

# Youth Workers

*Do You Know  
the Rules?*

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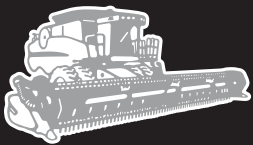
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# EDITORIAL



Andrew Goodman

## Industry Relations

I have served on the North American Equipment Dealers Association (NAEDA) Industry Relations Task Force (IRTF) since its inception in 1999. The IRTF meets regularly with suppliers and industry representatives to support dealer/supplier relationships and work on industry issues and potential disputes. This year, as in most, the IRTF will meet individually with at least six suppliers to help strengthen the relationships between suppliers and dealers. In many instances, the IRTF has needed legal assistance while working on specific issues, especially those relating to dealer/supplier agreements. Funding for these legal expenses was provided by the NAEDA Industry Relations Fund.

### ***“The Industry Relations Fund benefits all dealers and the entire industry.”***

The NAEDA Industry Relations Fund was established in the 1970s. The mission of this fund remains the same today as it was in the 1970s, to “address matters which have industry wide implications on behalf of equipment dealers with conflicts involving manufacturers and suppliers.”

For nearly 40 years, the Industry Relations Fund has assisted dealers by:

- Protecting and advocating for dealer rights.
- Settling disputes between dealers and manufacturers.
- Improving industry relations
- Developing contracts between dealers and suppliers.
- Serving as a watchdog of state laws.

In just the past few years the NAEDA Industry Relations Fund has also helped fund the following projects and issues on behalf of dealers:

- Kubota Credit Contract
- Krause Dealer Agreement

- CNH Capital Security Agreement
- Kinze Finance Agreement
- Alamo – Bush Hog
- Alamo – Rhino
- Deere Finance Security Agreement
- Eastex Kubota
- Textron/Farmtrac
- HECO/FECO
- Warranty Survey

A special note of thanks goes to those dealers who made recent contributions to this important fund. The Industry Relations Fund benefits all dealers and the entire industry. A significant portion of funding goes toward the legal expense of understanding agreements and working toward making them mutually agreeable to both dealers and suppliers.

I encourage you to contact me if you have any questions about this fund or would like to make a voluntary contribution. I-NEDA will match up to \$10,000 in contributions from I-NEDA members made to the NAEDA Industry Relations Fund in 2011. I can be reached at 1-800-622-0016 or [andyg@ineda.com](mailto:andyg@ineda.com). ■

## **Contribute to the NAEDA Industry Relations Fund**

**Donation form located in the center of this publication.**



Mark Othmer

# News & Views from the Field

By Mark Othmer, Nebraska Field Director

I recently returned from a short vacation in California. While the weather was beautiful there, it's hard to believe that I am experiencing temperatures nearly as high as they were in Palm Springs here in Nebraska during the 3<sup>rd</sup> week of February. While I'd like to think that spring is on its way, reality tells me we have more below freezing than above 70 degree temperatures in store for us over the next few weeks. At least if it snows, it won't be around too long.

## Another Successful Legislative Breakfast

Once again, we had a tremendous turnout for our Legislative Breakfast at the Capitol on January 27, 2011. More senators than dealers attended the event, which shows that legislators desire information from constituents and value their opinions, especially when it comes to deciding positions on legislation. I received several comments and notes from senators thanking I-NEDA for sponsoring the breakfast and for the opportunity to have great conversations with their constituents.

Speaking of great conversations, Senator Scott Price, sponsor of LB91, a bill to raise the horsepower requirement for permitting tractors for sale in

Nebraska, addressed those in attendance to explain why he introduced the bill and what his intentions are with the bill. Senator Price remains very committed to this bill reaching the legislative floor for a discussion with the full body. He understands the issue better than many senators who previously carried this bill, and since it was his idea, I think Senator Price will remain committed to seeing it pass. Only time will tell.

I-NEDA also joined the Nebraska Petroleum Marketers & Convenience Store Owners Association in sponsoring an Ag Breakfast on March 3, 2011. This breakfast, arranged by Nebraska Farm Bureau, is held every other Thursday during the legislative session at the Nebraska Club. This breakfast was also well attended by senators and their aides and was a great networking event for all involved.

