Open House. Unfortunately, they didn't win the bucket of goodies, but they did enjoy some cookies and punch.

photo by Holly Richard



Packing a Punch: After receiving his patronage check, Ray Dodenhoff, Jr. of Greenwood, Delaware samples the punch in Dover.

photo by Angel Carrier



Come in From the Cold: Bel Air, Maryland loan assistant Ginny Lease (*right*) welcomes Paul and Emily Hines. The Hines raise buffalo in Harford County.

photo by Holly Richard



Faithful Guests: Reba and Nevin Myer of Narvon, Pennsylvania always make the annual trek to attend the open house at the Avondale office.

photo by Donna Dawson



Packs a Punch: Judy Shaw enjoys some punch and homemade cookies in Hagerstown, Maryland.

photo by Holly Richard

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LEADER

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The Farm Credit Administration does not require the association to distribute its quarterly financial reports to shareholders. However, copies of its complete report are available upon request.

The shareholders' investment in the association is materially affected by the financial

condition and results of operations of **AgFirst Farm Credit Bank** and copies of its quarterly financial report are available upon request by writing: Patti Trotter **AgFirst Farm Credit Bank** P.O. Box 1499, Columbia, SC 29202-1499 Address changes, questions or

requests for the association's quarterly financial report should be directed to: MidAtlantic Farm Credit, ACA by calling 800.333.7950 or writing **MidAtlantic Farm Credit** P.O. Box 770 Westminster, MD 21158-0770

Questions or Ideas If you have any questions or ideas for the editorial staff of *The Leader*, contact Donna Dawson at 800.477.9947, e-mail her at ddawson@midatlanticfarmcredit.com or write her at MidAtlantic Farm Credit, PO Box 687, Avondale, PA 19311-0687. This publication is for you, our reader. We'd love to hear from you if you have any thoughts to share.



MidAtlantic Farm Credit
P.O. Box 770
Westminster MD 21158-0770

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Let it Snow... It seems like there's always one family member who's designated as the official shoveler each winter. We hope that designee will take a break from the weather, and come inside to warm up with the Leader.

