



Kerpan Farms Spring 2022 Newsletter



It has taken 13 years but I am finally following through on my idea to send out some sort of newsletter to update stakeholders and anyone who may be interested in the happenings on the farm.

You probably won't be surprised to hear that it has been awfully dry.....right at the home farm we have been in a pretty serious drought for 5 years. That changed briefly in the late summer/fall of 2020 but the drought returned abruptly for spring of 2021 and we haven't had much more than a little rain here and there to tease us. That rain in the fall of 2020 did grow a bunch of bushels of wheat and canola but it was so late that it was a battle to get it off and we bought a dryer as we had to dry every bushel. The yields were really good, in some cases the best we have ever had but with the drying costs and heated canola it all washed out pretty even. But I was sure glad to fight a battle that wasn't drought. But it didn't last long.



The drought has returned the past couple years and despite getting crops off to a good start the extreme heat and late summer dryness has devastated yields. I am very grateful for the risk management programs that are available to farmers as they work as designed to prevent total collapse. This last year the drought was so wide spread that it has caused prices to sky rocket which is helpful when you don't grow many bushels, but it didn't take long for input costs to follow suit. Fertilizer is up 3-4x over last year and many other costs have shot up as well. The fact remains that farmers are in the commodity production business and margins will always find a way to get tight. We really try to focus on staying low cost producers so that we can survive through these unforeseen circumstances.

We have added some grass acres this year and are expanding the cattle side of the operation as we can find resources. We've destocked from optimum numbers due to drought and I'm hoping that we will be able to add more numbers on the acres we have got with some rain.

The forecast for summer is mixed. Drew Lerner is calling for a good chance of rains this summer that would bring an end to the drought, I hope he is right but not every forecaster is in his corner. Time will tell I suppose, until then we will hope for the best but plan for the worst.

One area that this farm has always been blessed to have plenty of is good help. I am not sure if it is my human resources educational background or has just always been my inclination but I am a firm believer that humans are our best asset in any business. The world is constantly moving away from humans and towards technology and robots for work to entertainment and everything in between. While I certainly appreciate the efficiency of the equipment we have, none of it works without people and it's best to surround yourself with the best you can find. It's the best investment you can make. That is what we have done here and I am thankful for it.



It's challenging but exciting times in agriculture. I am grateful that we live where we do and have the opportunities we have. Despite some of the sideways ideas that our people in power have about where we have come from and where we should be headed, we are still awfully lucky to live where we do. That hasn't been more obvious in my lifetime than at this very point in time with all of the craziness happening in Ukraine and elsewhere in the world.