



Agribusiness Management

Helping Michigan Farm Businesses Stay Competitive

For more than 100 years, Michigan State University (MSU) Extension has been helping people address critical issues, needs and opportunities by delivering the vast knowledge and resources of MSU directly to individuals, communities and businesses. Seeking to improve lives and the state overall, MSU Extension focuses on four key areas of importance: leveraging natural and human assets, enhancing agriculture and agribusiness, improving health and nutrition for Michigan residents, and preparing Michigan's children and youth for the future.

MSU Extension agribusiness management educators work with established farms and farm-based entrepreneurial enterprises. Educators specializing in Farm Information Resource Management (FIRM) work predominately with established farms and agribusinesses to help manage risk, farm finances, labor management and policy, law and regulation. Educators who deliver programming through the MSU Product Center Food-Ag-Bio assist entrepreneurs and established businesses in product development, marketing and market expansion.

In 2015, MSU agribusiness educators worked directly with more than 21,000 clients. Resources focus on the following programs.

Affordable Care Act (ACA) for Agricultural Employers

Although the ACA has actually been around for some time, modifications and portions of the legislation have slowly been initiated over time. Implementation of employer regulations began Jan. 1, 2016. Portions of the legislation still do not have proper guidance provided by the various federal agencies responsible and a good deal of confusion remains on behalf of producers, agri-businesses and others as to where they fit into this legislation. MSU Extension continues to work with agribusiness and agricultural producers through group program efforts and one-on-one consultations.

Farm Bill and Insurance

Each time Farm Bill legislation is renewed, there are generally significant federal rule changes that affect agricultural producers and farm landowners. MSU Extension worked with other universities in the development of national, web-based tools to allow producers to review their Farm Bill program, Dairy Margin Protection Program (DMPP) and the Noninsured Crop Disaster Assistance Program (NAP) options. The NAP Buy-up decision tool was developed for producers who produce commodities that are ineligible for traditional crop insurance and allows them to review USDA Risk Management Agency (RMA) options. The Farm Bill also provided a number of crop insurance options through the USDA RMA.

The MSU Extension FIRM team continues to offer programming:

- Through regularly scheduled market outlook webinars for producers to make annual enrollment decisions for the DMPP along with other marketing decisions.
- About Whole Farm Revenue Insurance Program
- Such as NAP programming as part of other programs around Michigan.

Farm Business Succession and Estate Planning

The Farm Information Resource Management educators provide group program and one-on-one consultations with farms and farm families to act as a guide in preparing farm succession plans. Through programming efforts, the team:

- Provides why proper succession planning is important and appropriate, and will utilize the Center for Farm Financial Managements AgTransition book to assist a farm family in developing a succession plan.
- Discusses methods that are typically used for succession.
- Provides details on variables that play a role in decisions to what would be the best method for a farm and farm family.
- Can develop farm financial information to determine whether or not the farm has the capability to have a successful succession.

Labor and Employer Programs

MSU Extension offers employer training in the areas of employee management, leadership and labor law compliance. Helping agricultural employers improve their skills in recruiting, hiring and employee management will enable them to be more competitive with other employers, maintain a more stable workforce, improve productivity and improve the working situation for employees. Approximately 200 people participate in labor programs on employee training across the state annually.

Regular, progressive training for dairy farm employees is critical to the farm's success, and leads to employees that are more engaged on the farm. Employee lessons were developed and published in Hoard's Dairyman magazine (in English and Spanish), encouraging employees and employers to discuss and implement improvements on the Michigan dairy farms.

Venture Development Services

Entrepreneurs and existing businesses are assisted in early stage businesses through confidential business counseling and specialized services.

- In 2016, 645 MSU Product Center clients were served during 4,100 counseling sessions.
 - › 270 businesses were assisted in the start-up phase and 62 new ventures were launched (started economic activity).
 - › Impacts include new investments of \$40,499,833, increased sales of \$48,494,329 and 216 new jobs created.

Making it in Michigan Conference

The MSU Product Center Making it in Michigan Conference and Trade Show attracted over 200 conference participants and 160 trade show

vendors. Seventy buyers representing retailers across the state participated in the trade show to select Michigan-made products for their retail establishments.

- A follow-up online evaluation conducted the week after the conference revealed 31 percent of respondents planned to develop a new product or business, 40 percent planned to contact retailers to market their product and 44 percent planned to become a vendor at the next conference.
- A follow-up online evaluation was conducted over three months with vendors. Thirty-six percent of respondents reported they received new orders for their products. An additional 43 percent noted that contacts made at the conference may lead to new orders.

Michigan MarketMaker

This interactive website, mi.foodmarketmaker.com, is designed to connect food producers, processors, distributors, buyers, retailers and consumers. Demographic and business information is provided on maps so markets can be visually located. The site allows buyers and sellers of food products to find each other.

The MSU Product Center was recognized with a national award by Greenstone Farm Credit for exceptional outreach with Michigan MarketMaker.