

Farm Credit West, NW Farm Credit Services pursue potential merger

Final decision on proposal this fall

By SIERRA DAWN McCLAIN
Capital Press

Farm Credit West and Northwest Farm Credit Services, agricultural lending associations within the Farm Credit System, are pursuing a potential merger.

Experts say a merger — part of a broader consolidation trend within agricultural lending — comes with pros and cons for borrowers.

Combined, the associations would have a mammoth footprint, with merged assets of more than \$28 billion and serving 23,000 customers.

Farm Credit West, with 14 offices, works with farmers in Arizona and California's Central Coast, Imperial Valley, Southern San Joaquin Valley and Sacramento Valley.

Northwest Farm Credit Services, with 44 offices, provides financing and related services in Montana, Idaho, Oregon, Washington and Alaska.

"By joining our associations, we can be better positioned to strategically address marketplace changes and provide even greater value for our customer-members," Sureena Bains Thiara, chair of Farm Credit West's board of directors, said in a statement earlier this year.

Nate Riggers, chair of Northwest Farm Credit Services' board, said the merger is a "strategic move for both cooperatives."

Since February, the organizations have been assessing merger benefits for stockholders and finalizing agreement terms.

Linda Hendricksen, chief marketing and learning officer at Northwest Farm Credit Services, said the proposal is pending regulatory review. Approval is expected in October, at which time the association will share more details.

Customer-owners will then vote on the merger in late 2022.

The merged association plans to begin operations Jan. 1 under the leadership

of Farm Credit West's president and CEO, Mark Littlefield. The management team will include leaders from both associations.

Headquarters will be in Spokane, Wash., with regional operating centers in each state. The agricultural lenders do not anticipate office closures or branch staffing changes.

The possible merger is part of a decades-long trend toward consolidation within the Farm Credit System, or FCS.

The FCS traces its origins to 1916, when President Woodrow Wilson established the Federal Land Bank System.

The system's purpose is to provide a permanent, reliable source of credit to U.S. agriculture.

FCS lenders are regulated by the Farm Credit Administration, an independent federal agency. The FCS is organized as a borrower-cooperative, meaning borrowers own the associations and vote on board members.

The FCS has four regional banks that provide funds

and support to smaller lending associations, which in turn give loans to eligible borrowers.

The past two decades, mergers and acquisitions have shrunk the number of lenders by 41%.

In her book, "Food, Farming and Sustainability," Susan Schneider, a law professor at the University of Arkansas School of Law, writes that in the mid-1940s there were more than 2,000 lending associations in the Farm Credit System. That fell to about 900 in 1983, 200 in 1998 and 74 in 2016.

In 2022, 69 lenders remain. The typical FCS association used to cover several counties, wrote Schneider. Now, the typical association covers a much larger region.

Many factors have driven consolidation, said Erik Hanson, assistant professor of agribusiness and applied economics at North Dakota University and author of the 2020 paper, "Consolidation in the Farm Credit System."

"The Farm Credit System

is following some (consolidation) trends you see in ag generally and in finance generally," Hanson told the Capital Press.

As the number of farms has decreased and the size of farms has increased, lenders have often viewed it as more economical to cover a wider region with more customers, said Hanson.

He said technology and customers' comfort with doing business remotely have also made consolidation more workable.

The smaller number of lenders, however, comes with pros and cons.

Experts say one benefit of mergers is that by combining capital, lenders can provide larger loans.

According to Hanson, lenders that join forces may also become more efficient and profitable by broadening the consumer base, commingling talent pools and diversifying risk.

By offering the best of both organizations, Hanson said, the merger should bene-

fit borrowers.

Schneider, the law professor, wrote that "customers may benefit if greater institutional efficacy is passed along through lower interest rates."

But there are also downsides.

Although a larger association may provide larger loans, critics say this incentivizes lenders to focus on serving big operations at the expense of smaller farms.

Another downside, Hanson said, is that a borrower may experience "loss of local control" because as the customer pool expands, the individual farmer may have less influence.