## Things I've Heard and Seen

It wasn't that long ago that Nebraska was extremely concerned about water flows in the Platte River system, including Lake McConaughy. Just this past week, an article in the *Lincoln Journal Star* quoted officials with the Central Nebraska Public Power and Irrigation District warning of "possible downstream flooding along the Platte River due to McConaughy being above capacity requiring release of water even if there were ice jams already causing flooding." My, how quickly things can change. It wasn't that long ago that Nebraska Game and Parks warned that this lake would never return to capacity

and it was time for production agriculture to cut back its dependence on surface irrigation. While that remains a good idea, it's nice to know that Mother Nature can still correct a drought situation faster than anyone would expect.

Other big news in Nebraska agriculture is the potential for another banner year for crop prices. I have already heard of farmers contracting 2011 corn crop for over \$6.00 and soybeans for over \$13.00. These prices should ensure another very active selling season for farm equipment and repairs.

Some big mergers and purchases in the farm equipment dealership business have occurred in the past few months. While this trend is expected to continue, I still wonder when we'll see some serious backlash from customers. It could be that the fear of losing competition is overblown and customers have already adjusted to the new marketing model, but let's just say it can all change in an instant if market conditions get a little more slanted in the buyer's favor. Right now, with new equipment supplies tight and commodity markets high, it is a seller's market. We best make hay while the sun shines, because who knows when the storm clouds will appear.

## Next Gathering

Our next Association event will be the Summer Legislative Meeting and Golf Outing. This fun event will be held June 28th at the York Country Club in York, Nebraska. We hope to see you there! ■



A large group of senators and dealers attended the Nebraska Legislative Breakfast in January.

# Evaluate Your Advertising

By Tom Junge, Iowa Field Director



Tom Junge

During good times, it is easy to allow spending to increase. One area that can sneak up on a dealer is advertising expense. Without having an annual advertising plan, it is easy to get persuaded to spend a little more when an advertising representative asks you to support a “signature ad,” those ads that feature a new product and list dealers under it, or when a new publication or used equipment search engine enters your market. Before you know it, \$100 here and \$400 there, and the average dealer will spend 0.5 percent of sales or \$50,000 a year to promote their business.

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***“While many media representatives will tout the benefits of their media, only YOU can judge the results.”***

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When developing an advertising plan, determine the purpose of the advertisement. If your dealership is well established, you may choose to use direct mail for parts specials, service inspections, open houses, etc. and print ads and the Internet for mass communication of used equipment sales. If a change in ownership occurs, more focus may need to be placed on establishing your brand and/or name. Every dealer should have a different media mix that effectively communicates their message. One size does not fit all.

It is hard to determine where to advertise and how much to spend since it is traditionally difficult to measure the success of advertising. In Iowa, there are at least seven different print media and seven Internet search engines to advertise used equipment besides your local paper. Two dealers in the same town may approach advertising differently. For example, one may feel he has to be in every type of media or someone might not see his used equipment list, while the other one primarily relies on the Internet. Their advertising budget as a percentage

of sales is even different. Who is right? That’s tough to answer. I’m sure both feel they are doing the right thing.

Based on my own experience promoting the Iowa Power Farming Show, it is hard to determine what is right. At times I wonder if I am spending enough, while other times I worry that I’m spending too much. I also question whether or not I’m hitting the right areas or doubling up coverage in areas, etc. To assist in my planning, I poll farmers attending the show to learn how they heard about the show. With that information, I tweak the plan and reevaluate again next year. If you’re interested in learning more, I’d be happy to share some of my results on a one-to-one basis.

I encourage you to continuously evaluate your advertising. Ask each farmer who buys from you or even calls your business where they heard about your dealership or saw the equipment they are calling about. When I recently stopped by an auto dealership to look at a used pickup, this was the first thing the salesman asked me. He even recorded my response on a customer inquiry report. Do your salesmen fill out something similar so you know where the leads are being generated? If not, perhaps you should require this information in order for them to receive commission or a small incentive.

In addition, there are other ways to gather this information. For example, all of your customers could be phoned or mailed a survey, or even polled at your open house. You may want to consider rewarding your customers for this information.

You can also be clever. One dealership had their technicians record which radio station the customer’s tractor was tuned to on the shop ticket. After doing this exercise over a period of time, he determined that his customers

listened to different stations and that radio was too diluted. As a result, he discontinued all radio advertising. Perhaps things are different in your area, and there is one dominant station that hits the majority of your customers. Do you know?

No doubt the Internet has become a powerful tool in promoting used equipment sales. Can it stand on its own or should you still use print advertising? Is this a farmer age-related question? Is one Internet search engine good enough? If you use more than one, are you just doubling up or are you reaching different customers?

