



Texas Agricultural Cooperative Council Texas Academy in Cooperative Excellence (ACE)

Westin Riverwalk Hotel, 420 Market Street, San Antonio, Texas 78205, (210) 224-6500

(To connect the dots with the newer generation of farm families and co-op leaders by introducing them to alternative business structures, with a special emphasis on the farmer-owned business model.)

*"Farmer Ownership: It Comes with **Responsibilities** and **Commitment**"*

Friday, January 25, 2019

Noon Registration

1:30 p.m. Welcome & Introductions

2:10 p.m. *"What Are the Economic Challenges Facing Today's Farmers?"*

◆ **Dr. Darren Hudson**, *Larry Combest Chair*, Department of Agricultural Economics, Texas Tech University, Lubbock

To get a handle on what initiates producers' decision-making and the businesses they rely on, we must first get a grip on the financial and economic challenges that will be driving their thought processes. There is none better to do this than Dr. Hudson. Not only is he very articulate, he can also make sense of a very complex set of circumstances. He will spell out the economic choices and alternatives likely to happen in farm country for the immediate future.

2:50 p.m. *"What It Takes to Be a Competitive Farmer?"*

◆ **Dr. John Park**, *Roy B. Davis Co-op Chair*, Texas A&M University, College Station

For the past ten years, Dr. Park has worked with the State Co-op Council in teaching the co-op model to about 15-20 ag classes at most all ag colleges in the state. He has an unusual style at bridging an understanding of the various business structures in today's economy. This is an initial introduction at the importance of having a variety of delivery systems in place so that products can successfully reach their final destination---to the consumer.

3:15 p.m. *"What If One of the Ag Businesses You Rely on in Your Community, Went Away?"*

◆ **Tom Engelke**, *CEO*, Texas Ag Co-op Council, Austin

◆ **Dr. John Park**

This session is entirely group interaction! It's also reality! The focus here will be to break into small groups and pose a series of questions that will likely come their way during their lifetime. As identified leaders in their communities, it will be interesting to use this test case opportunity to explore what you would do if (*when*) the situation occurs. Some case questions will include, "What will happen with less competition?", "How will this deletion impact how you will be serviced?", and much more. One answer to such questions, would be for a group of farmers to take action upon themselves --- especially if the service is not provided or not provided competitively! Group reports will follow.

4:00 p.m. *"Why Farmers Did and Still Do What They Do?"*

◆ **Gary McLaren**, *Attorney*, Phillips & McLaren, Lubbock

◆ **Tom Engelke**

This session will take a brief historical look at what caused farmers to unite in the late 1800s to form the co-op business model. HINT! It wasn't to have a Sunday afternoon social to make homemade ice cream! The session will explore why co-ops usually get started, the four standard business models used in the U.S. economy, federal legislation that created the co-op structure, traditional co-op principles, open vs. closed co-ops, legal formation, the difference between a local and regional co-op, and a few unusual services provided by co-ops around the country.

4:50 p.m. Summary & Conclusion

5:00 p.m. Adjourn

6:00 p.m. *Dinner on the Riverwalk*

Mexican food, the Riverwalk, and the ease of getting to the city all attract people to San Antonio. You're in luck! We will combine all these qualities to have a nice group dinner at one of the most talked-about Mexican restaurants on the Riverwalk---Casa Rio. Enjoy a break from the farm and relax in one of the nation's premier cities then spend time on your own the rest of the evening.

Saturday, January 26, 2019

7:00 a.m. Breakfast at the hotel

8:00 a.m. Call to Order

8:10 a.m. *"Explaining the 'Investment' versus 'Returns' Concept in Farmer-Owned Systems"*

◆ **Greg Taylor**, CPA, D. Williams & Company, Lubbock

If you want to know about co-op taxation, audits, and using the co-op as a financial tool in your portfolio, look no further. This guy is on top of his game and once served as president of all co-op CPAs in the nation. He will examine historical co-op beliefs versus those challenged by not-so-traditional ideas. This is a session to challenge the speaker on financial concepts working and not working in today's co-ops.

8:40 a.m. *"The Most Asked Questions About the Farmer - Owned Business Model: A Panel"*

◆ **Gary McLaren**

◆ **Dr. John Park**

◆ **Greg Taylor**

◆ **Dr. Darren Hudson**

◆ **Brad Johnson**, CEO, Northeast Texas Farmers Co-op, Sulphur Springs

When planning this conference, the focus was to keep "lecture" to a minimum, use panels of speakers, and provide for considerable interaction. This session should sparkle with honesty, directness, spontaneity, and intrigue. Although a pre-planned set of 30-plus questions has been developed, the audience will also have the opportunity to put their special spin on the questions. There is no such thing as a dumb question in this session!