"As the business gets bigger, the individual farmer maybe has less and less of a say, less and less of a connection to the way that decisions are being made for that business," said Hanson.

Experts predict farmers will experience both the positive and negative impacts of consolidation as the number of agricultural lenders continues to shrink.

Expert: Harvest 'risky time' for grain farmers

By MATTHEW WEAVER
Capital Press

When engulfed in grain, a person has about two minutes to survive, an engineer and agricultural safety consultant says, calling it a "very gruesome death."

"When we look at the autopsies of these victims, there's grain packed in every orifice of their body," said Carol Jones, a consultant in Stillwater, Okla., and agricultural engineering emeritus professor at Oklahoma State University.

Jones spoke about grain storage safety Aug. 11 during the Idaho Wheat Commission's "From the Field" webinar.

Harvest is a "risky time" for grain farmers, she said.

"The forces are just beyond belief when you're under that much grain — it's almost always a recovery and not a rescue, in those situations," she said. "Every time you breathe out, grain comes down on your chest and it's hard to get the next breath, but eventually you're going to have to get a breath, and the grain goes down into your lungs and completely impacts your lungs, eyes, ears."

A farmer standing in grain up to the knees won't be able to pull himself out without a rope or assistance, she said.

"And they're not going to be able to just pull you out directly," she said. "If you're to your waist, it's going to take about 800 pounds to pull you directly out. Grain just puts that much force on the human body. If you're up to your shoulders, it's going to take up to 1,600 pounds to



Capital Press File

Firefighters and rescue personnel drive panels into grain to form a tube, relieving pressure on the "victim" in a training exercise.

pull you out."

The average rescue takes four hours and 100 people, Jones said.

About 60 grain storage entrapments or engulfments occur each year in the U.S., Jones said. About half of them result in death.

Workers most often become trapped when unloading grain that's been in storage and cleaning the bin for the next season, Jones said.

The first step is making sure the storage bin will preserve the crop. Farmers should check seals and bolts, and monitor for temperature and moisture, Jones said.

Grain can clump to the

side of the bin or form a "bridge" over the top surface, which needs to be broken up to go through the auger. When a worker enters the bin to break up the clumps or the bridge, that's when he can become trapped.

Jones says farmers in the bin with an auger operating and poorly guarded sumps are running a high risk. Body parts or clothing can get tangled up with the auger.

The U.S. Occupational Safety and Health Administration requires "lockout-tagout" safety equipment and training. Equipment should be turned off and the worker enter-

ing the bin have the key with him to avoid someone accidentally starting the machinery.

Everything except the aeration system and lighting should be locked and tagged out, according to OSHA. The agency also doesn't allow entering the bin when the grain is over a person's head.

Most family farms don't meet OSHA regulations, Jones said.

"The grain doesn't know whether it's on a family farm or a commercial facility," she said. "It acts the same."

Many steel bins block cell phone signals, she said. Jones recommends a

RULES OF GRAIN BIN SAFETY

1. Keep grain in good condition, taking care of grain quality up front and in a timely manner.
2. Be prepared with equipment you need — harness, rope, tie-offs.
3. Don't enter a grain bin if you are alone. Work with someone or, at the very least, let someone else know you're in the bin and check in with them frequently.
4. Take the time to be safe. Your safety is more important than your time.
5. Keep kids away from grain bins.

FROM THE FIELD: GRAIN BIN SAFETY

<https://www.youtube.com/watch?v=Kd-JAs7ds5Y4>

farmer working alone make arrangements with a partner, family members or a neighbor to stand outside the bin to call 911 if needed.

If that's not possible, the farmer should ensure someone knows he's entering the bin and plan to contact him every 30 minutes or so.

"The worst-case scenario is when a wife calls 911 and says, 'Joe didn't come home for supper tonight, where is he?'" and they find him in the bottom of the bin," she said.

Jones has fond memories of being a kid and playing in the grain bin or in the hopper on the combine during harvest time, but said grain was handled at less than 1,000 bushels an hour back then.