Most of you would benefit by taking the time to evaluate the effectiveness of your advertising plan. It is just so easy to do the same plan year after year. Remember, while many media representatives will tout the benefits of their media, only YOU can judge the results. If you discover some interesting results from your research, drop me an e-mail at [tomj@ineda.com](mailto:tomj@ineda.com). ■



# Membership Pays!

## Annual Yearly Savings of \$1,493.52

One program that continues to offer savings to members is the merchant credit card processing program.

After reviewing 24 dealer merchant processing statements, here are the results:

	Association Merchant Program	Dealer's Current MC/VISA Processor
Average Rate for All Statements Reviewed	2.40%	3.17%
Range of Rates for All Statements Reviewed*	1.96% - 2.82%	2.19% - 6.03%
Average Monthly Credit Card Charge for All Statements Reviewed	\$16,163.81	
Average Monthly Savings \$	\$124.46	
Average Yearly Savings** \$	\$1,493.52	

\* Each type of credit/debit card has a different interchange rate. The mix of cards accepted will affect the overall average rate.

\*\* Does not include any annual fee such as PCI Compliance. Savings would be higher since the Association Plan has no annual fees.

For a free comparison, fax your MC/VISA statement to 515-223-7832 or e-mail [donnam@ineda.com](mailto:donnam@ineda.com).



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# The Introductory Period

## Managing a New Employee

By Lesley Sifers, Tax Favored Benefits, Inc.

Even though the economy has not yet fully recovered, it continues to show signs of improvement. For some of you, this means it may be time to do some hiring. When a new person joins your company, you need to be especially attentive to their progress to ensure you have made a good choice. Many employers designate the initial phase of employment as an “introductory period.” (Some refer to it as the “probationary” period but I dislike that term because it implies that, at the end of it, the employee has a guarantee of employment.)

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***“The time to review your practices is before you start hiring more people.”***

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Most employers use this initial period to assess the employee’s ability and “fit” with the organization. It is also assumed that a new employee is on her or his best behavior during the initial period of employment. However, most people have a difficult time hiding their true selves for very long.

In general, the introductory period should not exceed 90 days. This is long enough for you to assess the new employee’s ability to do the work and to see their real behavioral traits. However, you should retain the right to extend the introductory period under special circumstances. For example, you might have a good employee who needs some type of special training that cannot be completed within the 90-day period. Or, someone who performed well during most of the introductory period suddenly develops a problem that, if addressed, could save the situation.

I have reviewed a number of employee handbooks containing a statement such as, “During the Introductory Period, the

employee is not eligible for company benefits.” Before you make a statement like that, be sure it is correct. In some retirement plans and health insurance plans, a new employee can enroll almost immediately. While you are not required to extend discretionary benefits such as paid time-off, paid holidays, sick leave, or even holiday pay to any employee, some benefits are covered by contracts that spell out the eligibility requirements.

Two things about the introductory period should prove most beneficial to you. First, if you train managers and supervisors properly, this is a time to closely monitor the employee’s progress, including their ability to do the work and their attitudes and behaviors on the job. When deficiencies are observed, remedial action should be immediate and documented. By paying more attention to the new employee, and taking action where appropriate, you greatly decrease your chances of spending years dealing with a troublesome employee.

Second, if you normally use a progressive discipline procedure, it is acceptable to sidestep that lengthy procedure, since it may only prolong a bad hiring decision. This is not to suggest that you don’t have to bother with documenting your reasons for terminating an employee. They have the same right to file for unemployment or bring about a lawsuit as any other employee. However, you remain in a better position to defend your actions when you make that termination decision early on in the employment relationship. I cannot count the calls I have had where an employer says that the employee, who has now worked there for five or ten years, has been a problem since day one. The time to have addressed that was on day two!

You should also review what you say in your handbook about the introductory

period and progressive discipline. Be clear that completion of the introductory period does not change the employee’s “at-will” employment status. In other words, it does not guarantee lifetime employment. Your progressive discipline policy should spell out your right to deviate from the policy based on the severity of the offense, as well as during the introductory period.

When you make the decision to terminate an employee during the introductory period, be sure you have factual documentation to support your actions – just as you would when you undertake any termination. Tell the employee the truth behind your decision, whether it is job performance, behaviors or both. Don’t be vague or try to soften the blow by saying things like, “This just isn’t working out.” That only makes the employee think you are hiding something or discriminating against them in some manner.

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***“Good hiring procedures and diligent follow-up during the introductory period will go a long way in helping you avoid employee issues and lawsuits in the future.”***

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Good hiring procedures and diligent follow-up during the introductory period will go a long way in helping you avoid employee issues and lawsuits in the future. The time to review your practices is *before* you start hiring more people.

