



News and views from your agribusiness partners at First Dakota

August 2022

## Staying Optimistic in Uncertain Times

As I travel the country and talk to Ag producers, I hear a lot of mixed emotions. We are in very interesting times. It is easy to find ourselves worried about the uncertainty and volatility of the environment we find ourselves. The overarching concern for most is inflation. Interest rates are rising. Our costs on the farm are rising at even faster paces than the CPI (Consumer Price Index) would indicate the rest of the population is experiencing. Geopolitical situations are more concerning with the Russia-Ukraine conflict and the China-Taiwan situation. Politics remain as divided as ever. All these things give bears and doomsayers plenty of ammunition to scare us all. What do we do?

I encourage each of you to step back and find the silver lining. Be that positive influence your partners and stakeholders find contagious. Be that neighbor that the neighborhood looks to for encouragement and advice. I think there are plenty of things to be optimistic about. First and foremost, agriculture and Ag resources are the backbones of any economy. When uncertainty exists in the overall economy, one thing always remains — the need for populations to eat and Ag resources to be valued. We see this today with strong historical commodity prices and strong interest in Ag resources such as Ag real estate. These are fundamental asset classes, especially in times of uncertainty. I believe this creates significant opportunities for agriculture in the near term and long term. However, it isn't so easy; it just happens.

We must continue to be on our "A" game and focus on the fundamentals. The blocking and tackling are needed to drive our businesses towards successful outcomes.

BY NATE FRANZEN,  
AGRIBUSINESS DIVISION PRESIDENT



The most successful businesses I've had the pleasure to work with strive for singles and doubles, not home runs (HRs). Occasionally we get lucky and hit the HR, but it is not a sound plan to strive for that all day, every day. In baseball, batters that strive for a HR every at bat also seem to lead the team in strikeouts. Similarly, in agriculture, striving for singles and doubles will lead to leading the team with the lowest levels of strikeouts. How is this done?

As I've mentioned in previous articles this year, First Dakota is celebrating our sesquicentennial. One hundred fifty years is a long time. How have we survived and thrived over this long period of time when not everyone did? By sticking to the fundamentals at all times. For us, it starts with our people. The people that we work with and the people that do business with us. People don't just happen. We have very specific strategies to attract the best employees and the best clients that align with our approaches to long-term success. We continually sweat the small stuff enough to assure we are hitting lots of singles and doubles. Yes, we've had an occasional HR, but that's not our daily goal. Strategic planning has been a key ingredient for success. The process just works. It brings all team members and stakeholders together to garner input and feedback, with the final outcome being a unified focus on how we get better. These and other fundamental business practices have led to our longevity. I see very similar characteristics in our long-time clients. Working together, we can ensure our continued long-term success no matter what environmental conditions we are experiencing.

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If you are struggling to stay optimistic in these times, I encourage you to take a step back. Watch and listen to less news. Focus on your fundamentals for success. Increase your focus on the blocking and tackling it

takes in your business to increase the odds of singles and doubles. Good luck with this endeavor and enjoy the journey. Wishing you the very best!

# Dakotafest

AUGUST 16 - 18, 2022

DAKOTAFEST GROUNDS, MITCHELL



First Dakota is celebrating 150 years and the First Dakota Ag team is excited to bring back the Dunk Tank for Dakotafest 2022. We invite you to join us at the First Dakota building (Booth 223) on Wednesday, August 17th for this fun and exciting activity. This year we have added a twist! It will be a competition to see which commodity group representative can get dunked the most times and, more importantly, which commodity group can raise the most money. All proceeds from this fun event will go to the SD Ag Foundation.

First Dakota will offer a \$2,000 match of total funds raised for the SD Ag Foundation.

Can't be there in person or just want an easy way to give? Use this easy online payment link <https://www.cognitofirms.com/MaxwellStrategies1/DakotafestDunkTankDonationForm> to support your favorite commodity group, dunk a friend or foe in the dunk tank, and support a good cause.

The SD Ag Foundation was established to support our number one industry, Agriculture. The foundation promotes philanthropy in agriculture and is making a growing impact. We encourage you to support the SD Ag Foundation and all it does for our industry!

**\$5 - 1 chance, \$10 - 3 chances**

## Dunk Tank Schedule

Wednesday, August 17th

1:00 - 1:30 PM	SD Cattleman's
1:30 - 2:00 PM	Tim Ostrem, SD Soybean
2:00 - 2:30 PM	Mike Jaspers, SD Corn
2:30 - 3:00 PM	SD Dairy Producers
3:00 - 3:30 PM	Ben Klumb, SD Pork Producers



## IRONCOUNTRY®

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\$75,000 - \$199,999		\$25,000 - \$74,999	
3-year fixed	5.40%	3-year fixed	5.65%
4-year fixed	5.65%	4-year fixed	5.90%
5-year fixed	5.65%	5-year fixed	5.90%
6-year fixed	5.90%	6-year fixed	6.15%
7-year fixed	5.90%	7-year fixed	6.15%

Rates good through August 31, 2022. Subject to change. Contact a First Dakota Banker for rates greater than \$200,000.



# Invest in Yourself!



BY AUSTIN HAVLIK  
VP - MITCHELL

First Dakota believes in continuing education and lifelong learning. That is why we developed programs such as Beginning Farmers and AgriVisions. We also have partnerships with Van Trump, David Kohl, Bloomberg, and CattleFax to add to the educational toolbox we offer our clients. The Bank also understands the importance of investing in educating our staff. From Beginning Bankers school to Graduate School of Banking and commodity marketing classes to leadership development — these are investments in human capital.

