

Farmers get help with planning

BY GINGER HOLM Contributor

LAKE CITY — In most businesses, having a good marketing plan is crucial. Farming is no different, says Ron Marshall of Marshall Marketing & Farm Records.

MMFR is a consulting and information service specializing in marketing and planning services in the field of agricultural products.

"A good marketing plan can make the difference between losing money or making a substantial profit," Marshall said.

For nine years, Ron Marshall worked for Bunge, one of the largest exporters of soybean meal in the U.S. Gulf with over 1 million tons shipped per year.

Recently, his father, Al, asked him to join the family business and help him expand MMFR into Minnesota and Wisconsin. MMFR is already operating in Indiana, Ohio, Pennsylvania, and Michigan.

Marshall decided on Lake City. He and his wife, Kristine, and their daughter, Lily, recently moved here from St. Louis. They are expecting a second child in October.

"Lake City is beautiful. We've already met a lot of great people. I think we'll be very happy here," he said.

Marshall was eager to make the change, saying the greatest potential for growth in agriculture is at the state and local levels.

"This is the most exciting end of the agriculture industry," he said. "There is better profit potential for farmers today than there has been in the past. It's very exciting to be part of helping a business grow and helping people succeed."

According to Marshall, most farmers are selling up to two-thirds of their grain in the bottom third of the price range.

"Our goal is to flip that around and move the client into the top third of the price range," he said

"One big mistake is that people don't market their crop until it's in the bin. Futures contracts are available two to three years ahead of time," Marshall said. "We try to look forward as far as possible to take advantage of the profit potential. In other words, we can lock into a great price now and sell for that higher price even if the market goes down."

Another common mistake is selling for cash flow needs. That's contrary to the financial goals.

"You're not selling because the price is right — you're selling because you need the money," he said. "A good marketing plan helps you to anticipate those expenses before they come up so you can sell at or close to the target price and avoid taking a loss."

A good market plan can also be useful at the bank.

"A business plan sets the future strategy and financial development of the business," said Rebecca Reinhardt, resident of Alliance Bank in Lake City.

"Not only does it help the business owner, but it helps the bank. If the business plan is prepared well, it gives the bank a confidence level in the business owner. It shows that he or she knows what they are doing and have the ability to make the plan a reality."

"I think the most important thing I provide for my clients is accountability," Marshall said. "I don't just set up a plan and walk away. I keep a close watch on the markets and call my clients to remind them when it's time to sell. Other companies don't do that."



Ron and Kristine Marshall and 2-year-old daughter Lily feed the ducks at McCahill Park in Lake City. The Marshall family moved to Lake City from St. Louis in April. — photo by Ginger Holm