If you have questions or suggestions, please contact me at the HR HelpLine at 800-683-3440 or e-mail to [Lesley@taxfavoredbenefits.com](mailto:Lesley@taxfavoredbenefits.com). ■

# Hiring Minors

## Know Your Employment Laws Prior to Hiring

**A**t the end of a long school year after students have completed their final exams, the Employment Policy Foundation estimates over 60 percent of teenagers 16 to 19 years old will look for summer employment. This equates to more than 8 million new employees entering the workforce. For many employers, youth employment provides a relatively simple and cost effective resource to help fill seasonal staffing needs. For teens, working in summer jobs provides great opportunities for learning important life skills and acquiring hands-on experience.

However, what appears to be a mutually beneficial relationship can actually create a liability for the employer. Both the Federal government and state legislators actively enforce regulations aimed at protecting young workers by striking a balance between educational opportunities and work, while allowing appropriate work experiences.

The federal government enforces child labor provisions through the Fair Labor Standards Act (FLSA) and the states through various youth employment laws. Penalties for child labor violations can cost up to \$11,000 for a single occurrence, based on the severity of the violation. As such, it is imperative to know the laws before hiring a minor. Following is some general and practical advice about the employment of minors.

### Federal vs. State Regulations

It is not uncommon for an employer to be faced with contradicting Federal and State regulations. For example, many states allow minors, 16 years and younger, to work until 10:00 p.m. during the summertime. On the other hand, the Fair Labor Standards Act (FLSA) only allows for work until 9:00 p.m. (7:00 p.m. during the school year). So what to do? Follow the law that is most restrictive



when there is a discrepancy between Federal and State requirements.

### Age Certificates

According to the U.S. Department of Labor, the Federal Government does not require work permits or proof-of-age certificates. However, most states, including Iowa and Nebraska, do require them for workers of a certain age. The purpose of these certificates is to protect the employer from prosecution for employing an under-aged worker and the possession of an age certificate constitutes a good faith effort to comply with the minimum age requirements. Work permits can generally be obtained through the student's school officials or the state labor department.

In Iowa, a work permit is required for minors 14 or 15 years old. Employers may also require a Certificate of Age for youth who are 16 or 17 years old.

In Nebraska, employment certificates are required for minors under age 16. Employers are also required to post a list of the minors near the entrance of the building in which the minors are employed, in addition to posting in every

room where minors are employed a printed notice stating the daily hours of work, the hours of starting and quitting time, and the time allowed for meals.

### Hours of Work

State and Federal laws define hours of work for specific age groups. Following is a list of permitted work hours:

*Children under age 13* cannot be employed in any capacity in your dealership unless they are the owner's children. Even then, duties are restricted.

*Ages 14 and 15* can work outside school hours - 7:00 a.m. to 7:00 p.m. They are restricted to three hours on a school day, 18 hours in a school week, eight hours on a non-school day, and 40 hours in a non-school week. When school is not in session, such as summer vacation, these students can work as late as 9:00 p.m., but not over 40 hours per week.

*Ages 16 and 17* have no hour restrictions but cannot work in "hazardous" jobs.

*Age 18* can work unlimited hours with no restrictions on the type of work.

### Hazardous Work & Allowable Job Duties

The law prohibits certain types of hazardous work for minors. An exhaustive list is available at [www.dol.gov/dol/topic/youthlabor/hazardousjobs](http://www.dol.gov/dol/topic/youthlabor/hazardousjobs). Here's the "Reader's Digest" condensed version.

*Ages 14-15:* The employment of minors 14-15 years old is severely limited by state and federal law. Allowable activities include clerical work, answering phones, stocking shelves, cashiering, light janitorial work (no chemicals involved), and light packing (no heavy lifting). Prohibited duties include exposure to power equipment (including lawn mowers); things that cut, shear, saw or

*continued on page 9*

continued from page 8

slice; hoists and cranes; environments that are dusty, smoky, confined or where risk is involved (i.e., grain elevators), and exposure to caustic chemicals. (Practical tip: Make the shop an “off-limits” area. All the neat stuff would be quite tempting to a 15-year old.)

*Ages 16-17:* Same as above except a 16-year-old would be allowed to operate a lawn mower.

Most importantly, for anyone *under age 18*, any work involving operating a vehicle – including farm equipment – is prohibited or severely limited. This includes moving vehicles on the dealership lot. (Please refer to the enclosed insert from the Department of Labor’s Youth Rules website for detailed information.)

