



Cheeps & Chirps

..... Points for Poultry Profitability

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2010 GROWER EDUCATION CONFERENCES

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The Kentucky Poultry Federation hosted approximately 175 attendees for an educational weekend during the sixth annual Grower Educational Conference.

On Friday, March 12th the conference was held at the Murray State University Agriculture Exposition Center and Saturday, March 13th we moved to The Hines Center, Philpot.

The conference featured informative sessions designed to help poultry producers stay at the top of their game. Topics included:

- In house composting of litter for improved performance by Bud Malone of Malone Poultry Consulting;
- Practical darkling beetle control by Robert Rowland of Ivesco, LLC;



Bud Malone



Robert Rowland

- Update on Poultry House Evaluation Service by Doug Overhults of the University of Kentucky;
- National air emissions study implications for poultry growers by Tony Pescatore of the University of Kentucky;

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FARM SUCCESSION—TRANSITIONING YOUR FARM TO THE NEXT GENERATION

When you are considering transitioning your farm to the next generation there are certain questions you need to ask yourself about the succession.

- * Is the farm business economically viable to transfer?
- * Do we have enough income and assets to provide for both generations' needs?
- * How do you work together to make the transition a success?
- * What and when should transfers to the next generation be made?
- * How do you avoid unnecessary gift, income, or estate tax?

Six items should occur during a farm business transfer . . .

- * The next generation has the opportunity to come into the business.
- * The retiring generation assists the new generation in development of management skills.
- * Develop a plan to be equitable to children not in the farm business.
- * Minimize transfer costs.
- * Reduce debt to not overburden the next generation.
- * Accommodate parent's retirement and estate planning goals.

It is important that the current generation detaches after the transfer to the new generation, but how does this occur?

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- The use of vegetative buffers to control odor problems by Bud Malone of Malone Poultry Consulting;
- Money management and planning – A Grower Perspective by Tonya Murphy of Murphy Farms, Inc.;
- Cash flow and money management by Jennifer Rogers, Suzy Martin, and Jerry Pierce of the University of Kentucky; and
- Transitioning the farm to the next generation by Jennifer Hunter of the University of Kentucky.

Thank you to all our speakers for joining us and presenting very topical information.



Tony Pescatore talking about air emissions to the growers at the March 12 grower conference

The attendees enjoyed a Tradeshow at both locations giving participants the opportunity to see some of the latest technologies relating to the poultry industry.



Thank you to our TRADESHOW Participants:

- A2Z Insurance, Franklin, TN
- Advance Feeding Systems, Inc., Livermore, KY
- Aerotech, Mason, MI
- American National Insurance, Central City, KY
- Brown Bear Corporation, Corning, IA
- Bluegrass Tank & Equipment, Elizabethtown, KY
- Dirk's Electric, Palmersville, TN
- First Financial Bank, Elizabethtown, KY
- Glass-Pac, Inc., Madisonville, KY
- Governor's Office of Agricultural Policy, Frankfort, KY
- Hobdy, Dye and Read, Inc., Hardinsburg, KY
- Kentucky Agriculture Heritage Center, Harrodsburg, KY
- Mid-States Agri., Mayfield, KY
- Poultry House Evaluation Service, University of Kentucky, Lexington, KY
- Star Gaze Energy, Paducah, KY
- Sunrise Equipment Company, Beaver Dam, KY

Producers also enjoyed lunch sponsored by Glass-Pac, Inc.

The annual Grower Conference is funded through a grant provided by the Kentucky Agriculture Development Board.

The Kentucky Poultry Federation would like to say "Thank you" to all of those that attended the conference, exhibited or sponsored the event.

The Federation appreciates your continued support!

Thank you to our SPONSORS

Cumberland/Hired-Hand
 Farm Credit Services of Mid-America
 First Financial Bank
 Glass-Pac, Inc.
 Jones Hamilton Company



"Implemented properly, and done repeatedly, in house composting yields performance and cost benefits, especially on disease challenged farms."

