

Farming is business as usual despite COVID-19

By Kerry Drager

The changes in the economic markets in the wake of the COVID-19 outbreak have U.S. politics in a frenzy. As the Senate continues to battle out the stimulus bill addressing the financial needs of the hotel and airline industries, the agriculture sector appears to be missing from the conversation. For the Lake Preston community that is deeply impacted by the health of the agricultural sector, the current market situation is creating a sense of uncertainty in many local farmers.

Allen Vedvei, a grain and cattle farmer from the Lake Preston area and a chairman of the board with Prairie Ag Partners, is trying to stay positive despite the difficulties of last year's market and the current COVID-19 crisis.

"Last year was a miserable year, to say the least, for this farming community. The biggest thing right now is to plant more than was planted last year. We need to purchase seed and get it planted if we can. That being said, my biggest fear is what happens with our local elevator. We have to keep that open to continue operation," said Vedvei.

Paul Casper, Lake Preston area soybean and corn farmer, shares the same concerns.

"As energy prices continue to fall, that affects the ethanol markets. For us corn producers, if we lose our ethanol, that's scary. That's where all of our corn is going," said Casper.

Both Vedvei and Casper have no intention of selling acres or changing course with their planting this year. They have their seed and are preparing for the planting season to begin.

"People still have to eat," said Vedvei. "And the best source of protein is meat. I think that once we understand how to deal with this virus, things will start to go back to normal."

Vedvei indicated that the cattle market, in particular, has taken quite a hit. He stated that since the middle of January this year, he has seen a \$400 decrease in value per head of cattle.

"That hurts, no doubt about that," said Vedvei. "But I believe that the cattle industry will be okay, and that goes for the grain as well. We have to keep the workforce there so that the product is available. We have to keep our fleet of truckers going to deliver our product so that counters can be stocked."

With the financial markets as precarious as they currently are, Casper is concerned about ag lending. However, he stated that he continues to see the banking industry pulling through for the farmers.

"I just don't know for how long," said Casper. "People are going to grow food, they are going to process it, and they are going to get it to the market where it needs to be, but how are we going to get paid for it when

there is nothing to buy it with? The government can only print so much money that has no value."

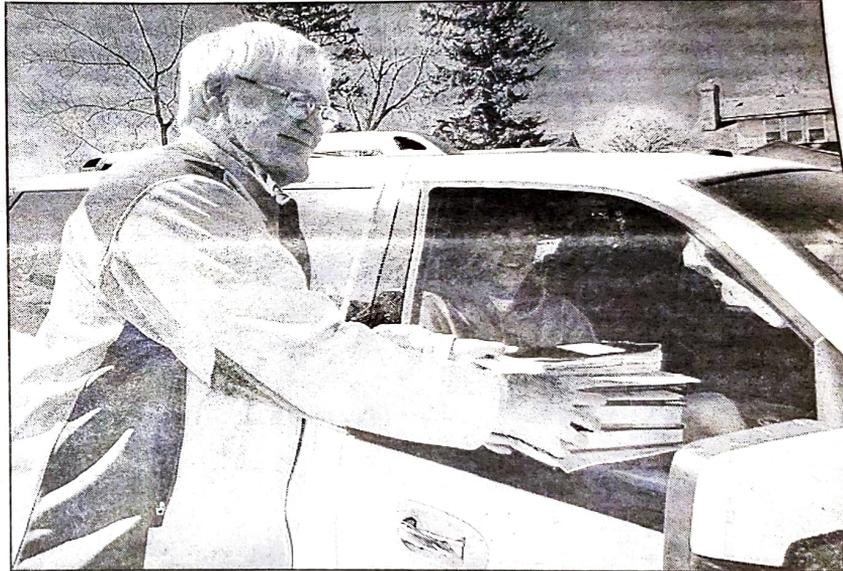
"We've been with our banker for a long time, and he knows our operation," said Vedvei. "I am comfortable in saying that they will stick with us through this. That's the best financial planning I can personally do. I will do business as usual, but we all know that COVID-19 is not business as usual."

The social distancing requirements are also causing additional challenges in the ag industry. Both Casper and Vedvei are practicing social distancing by conducting their daily business over the phone and through text messaging. However,

cattle ranching is particularly challenging when potential buyers cannot view the product in person. Vedvei is thinking outside of the box by utilizing the internet to show potential buyers his livestock through video and pictures. He stated that he has seen some success in this and knows that to be successful during this challenging time, he needs to continue to be creative in finding ways to reach buyers.

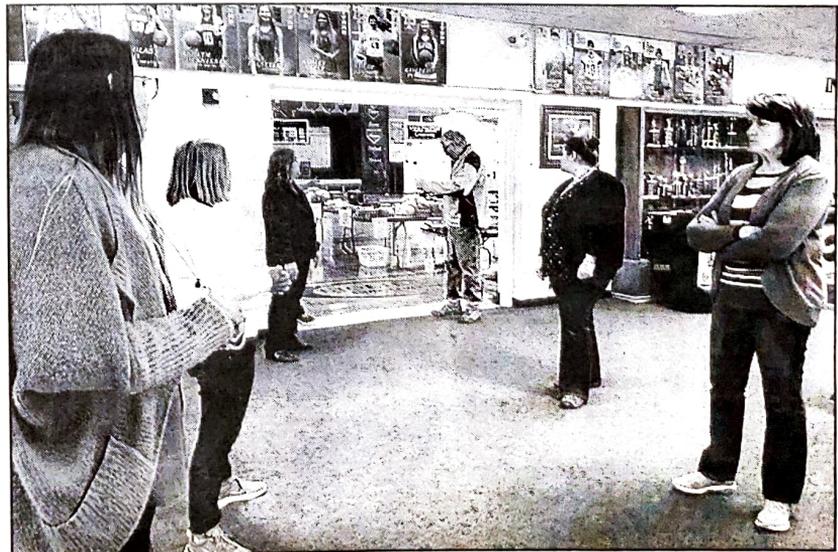
Casper finds the current market fascinating as well as frightening. He stated that it appears that we are in a state of life that our nation has not seen since World War II.

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Carside service

Lake Preston science teacher Dave Schmidt, left, delivers schoolbooks on Monday to student Jasper Denison and his father, Travis Denison. Students were not permitted into the building and materials were handed out using gloves. (Submitted photo)



Social distancing

The faculty and staff at the Lake Preston school practice protective measures against the COVID-19 outbreak by keeping at least 3 feet from each other as they prepare student's homework packets for delivery. (Submitted photo)

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“This is the stuff our grandparents talked about, but instead of it being a human enemy, we are fighting a viral one,” said Casper.

Despite the challenges farming communities like Lake Preston are facing after a difficult season last year and a dramatically changing market for 2020, Vedvei is confident that South Dakota farmers will make it through this.

“Farmers have to think positive going forward. We have to look out for each other, and we need to continue to abide by the social distancing rules. We are some resilient people here in South Dakota, and I think that we are going to whip this thing,” said Vedvei.