### Exceptions to Child Labor Laws

There are some limited exceptions to the Child Labor Laws.

If you own the dealership, you can “employ” your child age 13 or under (not an employee’s child, however). While you can ignore most of the hour restrictions, you cannot allow your child to perform “hazardous” work.

A person under age 18 who has a high

school diploma, general equivalency diploma (GED), is head of a household, or a parent contributing toward the support of children is treated as if age 18.

A person participating in a vocational program approved by the State Department of Education may be exempt from some restrictions. Check with the school to determine which, if any, exceptions may apply.

Your state may have more restrictive laws governing the employment of minors. Review state laws by going to [www.dol.gov/esa](http://www.dol.gov/esa) and clicking on “State Labor Laws.” For information about work permits and age certification go to [www.dol.gov/esa/programs/whd/state/certification.htm](http://www.dol.gov/esa/programs/whd/state/certification.htm). Your casualty insurance or workers compensation carrier may also be a good source of advice. Don’t hesitate to call your agent if you have specific questions.

*For additional information, visit the following helpful websites:*

- [dol.nebraska.gov](http://dol.nebraska.gov) (enter “employing minors” in SEARCH box)
- [www.youthrules.gov](http://www.youthrules.gov)
- [www.youthforiowa.org](http://www.youthforiowa.org) (click on “Employers & Educators” tab)
- [www.dol.gov/dol/topic/youthlabor/index.htm](http://www.dol.gov/dol/topic/youthlabor/index.htm)

- [www.wagehour.dol.gov](http://www.wagehour.dol.gov) (scroll to “Child Labor”)

Child labor law can be both challenging and confusing. Employers of minors should closely review federal and state child labor law differences and contact their attorneys or the Department of Labor to ensure they are in full compliance. ■

*Sources: Department of Labor, Wage and Hour Division, Youth Rules, Lesley Sifers of Tax Favored Benefits, Inc.*



## Youth Driving

**M**ake sure you understand the law before you hand the keys to a teen employee. Refer to the enclosed insert from the Department of Labor for up-to-date information on teen drivers in the workplace.

## Minors & Safety in the Workplace

**A**pproximately 1.9 million adolescents aged 15 to 17 years worked in the U.S. in 2009. Because of their biologic, social, and economic characteristics, young workers have unique and substantial risks for work-related injuries and illnesses. On-the-job injuries to young workers may be costly, even deadly.

There are several ways employers can limit or prevent workplace injuries and make work safer for *all* workers, including young workers. They include:

- Provide training to ensure that young workers recognize hazards and are competent in safe work practices. Training should include prevention of fires, accidents, violent situations, and what to do if injured. Young workers need to know that if they get injured, they have the right to file a claim to cover their medical benefits and some of their lost work time.
- Stress safety, particularly among first-line supervisors since they have the greatest opportunity to influence young workers and their work habits.
- Implement a mentoring or buddy system for new youth workers. Have either an adult or experienced young worker be a buddy to answer questions to help the inexperienced worker learn the ropes of a new job.
- Encourage young workers to ask questions about tasks or procedures that are unclear or not understood.
- Remember that young workers are not just “little adults.” Employers must be mindful of the unique aspects of communicating with young workers.
- Ensure that equipment operated by young workers is both legal and safe for them to use. Employers should label equipment young workers are not allowed to operate.
- Provide all protective equipment: ear plugs, eye protection and train in use.
- Train young workers how to do the job safely.
- Develop a safety and health program to help prevent workplace injuries. A strong safety and health program involves all workers, supervisors, management, experienced workers, and teen workers.

# 3 out of 4 farmers prefer Fastline

*( The rest of them just  
need a little more time. )*



## Readers find Fastline more valuable than other publications for purchasing equipment.

Fastline is the premier resource for buying and selling new and used farm equipment online and in print. Fastline.com is the largest farm equipment database in the world with more than 1,000,000 visitor sessions per month and over 100,000 items including tractors, trucks, and trailers. In addition, Fastline's buying guides are printed and mailed every four weeks - offering equipment, parts, and services to farmers throughout the United States. Contact your Fastline sales rep for more information on how Fastline can help you and your dealership buy and sell equipment.

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\*Based on 2010 research study conducted by Adayana.

# 56<sup>th</sup> Annual Iowa Power Farming Show Recap



The 56<sup>th</sup> annual Iowa Power Farming Show (IPFS), held February 1-3, in Des Moines, Iowa, faced two major obstacles – construction at Veteran’s Memorial Auditorium and a large winter blizzard the first two days of the show.