Bud Malone



Cost of darkling beetles:

- * Destruction of insulation and wooden structures in the house
- * Reduced weight gains and feed conversions
- * Increased disease problems and mortality

FARM SUCCESSION: TRANSITIONING YOUR FARM TO THE NEXT GENERATION *con't*

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Four easy steps:

1. Try to structure the transfer to avoid continued financial responsibility.
2. A new farmer may be highly leveraged if the agriculture economy experiences a downturn. Leveraged businesses may not be able to withstand low prices, declining land values, and high interest rates.
3. If you co-sign notes or your name remains on some of the farm debt you may also be financially responsible.
4. Encourage third party financing – if you are depending on the

farm payment to support your retirement and the next generation defaults you may not have adequate resources. Land contracts, mortgages, and personal loans are not considered liquid and most likely have a fixed interest rate which is not protecting you from inflation.

Four keys to a successful transition to the next generation:

1. Parents are critical.
2. Have a realistic plan based on reasonable future expectations.
3. A transition plan is just not working less or taking a vacation.
4. Keep the plan flexible; have annual updates.

For more information on transitioning your farm an internet tool is available at "Investing for Your Future." Also there are numerous University of Kentucky publications on Estate Planning; ask for more information at your local extension office.

Presentation by Jennifer Hunter, Senior Extension Associate, Department of Agricultural Economics, University of Kentucky at the 2010 KPF Grower Conference



UK SENIOR NAMED GATES CAMBRIDGE SCHOLAR

Lesley Mann, a University of Kentucky agricultural biotechnology senior, has been awarded one of only 29 prestigious Gates Cambridge Scholarships presented nationally to students hoping to pursue graduate studies at the University of Cambridge in England. This is the third national scholarship honor bestowed upon Mann, who is a previous recipient of both the Beckman Fellowship and the Goldwater Scholarship.

"I was thrilled to be named a Gates scholar this year primarily because of the opportunities it will provide for me as a student at one of the oldest and most prestigious universities in the world," says Mann. *"My success in this competition is further proof that UK students have the opportunities on campus and support from faculty and staff to reach any personal goals. It is fantastic to see the University of Kentucky listed with Harvard, Yale, MIT, Stanford and the like."*

Mann, the daughter of Bobbi and Charlie Mann of Calhoun, Ky. [growers for Perdue], will use the scholarship to Cambridge to study for a master's degree in bioscience enterprise.

Mann will join the 28 other U.S. Gates Cambridge Scholars who will take up their places at one of the world's most ancient universities this fall, as the international graduate-study scholarship program celebrates its 10th anniversary. These scholars, from 20 states and 24 colleges and universities, were whittled down from an initial field of around 800 applicants from across the nation and a list of 104 finalists, after interviews in Annapolis by four panels of academics and others from Cambridge and several U.S. universities. Mann is one of only seven students representing a public university.

Provost (CEO) of the Gates Cambridge Trust Gordon Johnson said: *"We are delighted with the new batch of American Gates Scholars selected in Annapolis. Not only will these talented young people engage fully with the university and colleges while in Cambridge, but they are likely to become leaders in their fields and use the educational opportunities they have had to address important and pressing problems facing societies around the world. We very much look forward to welcoming them to Cambridge as part of the 10th class of*



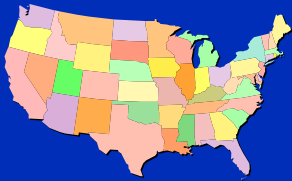
Photo courtesy UK Public Relations

Gates Scholars."

"I was excited to hear that Lesley Mann has been named a Gates Cambridge Scholar," said UK President Lee T. Todd Jr. *"Lesley, who is also a winner of two other prestigious national scholarships, is a student in which the entire Commonwealth should be proud. A native of McLean County, Lesley continues to demonstrate that Kentucky kids can compete with the best and brightest in the world. I wish her the very best as she moves forward in her educational journey."*

A 2006 McLean County High School graduate, Mann has been very involved in undergraduate research since she arrived at UK. She has

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We "see blue" at the University of Kentucky.

We're home not only to powerhouse basketball and the best of intercollegiate athletics; we're also nationally ranked in more than 70 academic programs.

