

Weekly Article

1-2-2023

Swimming into the New Year!

Hello, my name is Richard Purdin with OSU Extension, Ag and Natural Resource Educator, and Community Development Educator for Adams County. I hope to better inform local producers and the public of the latest news in the world of agriculture. A new year has been born and with it has come very warm and wet weather. Much of the area is experiencing warm air temperatures that could possibly break records by mid-day January 4th with colder air moving in later in the week. January 2023 is expected to continue the warmer than average with above-average precipitation. I know that is just what many livestock producers were wanting to hear but unfortunately, this has become a new normal for many in agriculture. With the soggy weather, my field scouting efforts have been at a minimum, but I continue to discuss livestock nutrition, crop fertility, forage marketing, and general preparation for the new growing season. With a new year comes many challenges but with those challenges come opportunities that should not be overlooked. Some opportunities that come to mind include locking in healthy grain crop prices, marketing high-demand beef, and locking in input prices to capture early bird discounts. Agriculture is an industry that is constantly changing from day to the next and even one hour to the next. Farmers have to be well informed about not only what is going on in the U.S. Markets but the global markets as well. Price volatility can be very high during the first of the year as old crops (2022) continues to be stored, traded, and consumed. Marketers are making predictions in 2023 new crop planting estimates and with so much stress on the economy, historically predictable buying countries like China have changed buying habits and sources for food. Market planning should be top of the priority list for producers this time of year. No matter if you are raising corn, soybeans, cattle, hogs, or tomatoes for the farmer's market, knowing how, when, and where you sell those goods is critical for success. So, I thought would be appropriate to make my first article of 2023 a review or even a refresher on developing marketing for your farm.

Developing a market plan for your farm operation should start early before the crop is planted or the livestock is born or purchased. If you do not have a source to market the products you produce, costly inputs such as feed fertilizer, and the seed would be potentially non-returnable investments, meaning money down the hole! Here are a few tips to consider as you start to create your 2023 Farm Market plan.

1. Get to know yourself- This might sound too simple or even strange, but it is quite important. Understanding your goals for the operation and future aspirations, this part should also include employees or family members involved in the farm. Farming is a business and should be treated as such, but it is still important that you enjoy what you do and that others in the operation enjoy what they do as well. For example, if you don't like throwing square bales all summer but the market is really strong for small square bale hay, money can be made but how long will your business last if your heart is not in it?
2. Scout the playing field- This step should include identifying the 4 Ps of Marketing, Product, Price, Place, and Promotion. Go undercover (no glasses with a mustache

needed) and research the competition in the industry you are pursuing. Compare prices, how they promote, and different potential market outlets.

3. Market strategy- Next the plan you develop should have all possible outlet sources including a backup strategy when something crazy happens (COVID-19). One thing that is useful for me is to write down the strategy so I can always be reminded and stay vigilant. For example, Purdin farms will market 10 freezer beef directly to the consumer in 2023. By writing this down you will remain steadfast on quantity, product type, market source, and customer base.
4. Budget and price setting- Before you hit the auction, sell ring, or farmer market, create a budget. This can be a challenge when prices seem to change constantly but close estimates are better than going into it blind. The cost of production set the floor price of the product, next is to add the additional value your product has over the competition. Added value could be that your calves are vaccinated and weaned 45+ days or your sweet corn is pesticide free. The added value is directly related to your customer base.
5. Implement and adjust- Now that you know yourself, your goals, product, market avenue, price, and customer base. Start to implement the plan, I suggest rather than jumping headfirst into the frying pan rather start with people you have a close relationship with. Ask for feedback and honest responses and make an adjustment, let other producers take a look at your market plan and offer suggestions.

Dates to remember

- 1-11-2023, first night of the OSU beef team virtual Beef School with updates on Beef inputs and marketing outlook for 2023 and beyond. To register contact me at (937) 544-2339 or go to go.osu.edu/beefschool23. The webinar begins at 6:30 pm.
- 2023 Pesticide/Fertilizer Applicator recertification training 1-26-2023 at The Ohio Valley Career and Technical School 175 Lloyd Road West Union, Ohio 45693 5:00 –9:00 pm Call to register (937) 544-2339.

Ag Educator Words of encouragement – “If you want the rainbow you have to put up with the rain” – Dolley Parton