Extensive construction at Veteran’s Memorial Auditorium required IPFS to relocate part of the show to the Polk County Convention Complex. While this caused the shuffling of several exhibitors, strategically placed signs, information booths and a continuous shuttle between buildings helped keep the attendees moving from one building to the next. The show will return to a newly renovated Veteran’s Memorial Auditorium next year.

While a monstrous blizzard brought much of Iowa to a standstill the first two days of the show, 11,566 farmers still managed to attend, down from 19,081 the previous year. The 2011 show featured 433 exhibitors over 1,685 spaces, an 8 percent increase over last year. “At the start of the show, we had 40 companies on the waiting list to get into the show,” exclaimed Tom Junge, show director.

Show attendees were asked to share which types of equipment they were most likely to purchase in 2011 to help project trends in equipment purchases. The results follow:

## 2011 Iowa Power Farming Show Attendee Registration

Which types of equipment are you most likely to purchase in 2011?  
(Used to project trends in equipment purchases)

Answer Options	Response Percent
Tractor	24.3%
Guidance/Precision Ag Electronics	22.5%
Pickup Truck	17.8%
Utility Vehicles/ATV	16.5%
Planter	12.1%
Combine	10.5%
Grain Bin/Dryers	10.1%
Sprayer	9.9%
Hay Equipment	8.8%
Livestock Equipment	8.8%
Primary Tillage	7.6%
Grain Cart/Wagon	6.8%
Grain Trailer	6.5%
Fertilizer Equipment	5.6%
Secondary Tillage	5.5%
Seed Tenders	5.4%
Other (please specify)	4.4%
None	22.6%

Total number who answered the question — 1,530

## IPFS Planting Intention Survey Results

I-NEDA, in conjunction with AgriSource, Inc., conducted an acreage survey during the Iowa Power Farming Show. Approximately 2,500 surveys were analyzed from Iowa, Missouri, Minnesota, Illinois, Indiana, and Nebraska, with over 2.6 million corn and soybean acres included in the survey.

In addition to the farm show survey, AgriSource also conducted an online acreage survey during the last week of January, and the first week of February with its Midwest customer base. These acreage estimates are also incorporated in the table below to come up with the U.S. total.

These acreage estimates are as of February 14<sup>th</sup> and are subject to change, as market conditions have been highly volatile since the survey was taken.

State	2010 USDA Planted Corn (Million Acres)	2011 AgriSource Planted Corn (Million Acres)	Acreage Change (Million Acres)	% Acreage Change
		Est.		
Iowa	13,400	13,500	100	0.70%
U.S. Total	88,192	691,100	2,908	3.30%
State	2010 USDA Planted Soybeans (Million Acres)	2011 AgriSource Planted Soybeans (Million Acres)	Acreage Change (Million Acres)	% Acreage Change
		Est.		
Iowa	9,800	9,900	100	1.00%
U.S. Total	77,404	77,200	-204	-0.30%

“This is the fourth year that we have worked with I-NEDA on the Iowa Power Farming Show acreage survey,” said Keith Gehling, with AgriSource. “We feel the Iowa and U.S. acreage numbers are still a moving target, as the revenue for an acre of corn has gone up almost \$50 to \$75 per acre in the past couple of weeks. Unlike the previous three Iowa Power Farming Show surveys, the hard data is not pointing to a convincing shift away from the previous year’s acreage. The sample size on the Iowa survey is roughly 10 percent of the 23 million corn and soybean acres planted in Iowa. The 2010 survey accurately predicted the Iowa corn and soybean acreage within 100,000 acres as reported by the USDA in their March 31<sup>st</sup> acreage report.

“Our survey is indicating more total acreage for 2011 across Iowa and the Midwest, at the expense of hay, pasture, and CRP acres,” added Gehling. “We break down the survey results by farm size. The Iowa farmers who farm 500 acres or less indicate they are planting 5 percent more corn and 5 percent more soybeans, while the larger producers with 1,000 to 2,000 acres are leaning to less corn and more beans.” Gehling added that their in-house survey had a question asking at what price the farmer would consider planting more corn acres this spring. “Fifty percent of respondents answered that they are not planting more corn acres at any price, while 27 percent said at \$7 December 2011 corn futures they would consider planting more corn.”

