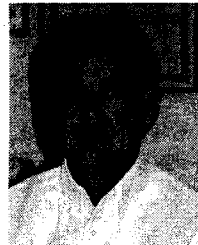


Some positive things for farmers to think about

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On November 20, the Dow closed just a hair above 7,500 and commodity prices are following the financial markets in an unprecedented drop.



With news like this it is hard stay optimistic. Being a member of the American Academy of Economic & Financial Experts, I am on an e-mail list which includes some of the smartest economists

around, many of whom are professors at some of most prestigious business schools in the country. Needless to say there is a lot of discussion about the economy amongst this group and no one can tell you when things are going to get better.

If you are lucky, you could be like a friend of mine who went bust farming in the 80s and the creditors were hounding him unmercifully. As soon as he finished harvesting his crop he moved in the cabin at deer camp and began what was to be a three year sabbatical to heal mentally and let his financial situation settle out. Luckily he was married to a good working

woman who kept food on the table for his kids during that time and even drove up to deer camp once a week bringing casseroles with heating instructions taped to the tin foil. His dad eventually stepped in and gave the creditors enough to get them off his back. Perhaps the bottom for this friend was one week after deer season when camp members went up to clean the camp and discovered him and a drinking buddy green from all the whiskey they had consumed and still hunting deer with no clue deer season had ended seven days earlier. He's no longer farming but he's still very much a deer hunter and he can laugh about that time thirty years ago.

Another friend and client in his early 80s has always been an inspiration to me. He came to Mississippi in the 70s with pocket change only, worked hard, and now is one of the largest and most successful farmers in the Mississippi Delta. He has told me several times he always gets up early in the morning, gets out on the farm, and tries to figure out how to do a better job.

Here are ten positive things that you can focus on right now.

1. Lock in fixed rates on loans. The fed funds rate is down to 1% this week down from 4.5% a year ago and down from a 53

year average of 5.73%.

2. Monitor commodity prices and lock in a price when it will allow you to sell at a profit.

3. Monitor input prices on fuel, seed, fertilizers and chemicals, and prepay or lock in a price when it will allow you to meet your budget objectives.

4. Search for buying opportunities on good farmland located strategically to your farm.

5. Consider putting your farmland to grade and adding needed irrigation.

6. Add on-farm grain storage adequate to your needs.

7. Attend every free seminar you can this winter mining for education and opportunities.

8. Put your financial position down in writing and construct a projected income statement for 2009 based on various cropping alternatives.

9. Find a knowledgeable financial professional or mentor to review and discuss your financial position and help you think through alternatives.

10. Reserve some time to enjoy yourself.

How well you do in farming or business is mostly dependent on your education, training, and experience, (ETE). You can

be short on formal education and training, but make up for it with experience. No learning tool is better than trial and error. Experience normally will trump education and training as long as you are willing to learn from experience and are willing to alter your behavior based on what you have learned through experience.

There is no doubt times now are tough and unsettling. I've always been an early riser and in spite of the times we are in I have noticed that the cool crisp air of the morning hasn't changed. It still signals a new day with a new beginning; something to look forward to. Do not let the financial uncertainty around you effect you. Get out there and find something positive to focus your mind on. Life, farming, business are all 90% mental and 10% everything else.

If you would like a free copy of our crop planning software give me a call at 662-887-4557 or e-mail me at dstallings@bairdandstallings.com. Prepare your plan, stick to your plan, and make money in 2009. **DBJ**

(Don Stallings is a shareholder in the Indianapolis, Ms. accounting firm, Baird & Stallings, CPAs, P.A. He is a certified public accountant, a certified valuation analyst, and a certified forensic financial analyst.)