



News and views from your agribusiness partners at First Dakota

June 2021

Lessons Learned!

I was recently asked to write a one-page article on the lessons I've learned over my 28-year career in Ag Banking and business. This was an excellent exercise for me. As I reflected and quantified those lessons in writing, I recognized the value this could bring to others. Below are the results of my reflection on past experiences. Enjoy...

1. People matter! You are who your friends are. Hire, train, and retain ethical, superior, and extraordinary people. Without them, you have nothing. Integrity and work ethic are a must but over time intelligence and competence continue to grow in importance.
2. Strategic planning just works. Leveraging an honest and accurate SWOT process to develop strategies and then following through with execution separates the great from the good and the good from the average and below. The old saying is so true, "Failing to plan is planning to fail!"
3. Always look to expand your team of advisors inside and outside your organization. Make sure you put extra effort in developing this network with folks that are strong where you are weak. Never be intimidated by someone better or smarter than you in a given area.
4. Stressful times and stressful relationships are inevitable in business. No matter how stressed the situation becomes, always treat people with professionalism, honesty, and integrity. This approach will always stand the test of time. You never know when paths may cross again.
5. Agriculture is cyclical, so timing matters. Things are never as bad as they seem and never as good as they sound. Be proactive in your thoughts, but don't overreact. The more we and our clients can step back and understand where we are in the cycles, the better we can execute strategies. Understanding the impact of timing can really make a difference in managing our risks and reducing threats.
6. Build trust, and retain a brand, but never take it for granted. Warren Buffet said, "It takes 20 years to build a reputation and 5 minutes to ruin it. If you think about that, you'll do things different."
7. Information is a valuable commodity. Never stop seeking more or better information, and don't be afraid to change your mind on a decision if the facts say you should.
8. Sunlight is the best disinfectant. Never keep a problem a secret. Multiple minds working to solve problems is always best.
9. Debt is forever. Leverage is a great tool in business and finance, but too much of it can and will cripple a business. Debt structure (rate, rate type, amortization, payment frequency, and balance sheet structure) are real difference makers when utilizing leverage to maintain and grow a business. The stronger the leadership team, the more leverage the business can handle.
10. The numbers are often lagging indicators of problems. We need to have street smarts in addition to book smarts. Almost all problems can be uncovered earlier by being aware and trusting our instincts when something just doesn't seem right. Trust your gut.
11. Bad decisions are often made in the best of

BY NATE FRANZEN,
AGRIBUSINESS DIVISION PRESIDENT



times. We must always fight complacency. Be conservative in the good times and courageous in the bad times. This is often easier said than done.

12. Communication skills are vital. Communicating frequently with sincerity and empathy are irreplaceable in strong relationships, whether it's with a team member, partner, client, or family member. Relationships built on these values can work through most anything and will stand the test of time.
13. Leave your ego at the door. Being open-minded, respectful of other's thoughts, and placing team over self are the gateway to organizational greatness.
14. We can become too vested. Being able to balance the details while stepping back and looking at our

situations at a higher level is a real skill. We can be too focused to see the whole picture. This creates blind spots and/or paralysis in our management activities and results.

15. Culture is the secret formula for long-term success. Create a positive environment around you and your organization and success will follow.
16. You better enjoy what you are doing. Life is too short to be doing work that isn't aligned with your passions and skill sets. If you love what you do, you really never work a day in your life.

I hope you can find value in these lessons I've learned. I'd encourage you to take some time and develop your own list. I plan to revisit and add to mine over time. Praying for rain and wishing you all the best!

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7-year fixed	3.50%	7-year fixed	4.25%

Rates good through June 30, 2021. Subject to change.

Who's on your team?



BY DOUG ALLERDINGS
VP - BRANCH MANAGER - BERESFORD

When should I sell?
What about next year?
When can I or should I lock in input costs?

Buy, sell, or trade?
Shrink or expand?
What other options do I have?

All questions that we wrestle with on an ongoing basis. It's a lot to take in and keep track of. Making it even more vital that you have a team of advisors to work alongside you.

When we think about a team, it's natural to think about sports teams. Babe Ruth was quoted saying, "Yesterday's home runs don't win today's games." How true in an ever-changing Agriculture world. What we've always done or even did last year may not work today. You may not hit a home run with every decision, but if your team can keep you from striking out — surely success will follow!

Below is a short list of professionals you deal with frequently:

Marketing Firm
Grain buyer
Insurance Agent

Tax Accountant
Agronomist
Banker

Lawyer
Veterinarian
Financial Advisor

Each of these has a different area of expertise and can assist you with not only the day-to-day decision on the farm but also decisions that can impact you for years, if not decades. Although these experts may come with a cost, the value they bring normally far exceeds any expense.

Set up a time to meet with each of your team members, or maybe have a meeting with several in attendance and have a strategic planning meeting. Use their expertise to put together a winning year!