Tom Junge, I-NEDA show director stated, “I appreciate the time the producers took to complete the survey. With volatile commodity prices in row crop production agriculture, we hope this information will assist producers in making better decisions in their farming operations.” ■

# Walterman Owner, Employees Sentenced

**A** former Dike farm implement dealer will have to spend more than 12 years in prison in connection with a financing scheme that authorities said bilked banks and farmers of more than \$7 million. Leon Walterman was sentenced to 12 years and seven months in prison for charges of mail fraud, conspiracy to commit money laundering and unlawfully intercepting communications in U.S. District Court in Cedar Rapids, Iowa in February. His company, Walterman Implement, was forced into bankruptcy more than five years ago when the plot came to light.

Two former employees of the failed farm equipment dealership, Allen Scott, of Grundy Center, and Donna Zmolek, of Dike, were sentenced to three years and one month in prison after pleading guilty for their connection to the scheme. Both will have to serve three years of supervised release following their prison

time and were ordered to share the burden of \$10.6 million in restitution with Walterman.

In addition, former employees Allan Wulf, of Reinbeck, and Gary Miller, of Dike, were sentenced to two years of probation on wiretapping charges. Miller was also ordered to pay a \$2,000 fine.

A sixth person charged in the plot, implement dealer Lee Prunty of Rochelle, Ill., is awaiting sentencing.

Authorities allege Walterman Implement double financed farm equipment purchases between 2000 and 2005, selling combines and then submitting paperwork for a second round of financing on the same pieces of equipment under another buyer's name.

Scott allegedly submitted false contracts to the lenders. Zmolek allegedly helped keep a false set of books and made bogus records to fool auditors, sent money orders to farmers who made

“lulling payments” to lenders on double-financed equipment, and bought a baby monitor to spy on auditors when they were working in a conference room at the dealership.

Records state that Miller and others placed a recording device in a conference room phone. Wulf listened to the recordings and informed Leon Walterman about the conversations, records state.

In January 2005, Prunty was allegedly involved in sending a bogus letter relating to the location of farm equipment in connection with Walterman Implement's pending bankruptcy.

Prunty pleaded guilty to aiding bankruptcy fraud in December 2010. He faces up to five years in prison and a \$250,000 fine. Sentencing will be at a later date. ■

*Source: WCF Courier, Feb. 17 & March 6, 2011*

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## U.S. 2010 Farm Equipment Exports Increase 12%

Association of Equipment Manufacturers (AEM) reports:

U.S. exports of agricultural-related machinery totaled more than \$8.95 billion in 2010, a gain of more than 12 percent compared to the previous year, according to the Association of Equipment Manufacturers (AEM).

The AEM North American-based international trade group consolidates U.S. Commerce Department data with other sources into a quarterly export trends report.

“There is a growing need in developing countries to provide adequate energy and food supplies to sustain the world population, and agricultural equipment plays a vital role in boosting productivity to meet these needs,” stated Charlie O’Brien, AEM vice president agricultural sector. “This increase in exports is encouraging after 2009 declines of more than 20 percent and it reinforces the importance of global trade to U.S. farm equipment manufacturers.”

South and Central America recorded the strongest gains. Farm equipment exports to South America grew 59 percent with purchases totaling \$970 million, and exports to Central America gained 36 percent and totaled \$882 million.

Farm equipment exports to Asia increased 24 percent for a total \$800 million while Africa took delivery of \$261 million worth of American-made agricultural equipment, an increase of 16 percent. Canada recorded farm equipment export purchases for 2010 of \$3.1 billion, a 13-percent increase.

U.S. exports to Europe dropped 5 percent for a total \$2.2 billion, and exports to Australia/Oceania declined 7 percent for a total \$721 million.

The top countries buying the most U.S.-made farm machinery in 2010 were: (1) Canada - \$3.1 billion, up 13 percent; (2) Mexico - \$720 million, up 35 percent; (3) Australia - \$658 million, down 10 percent; (4) Germany - \$356 million, up 2 percent; (5) Brazil - \$338 million, up 85

percent; (6) China - \$291 million, up 35 percent; (7) France - \$273 million, down 20 percent; (8) United Kingdom - \$255 million, up 2 percent; (9) Netherlands - \$199 million, up 44 percent; (10) Argentina - \$168 million, up 104 percent; (11) Belgium - \$153 million, down 23 percent; (12) Russia - \$151 million, up 20 percent; (13) Venezuela - \$151 million, up 62 percent; (14) South Africa - \$133 million, down 1 percent; (15) Ukraine - \$116 million, up 26 percent.