"We handle grain in our commercial facilities up to 40,000 bushels an hour now," she said. The typical speed is 5,000 to 10,000 bushels per hour. "It's just so much more dangerous now. ... It's just not a place for little kids to be any more."

OSHA requires safety training once a year, but Jones recommends hands-on training every six months.

Oklahoma State offers grain entrapment safety training to farmers, co-ops, grain elevators and firefighters. Jones hopes to obtain OSHA funding to extend training to the Pacific Northwest.

Reward offered for info on illegal wolf kill

By SIERRA DAWN McCLAIN
Capital Press

Oregon State Police Fish and Wildlife Division troopers are seeking the public's assistance in finding whoever shot a wolf in Baker County.

On Aug. 5, the state Department of Fish and Wildlife notified troopers that a collared wolf, OR112, might be dead at a site about 7 miles north of Halfway, Ore.

Fish and Wildlife troopers and ODFW personnel went to the site and found the dead wolf.

The wolf, a 2-year-old gray female that was part of the Keating Pack, had been shot. Troopers say it appears the wolf was killed the previous day, Aug. 4.

The Oregon Wildlife Coalition and its conservation partners are offering an \$11,500 reward to anyone who has information that leads to the arrest of one or more suspects in the case.

Amaroq Weiss, senior wolf advocate at the Center for Biological Diversity, which is part of the coalition offering the reward, said that because wolves are much larger than coyotes, there is no excuse for mistaking the two.

"Anyone with information on this or other killings should do the right thing and come forward," said Weiss.

The Oregon Cattlemen's Association has told the Capital Press previously that while producers have long been frustrated by ODFW's policies related to livestock depredations, "Unlawful activity is not something OCA is ever going to encourage."

The association has cautioned against assuming ranchers are responsible for poaching.

Anyone with information about the case should call the Turn in Poachers hotline at 1-800-452-7888 or email TIP@osp.oregon.gov.

LEGAL PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 08/22/2022. The sale will be held at 10:00am by

COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2019 HOND ODY VN
VIN = 5FNRL6H92K8037835
Amount due on lien \$1555.00
Reputed owner(s) >
MICHAEL W & MARY E WOLFE
AMERICAN HONDA FINANCE CORP

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2015 CHEV SIL PK
VIN = 1G1K1KVEG5F553878
Amount due on lien \$1555.00
Reputed owner(s) >
JOSEPH C SCHNEIDER
ALLY BANK

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2018 HYUN ELATRA 4D
VIN = 5NPD84LFXH353710
Amount due on lien \$1555.00
Reputed owner(s)
BONNIE L S ROBERTSON
OREGON COMMUNITY C.U

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2019 CHEV VN
VIN = 1GB0GRFP1K1369472
Amount due on lien \$1555.00
Reputed owner(s) >
SEVEN PEAKS TRANSPORTATION INC
ALLY FINANCIAL

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2016 MAZD 6 4D
VIN = JM1GJ1T54G1470965
Amount due on lien \$1555.00
Reputed owner(s)
TERRY R & KAREN J CRAVENS

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2019 CHEV CORVETT 2D
VIN = 1G1YB2D71K5123417
Amount due on lien \$1555.00
Reputed owner(s)
G CAM LTD

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2015 FORD EDGE UT
VIN = 2FMTK4J90FBC12816
Amount due on lien \$1535.00
Reputed owner(s)
MARK TRINH
FIRST TECH FEDERAL CREDIT UNION

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2008 GMC SRA PK
VIN = 2GTEK133281123794
Amount due on lien \$1555.00
Reputed owner(s)
RAMON JUAREZ SERRATO

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2014 TOYT CAM 4D
VIN = 4T1BF1K8E0829528
Amount due on lien \$2835.00
Reputed owner(s)
ALI M SCHWARTS

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2019 HONDA 1800 MC
VIN = JH2CS7958KK101311
Amount due on lien \$1795.00
Reputed owner(s)
ARD & CAROL PRATT