Governor's Ag Summit

JULY 8 - 9, 2021

THE DISTRICT, SIOUX FALLS

The 2021 Governor's Ag Summit offers an excellent line-up of speakers assembled to draw in policymakers, producers, and prospective farmers from across South Dakota. Along with keynote speaker David Horsager from the Trust Edge Leadership Institute, the 2021 Ag Summit includes local farm tours, a beginning farmers workshop, and much more. Everyone will leave the 2021 Governor's Agriculture Summit with a better understanding of how we all can work together to strengthen and grow agriculture in South Dakota.

Thursday, July 8

- 8:00am-9:00am Registration | Breakfast
- 9:15am Depart from The District for the Farm Tour
- 9:45am-11:00am Farm Tour Stop #1 — Alderson Farms, Hartford, SD
- 11:30am-12:30pm Lunch at Cherry Rock Farms
- 12:30pm-1:30pm Farm Tour Stop #2 — Cherry Rock Farms, Brandon, SD
- 2:40pm-3:00pm Summit Kickoff — Lt. Governor Larry Rhoden
- 3:00pm-5:00pm USDA Beginning Farmers Workshop

Friday, July 9

- 7:30am-9:00am Registration | Breakfast
- 9:00am-9:15am Welcome — Hunter Roberts, Secretary of South Dakota Department of Agriculture & Natural Resources
- 9:15am-10:45am How Top Leaders & Organizations Drive Results Through Trust — David Horsager, Author & Leadership Speaker, Trust Edge Leadership Institute
- 10:45am-11:00am Break
- 11:00am-12:00pm Wild Times: Making Sense of the Ag Economy — David Widmar, Agricultural Economics Insights

- 12:15pm-12:45pm Lunch & Learn: Riparian Buffer Initiative
- 12:45pm-1:30pm Food Exports
- 1:30pm-2:30pm Dakota Pure Bison
- 2:30pm-2:45pm Break
- 2:45pm-3:45pm Farm Service Agency Policy Update
- 3:45pm Closing Remarks — David Horsager, Author & Leadership Speaker, Trust Edge Leadership Institute
- 4:15pm-5:00pm Networking Break
- 5:00pm-7:00pm Governor's Agriculture Ambassador Dinner

First Dakota is glad to be a sponsor of this free event. Go to www.sdagsummit.com to register by July 1.

DakotaFest

AUGUST 17 - 19, 2021

DAKOTAFEST GROUNDS, MITCHELL

Mark your calendars for DakotaFest 2021. We'll be there with our First Dakota team, as well as other Ag experts.

It will be a splashingly great time. Plan to join us!



Support Youth and Rural Communities



The South Dakota Agricultural Foundation is asking for support for the annual South Dakota Ag Forward fundraising campaign.

The Ag Foundation provides multiple local and statewide grants, programs, and innovative projects that support communities and youth across the state. The Foundation donates up to \$50,000 per year to impact a wide array of organizations and ag industry partners. Join us in supporting the future of agriculture and donate to our campaign. We are proud to support South Dakota agriculture by keeping 100% of the money raised in the state.

To learn more about the Ag Foundation Ag Forward campaign, please visit our website at sdagfoundation.org and go to the Plan page.

For additional questions, please contact board@SDAgFoundation.org or by calling 605.412.4008.



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Sioux Falls (South)	605-333-8210
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Agri-Intelligence Fertilizer Report



We all like to make decisions with confidence and many times confidence comes with the transparency of information. The First Dakota Ag Division and Keep Farmers Farming would like to offer you a newsletter called the Agri-Intelligence Fertilizer Report. Agri-Intelligence is a valuable tool for managing your business. The report contains price trending information on fertilizer to help those in production agriculture to see price information that can help with the timing of fertilizer purchasing and help lower fertilizer cost of production. Knowing this pricing allows you to understand the back story for the local market — a common yardstick for you and your supplier to work from. Transparency of information builds “Trust” and “Confidence.”

Lee Lubbers of Gregory has been receiving and utilizing the information in the Agri-Intelligence Fertilizer report. We asked Lee for his thoughts regarding the report, “It is the only unbiased fertilizer report that I know of. Everything else we’ve ever found was retailer based and all the information was skewed to their favor, not ours. This report is the one way I can find true pricing on the fertilizer products we use. I use the numbers from the report and add margin for the retailer to get the true number to work with on negotiating prices. It shows pricing trends vs yearly averages, which is also important. Once I started reading it, I really liked it because I could use it as a bargaining tool on our fertilizer as a way to keep them honest. It has saved or even made us money. I would have to use several sources to do the same thing as this consolidated, simple-to-read report. It’s had value for us.”

We are glad to be able to offer this weekly report to you at no cost. If you are interested in receiving by email or would like additional information, please contact your First Dakota loan officer.