We're charting an aggressive, exciting path toward becoming a Top 20 public research institution.

"see blue." is a lot of things, but most of all it's about helping students realize their potential and harness the power of their dreams.

ROLE OF POULTRY & EGG PRODUCTION IN THE ECONOMY OF THE UNITED STATES

The Workforce Education and Development Initiative (WEDI) has published a report on the impact of jobs in the poultry and egg production industries have on the economy of the United States.

Information provided in the Brief were calculated using IMPLAN, a macroeconomic model (Impact analysis for PLANning). The dollar values quoted are expressed as year 2006 dollars.

The researchers concluded that poultry and egg producers are an important part of this history and economy of the U.S. The poultry and egg producers create jobs and compensation for workers and generate tax revenues in the nation.

- *For every 100 jobs*—Due to the need to supply poultry and egg producers, other industries in the U.S. employ an additional 210 workers. Spending of income earned by employees of poultry and egg producers on such items as housing, food, health care, and other retail goods and services creates an additional 197 jobs in the U.S. In short, **every 100 jobs in the poultry and egg industry in the nation are associated with 507 total jobs in the U.S.**

- **For every 100 jobs**—The poultry and egg production industry generates \$2.1 million in compensation (wages, pensions, income of proprietors) for its own U.S. workers and \$8.2 million in compensation for employees whose jobs are created in the U.S. because of the nation's firms supply poultry and egg producers. Spending of income by employees in the poultry and egg production industry and workers in supplying industries generates an additional \$7.2 million in compensation for other U.S. workers. In this way, the **poultry and egg industry is responsible for generating \$17.5 million annual compensation for every 100 workers employed by poultry and egg producers in the U.S.**

- *For every 100 jobs*—Business activity by the poultry and egg production industry, the industry's impact on U.S. industries that supply it, and the effect of spending by workers employed by the poultry and egg production industry and its supplying industries **generate \$1,040,000 in property taxes that are paid annually by businesses and individuals in the U.S. to local governments for every 100 workers employed in the industry.**

For more information:

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2010 KPF MEMBERSHIP DIRECTORIES

Thank you to those of you who have either renewed or, for the first time, joined the Kentucky Poultry Federation. We appreciate the support you give the Kentucky Poultry Federation and Kentucky's poultry industry.

Be looking in the mail for your 2010 Membership Directory. They will be mailed out the middle of April. If you do not receive your directory please call the Kentucky Poultry Federation office at (859) 737-1048.

If you would still like to join the Kentucky Poultry Federation you can download a membership application at our website www.kypoultry.org; from the homepage click on "2010 Membership Drive in Progress."



KENTUCKY FARM BUSINESS MANAGEMENT PROGRAM

Since 1962, the Kentucky Farm Business Management Program (KFBM) has been serving the agricultural industry by helping member farmers track financial performance, determine the profitability of individual enterprises, improve management practices, complete tax returns, set business and personal goals, and make sound management decisions.

The KFBM Program also helps improve farm management on non-member farms by providing factual economic information about Kentucky farms for use in research, teaching, and extension.

The KFBM Program is a joint effort of the University of Kentucky Department of Agricultural Economics and five Area Farm Management Groups. An elected board of directors sets policy and direction for each group within the framework of the KFBM Program.

The mission of KFBM is to provide a records-based information system to assist Kentucky farmers in best utilizing their resources to accomplish their goals and objectives. This mission is extended to KFBM clientele through direct consultation and to the general population through research, education and extension programs of the University of Kentucky.

Members receive information and assistance with what many consider the most difficult part of farming - management. Ten Extension Specialists provide the personal contact through on-farm visits, phone calls, newsletters, and office visits.

Specialists begin by helping clients implement a detailed farm record keeping system designed to help with farm management decision-making. They counsel with each member to develop business and family priorities, compare costs and returns, and examine alternative plans for management of the farm business. The program provides an economic analysis of the farm business including financial statements, cost and return analysis, crop and livestock enterprise analysis, and comparative benchmarking with similar size and type of farm business. KFBM also provides information for use with lenders and tax professionals, including balance sheets, accrual income statements, depreciation schedules, and farm income tax worksheets. The Extension Specialists help each cooperator understand and apply the analysis to their situation.

