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Behind the Waterfalls

by John Blanchfield

When I was a kid I loved to watch old Tarzan movies. Tarzan was to me the ultimate jungle networker. He knew exactly which vine to grab as he made his way through the forest. He never missed once. The other thing that I admired about Tarzan was that he could deal with elephants. My favorite movie was the one where he discovered the place behind the waterfalls where the really big, really old elephants went to drop their tusks and die. Tarzan had to keep evil ivory raiders away from that place to preserve the elephant's dignity. Every elephant, it seems, needs a place to go to drop their tusks and die.

As I emerged from the subway after being underground for twenty-five minutes on my first day at the ABA, I had the overwhelming feeling that I was behind the waterfalls, at the place where the elephants go. There are some very big elephants in this city. How big are they? Dr. William F. Staats from LSU has a very interesting system of estimation. Using his system, I would estimate that some of the really big elephants are at least 45.67 tons. For those of you that have not had the opportunity to hear Dr. Staats at one of our conferences or schools, I will share with you his system. Whenever you guess at the size, weight, length, or depth of something always make your number at least two numbers to the right of the decimal point. Never guess with an even number because it will appear to be a guess.

I come to ABA by way of a place called upstate New York. Many people think of

only New York City when they hear New York. My world was far removed from the Big Apple in miles (511.56 miles) and in outlook. The only time I was in New York City was on a bus trip with FFA when I was in tenth grade. My part of the state is rural and very centered on the dairy industry. My home county has more dairy cattle than people. In fact, if cows were people, they would make up 21% of the population north and west of the Big Apple. New York ranks third in the nation for milk production, and agriculture is the state's number one industry if measured by gross dollar receipts. Take that Wall Street!

Lending to farmers was my occupation for the past twelve years. I started out with the USDA Farmers Home Administration (FmHA). Our mandate at that time was to get emergency loan monies out. We did. During my two year stint at FmHA we loaned almost \$20 million in a two county area. Following that period, the focus changed to servicing the portfolio, or trying to get the \$20 million back. These were bad days for both FmHA and the dairy industry. The price for milk began an eight-year slide that has only recently started to turn up. At FmHA we had little in our servicing procedure to deal with the problems we were facing.

What do you do when the sky is falling? Become a consultant of course! I left my job at FmHA and started my own business. Most of my time was spent working under contract with FmHA, but I also sold Federal Crop Insurance and did real estate

appraisals for farmers in the area. As a result of my four years in that business, I think that I can drive down every county road in a six county area with my eyes closed.

In 1983 I decided to take a job in town and went to work for the largest commercial bank in the area for agricultural lending, Oneida National Bank. This was an old bank with a tradition of lending to agriculture that went back to before John Deere perfected his plow in his blacksmith shop.

My years at the bank were great. My boss, Robert Ranger, became Chairman of ABA's Agricultural Bankers Committee. During his term, the ABA worked closely with the USDA Farmers Home Administration to develop the Approved Lenders Program (ALP). Despite some problems in the initial phase of the program, the ALP was a major step in the right direction. Our bank wrote the first ALP loan in the nation; that was a very exciting time for me and the other lenders on the ag department staff.

Because of Bob Ranger's ABA experience, I became interested in the program and was honored to be able to participate in many ABA activities over the years. I graduated from the Graduate School of Agri-Finance and Banking in 1986, served on the school Advisory Board as the class

representative, attended the Ag Bankers Conference in Washington D.C., published an article in the *Journal Of Ag Lending*, and served on the Des Moines Conference Planning Committee. To me, ABA was a vital link that connected me to others in the industry. I always thought I would enjoy working for ABA, and now I have my chance.

There is a lot to learn in my new role as Ag Division Manager. For example this place has more equipment than a Tom Clancy novel. I have to learn how to operate my own PC. I am beginning to think that the term "user friendly" was coined by a sadist. Perhaps in a few thousand hours I will master the beast.

Thank goodness my basic mission is clear and exciting: facilitate the vital banker-to-banker exchange, identify what the ABA should do to help the industry, and to do whatever it takes to make it easier for my fellow ag bankers to do their job. This is exciting stuff! The right stuff. It was this opportunity that motivated me to leave my little place in upstate New York and come here.

I look forward to working with all of you in the future. Please keep in mind that I came from the same kind of place that many of you are in now. Please call or write to me here at ABA with your concerns and ideas.