9:40 a.m. Break (*a special program surprise is in store as the group reconvenes at 9:55 a.m.*)

10:15 a.m. *"How I Made the Co-op Work for Me"*

◆ **Danny Beyer**, Board President, Planters' Grain Co-op, Odem

◆ **Doyle Schniers**, Board President, Wall Co-op, Wall

These two first-class businessmen, who just happen to be large farmers in their area, are coming to this meeting with a special twist on their comments. Instead of sitting back waiting for the co-op to provide for their needs, they began a long climb of involvement in their community and in their co-op. It took them decades to become an overnight success! On this day, they will explain where they find VALUE in the co-op and what hoops they had to jump through on their journey.

10:45 a.m. *"Spotlighting Co-ops for Co-ops (and Farmers) ---- the Regionals"*

◆ **Kevin Brinkley**, CEO, Plains Cotton Cooperative Association, Lubbock

◆ **Robert Lacy**, CEO, PYCO Industries, Lubbock

◆ **Robert Swize**, CEO, Gulf Compress, Corpus Christi

◆ **Cody White**, Relationship Manager, CoBank, Lubbock

People can go years and still not thoroughly understand the farmer-owned co-op structure. This is one of those topics that makes the concept even more confusing. However, these guys are specialists in their craft. There is not much time allocated to these speakers, thus two papers are being developed to help tell this story. One, a paper detailing the 10-plus regional co-ops operating in Texas and the other, a paper explaining the resources that are available to assist co-ops as they attempt to provide for farmers and ranchers.

11:30 a.m. *"Secrets and Shortcomings: Valuable Legal Lessons Regarding Your Wishes"*

◆ **Gary McLaren**

When it comes to being the premier ag attorney in Texas, they don't come much better than Gary. In addition, conference program planners wanted at least one topic that was not devoted to co-ops. This is it! Instead, Gary will take a very personal look at a topic of great importance to most all emerging farm couples---the importance of having a family "will." He puts his message in plain English where it's easy to understand and very enlightening!

Noon *Lunch at the hotel*

1:00 p.m. *Texas Hill Country Winery tour*

Your host hotel, the Westin, gave us the lead on this very popular winery tour to the Fredericksburg area, complete with a fully-loaded 54-passenger tour bus. Two stops are planned on the tour where you can visit, taste, purchase, and enjoy until your heart's content. Should make for a pleasant and relaxing getaway for the afternoon.

6:30 p.m. *Dinner on your own*

Conference organizers felt like the group would want one night on their own to do as they please. Some will visit the Riverwalk, while others will want to scale the top of the Hemisphere Tower and still others may want a nice steak in down town San Antonio.

Sunday, January 27, 2019

7:00 a.m. Breakfast at the hotel

8:00 a.m. Call to Order

8:15 a.m. *"An Ag Co-op---It's a Business Too"*

◆ **James Deatherage**, CEO, Producers Cooperative Association, Bryan

This co-op general manager is well-seasoned. They have nearly 10,000 members and it dates back to the 1940s. During his long tenure, they have grown to provide a state-of-the art fertilizer and agronomy center and 24/7 feed mill, complete with two robots, a garden nursery, fuel sales, a weekly TV show, and an annual meeting that attracts upwards of 1,800 people. In all these years---he has never lost money. Quite an operation and quite a focus! He will reveal how he and his board have grown the organization to a first-class operation with a major focus on cow/calf operators.

9:00 a.m. *"The New Producer Engagement Initiative"*

◆ **Dr. Erica Irlbeck**, Associate Professor, Agricultural Communications, Texas Tech University, Lubbock

To conference organizers, this is one of the most anticipated segments of the meeting. It will have two parts. In one segment, this decorated professor will explore how we can all be better advocates for our industry. She should know. She is a significant reason that the Texas Tech ag communications school is rated #1 in the nation. A second feature of her comments will be to conduct a needs and wants satisfaction survey regarding the purchasing and decision-making habits of this group. Tabulated results from her comprehensive work will be revealed at the July 2019 Co-op Managers Conference in Ruidoso, New Mexico.

9:45 a.m. Summary & Conclusion

10:00 a.m. Adjourn



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