On a broiler farm KFBM helps the grower to answer the question "at what cost." At what cost is the farm competitive, profitable, and financially viable. What cost is associated with the benefit from another family member, an additional broiler house, or a new piece of equipment? KFBM seeks to help farmers make these management decisions with the best information possible.

KFBM is available in most areas from the Bluegrass to the Purchase.

Contact Jerry Pierce, State Coordinator, for more information at jerry.pierce@uky.edu or (859) 537-6655.



UK SENIOR NAMED GATES CAMBRIDGE SCHOLAR con't

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been studying agriculturally important plant-fungal symbiosis in the UK Department of Plant Pathology. The symbiont she is working with is responsible for imparting drought resistance and insecticidal properties to the grass.

Mann was so happy with her experience in undergraduate research at UK that she has worked as an advocate for others interested in doing research at the university.

"My work on the seed transmission process of this fungus inspired me to get more students involved in active research through my work as president of SPUR (Society for the Promotion of Undergraduate Research), an undergraduate research society focusing on getting students involved in research and on to publication and conference presentations," says Mann.

Mann, a member of the Honors Program, has also enjoyed being a tutor for biochemistry and elementary reading. She spends her free time traveling, reading, being outdoors and honing her culinary skills.

After completing her studies at Cambridge, Mann plans to pursue a doctoral degree in molecular biology at the Massachusetts Institute of Technology before beginning a career as an eco-entrepreneur.

To hear Mann talk more about her time at UK, check out an audio clip from Carl Nathe's "UK At the Half" interview with her at: www.zshare.net/audio/73822799188684b4/.

The Gates Cambridge Scholarship program was set up in 2000 and funded by a \$210 million donation to the University of Cambridge by the Bill & Melinda Gates Foundation. It enables academically outstanding students from outside the United Kingdom who have a strong interest in social leadership and responsibility to pursue graduate study at Cambridge. Between 2001 and 2009 there have been 911 Gates Scholars from 91 countries. The aim is to set up an international network of scholars who will have a transformative effect on society.

This year's Gates Cambridge Scholars will study across a huge variety of disciplines, from oncology, bioscience and

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UK SENIOR NAMED GATES CAMBRIDGE SCHOLAR con't

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plant sciences to African studies, classics and education. They will be joined by a further 50 Gates Scholars from other parts of the world who will be selected at a further

round of interviews to be held in late March 2010. In the scholarship program's 10 years, Mann is the second student from UK to be awarded a Gates Cambridge Scholarship.

Written by Whitney Hale, UK Public Relations

CHECK OUT THE PROJECT WEBSITE

Check out the Kentucky Poultry Energy Efficiency Project website at www.poultryenergy.com. You'll find information on the Poultry Energy Evaluation Service as well as a 20-chapter Poultry Production Manual and past issues of Cheeps & Chirps. There are links to upcoming events and resources available to help Kentucky producers. Keep up-to-date on news items of possible interest for poultry producers in Kentucky.

What do you want to read about?

We want to know what you want to read about. Please e-mail topics of interest to Jacquie.jacob@uky.edu

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Audio clip - The poultry industry is focusing efforts on decreasing the amount of energy used in production. Extension Poultry Specialist Tony Pescatore examines the program that is underway in preserving energy.

Today energy bills are one of the major expenditures a poultry producer has - It is estimated that the average utility bill for a poultry house is \$700 a month. As the price of propane continues to increase, production costs will also continue to increase negatively affecting the economical sustainability of poultry producers. This project was developed to address this concern.

Through this project, Kentucky poultry growers will have access to energy and money saving tips. The project is a joint partnership between the College of Agriculture's Departments of Animal and Food Science and Biosystems & Agricultural Engineering together with the Kentucky Poultry Federation and is funded by the [Kentucky Agricultural Development Board](#)

Supported by a grant from the Kentucky Agricultural Development Board

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