The world seems much more forgiving of mistakes and poor decisions when commodity prices are high, but we do not have to look too far back to remember that the good times are generally handcuffed to challenging chapters that follow. When I started at First Dakota in 2015, agriculture and our Ag clients were adapting to the deteriorating margins, which shadowed the last super-cycle. Education and preservation took the place of expansion as many producers tried their best to weather the storm. It was standing room only at every marketing seminar and educational event. Some were looking for the elusive “silver bullet,” while others were hoping to hear that commodity prices would recover back to profitable levels.

My advice — do not wait for tough times to be your motivation in continuing your education. The First Dakota 2022 Beginning Farmers class is currently learning about financials, marketing tools and plans, transition plans, best practices, and much more! Make time for the annual AgriVisions seminar – there is a reason we see so many of the same successful producers and business partners in attendance each year.

I will leave you with two quotes that summarize my belief in lifelong learning:

- “Education is the passport to the future, for tomorrow belongs to those who prepare for it today.” – Civil Rights Activist Malcolm X
- “It is what you learn after you know it all that counts.” – Legendary NCAA Basketball Coach John Wooden

Make today the day you decide to invest in yourself, and ask your First Dakota banker what programs are available. I guarantee it will be your most significant investment yet.

# The Rule of 90/10



BY JEREMY GRADY  
PRESIDENT - SALEM

“We cannot change the past... we cannot change the fact that people will act in a certain way or that unfortunate things can happen. We cannot change the inevitable. The only thing we can do is play the one string we have, and that is our attitude. I am convinced that life is 10% what happens to me and 90% of how I react to it.” Charles Swindoll

I believe the 90/10 rule is one of the most important rules to live by. The 90/10 rule can be applied every day of our lives, especially when it comes to farming and ranching. Be it the weather, the markets, or an unexpected breakdown, how we react and move on is important. Whatever it may be has already happened, and there isn't anything we can do about that, but we can control how we react. A positive attitude, when faced with a problem, is key to moving on. We've all heard the line that misery loves company. Equally important to choosing a good attitude is to surround yourself with positive-minded people.

With the recent weather challenges many of our customers in the First Dakota footprint have experienced, the 90/10 rule could not be more important. Immediately after the May 12th Derecho that swept through the Salem area, I was overwhelmed by the widespread damage from the 50-100 mph straight-line winds. I admit I started to go down a very negative path. While I personally didn't have significant property damage, so many of our customers did, and I didn't know which way to go. It wasn't until I got a call from a colleague who must have known I needed some direction and encouraged me to just start by helping one customer begin to pick up. The next thing I know, that colleague, along with a whole team of First Dakota employees, arrived to help pick up debris spread out over hundreds of acres for the next three days.



In closing, here is my humble advice. #1) Remember and apply the rule of 90/10. #2) Whether it be your accountant, agronomist, insurance agent, banker, or colleagues — surround yourself with good/positive people. Having been with First Dakota for almost 25 years, I know I have!



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### South Dakota Offices

Beresford	605-763-2135
Chamberlain	605-734-5555
Elk Point	605-356-0289
Kimball	605-778-6218
Mitchell (North)	605-996-3364
Mitchell (Norway)	605-996-3364
Parkston	605-928-3077
Pierre	605-224-5817
Salem	605-425-3111
Sioux Falls (Downtown)	605-333-8200
Sioux Falls (East)	605-333-8282
Sioux Falls (Louise)	605-333-8295
Sioux Falls (South)	605-333-8210
Vermillion	605-624-5555
Wagner	605-384-5456
Yankton (Downtown)	605-665-7432
Yankton (North)	605-665-4999

### Loan Production Offices

Columbus, NE	402-563-2326
Hastings, NE	402-463-4637
Ogallala, NE	308-284-3260
Watertown, SD	605-753-5880

## Lousy at Networking?

Farming and ranching are a lot like raising a family. It takes an army to do it. Do you have that army behind you in your operation? As Nate and Jeremy mention in their articles, it is important to have your own advisory team, which can include your banker, accountant, lawyer, marketing rep, mentor, agronomist, other farmers, etc. But how do you build up that group? You can start by networking and getting to know others who provide the knowledge and feedback your operation needs. But as we all know, networking can be one of those things many of us dread. How do we recognize what is going on and how to get past that?

### Why do you feel you are not good at networking?

- You are shy or an introvert and interacting with others, especially those you don't know, frightens or exhausts you.
- Plain and simple, you don't feel you have time.
- You're overwhelmed or don't feel comfortable with online options.
- You are good at meeting people but bad at following up.

### What can you do to make networking easier?

1. **Acknowledge the need to network:** Instead of thinking of it as schmoozing or glad-handling, think of it as helping people, sharing resources, and exploring to meet your operation's goals
2. **Do unto others:** Networking isn't all about you. Actually, the opposite is true. Listen to others, share your knowledge, let them share theirs, and decipher the information from there. You'll gain true allies.
3. **Play to your strengths:** You know your operation inside and out. Think about and share what has worked and what hasn't worked. Consider who you are talking with and think about what you want to get from the interaction and, most important, what you can give back.
4. **Practice:** Just as peers can help inspire new ideas, they can also offer valuable perspectives on your operation. Continue to practice and determine what kind of feedback you are seeking. You may call on different people depending on what feedback you receive.