*Source: Association of Equipment Manufacturers, February 22, 2011*

## Charter Software Announces New Integration

Charter Software Inc., a leading provider of business management software for agricultural and outdoor power equipment dealers, is pleased to announce new integration between ASPEN, their Windows-based business management software, and CNH Case New Holland Parts and Service and with CNH Capital, the financial services business of agricultural and construction equipment maker CNH Global N.V. (“CNH”).

Charter’s latest time-saving and profit-building integration includes connectivity to CNH AMAX as well as access to the new CNH Flat Rate/SRT/PM Guides. This new functionality was launched at the 2011 CNH Parts & Service Fair held in Nashville, TN the last week of January. Charter Software also announced their integration with the new CNH Gateway at the Trade Fair. Available separately, the **CNH Gateway Credit Card Interface** allows CNH dealers to process CRA transactions directly to CNH Capital from ASPEN’s point of sale screen and receive immediate notifications of available customer promotions.

“For the convenience of CNH branded dealers, we’ve bundled the AMAX and Flat Rate integration along with our existing integration into one interface, the **CNH Communications Interface**,” says Charter Software President Anne Salemo.

The comprehensive new **CNH**

### Communications Interface

encompasses a variety of dealer transactions and integration supported by CNH, and boasts extremely fast response times. The interface brings CNH dealers added functionality essential for them to meet CNH requirements and remain competitive by helping them to expedite parts and service operations.

The CNH Communications Interface provides dealers access to:

- Apply CNH SRT/Flat Rate/ Preventive Maintenance Guide Information from within an ASPEN work order.
- CNH AMAX. CNH dealers can transfer to and from CNH the appropriate data required by AMAX.
- CNH Online Parts Catalog Integration. Dealers can see ASPEN part information and transfer picklists from OPC to ASPEN invoices, parts orders and/or service work orders.
- CNH CCN Web functionality which supports several parts transactions that are submitted to CNH electronically with a few mouse clicks from various ASPEN screens.
- Monthly CNH price and supersession updates.
- CNH New Holland eParts Locator. New Holland dealers can upload parts from ASPEN.

“We are very excited and pleased to be among the few business management system vendors authorized by CNH to offer this new integration,” says Salemo. “The **CNH Communications Interface** provides Case New Holland branded dealers ‘one-click’ communications capability between our ASPEN business system and CNH,” she says. “As new integration and/or requirements are put forth by CNH they will be added to this interface. We are very proud of the relationship we have with built with CNH Case New Holland that helps to support our mission to bring equipment dealers proven, intuitive, integrated and cost-effective business solutions that will help increase their profitability,” says Salemo. ■

*Source: Charter Software Inc., February 1, 2011*

## Still Wired

From December's  
Nebraska Power Farming Show?



## Congratulations & Well Done!

This year we published and distributed over 80,000 programs leading up to the show. Thanks to all the exhibitors who helped with advertising. It was an honor to also serve the Iowa-Nebraska Equipment Dealers Association as hosts of the exhibitor lounge.

### Exhibitor Lounge Statistics

330 Pots of Coffee

1,536 Bottles of Pop

1,080 Cookies

and you wonder why  
you're still wired.

## See you next year!

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## Dates to Remember

**Iowa-Nebraska Equipment Distributors**

**Board of Directors Meeting**

April 7 – Johnston, Iowa

**Iowa-Nebraska**

**Equipment Dealers Association**

**Board of Directors Meeting**

July 11 – Johnston, Iowa

**Total Management 1 Workshop**

April 11-15 – Sioux Falls, SD

**20 Group Orientation**

April 18-19 – Sioux Falls, SD

May 23-24 – Sioux Falls, SD

**Nebraska Legislative Meeting and Golf Outing**

June 28 – York, NE

**Association Offices Closed**

April 22 – Good Friday

May 30 – Memorial Day



## Welcome New Members

### Dealer Members

*Brian's Farm Supply*

*Lineville, IA*

*Ziegler, Inc.*

*Atlantic, IA*

### Associate Members

*Hardi North America*

*Davenport, IA*

*Southeast Community College*

*Milford, NE*

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## Covering the issues. With every issue.

You can't predict when things will change, but you can stay on top of them when they do. That is why Iowa Farmer Today has been dedicated to providing farmers with up-to-date information on a weekly basis for the last 25 years - becoming a stable part of a farmer's routine each week. We respect this role and extend our thanks to the Iowa-Nebraska Equipment Dealers Association members that have helped us fulfill this mission.

**Celebrating 25 years of service.**

