



BUSINESS MANAGEMENT

AMERICAN SOD PRODUCERS ASSOCIATION

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CHECK YOUR CHECKING PRACTICES... PRINT CORPORATE TITLES TO AVOID PERSONAL LIABILITY

Failure by an executive to clearly indicate he was signing a promissory note on behalf of his company caused one court to hold the exec personally responsible for repayment. Having appropriate officers' titles printed on corporate checks will make it clear who's signing what on who's behalf...be it a loan or check.

Other questions about checks may be answered by the following:

- ..Checks can be pre- or post-dated, if there's a legitimate reason.
- ..Missing information, even on an endorsed check, can be completed, provided there is no intention to defraud.
- ..When numerical amounts cannot be read, the words will be followed and vice versa.
- ..Any check endorsed by the payee becomes payable to anyone, thus you should add an appropriate restriction such as, "For Deposit Only to Acct. #1234," or "Endorsed to Sam Jones."
- ..If a check or checkbook is lost or stolen, advised the bank immediately and stop payment on all missing checks. If the checkbook is not recovered in 10 days, close the old account and open a new one.
- ..A check is valid if the payee's name is misspelled. The payee should endorse the check once with the incorrect spelling and a second time with the proper spelling.

'Say it isn't so...'

MEMBER SUPPORTS ASPA NEWSLETTER STATEMENT

Responding to the lead article in last issue's Newsletter about farms "diversifying into sod," an ASPA Member wrote:

"In the past four weeks, I have met with two farmers and their bankers (at the bankers' request) regarding the possibility of me actually sprigging acreage for their customer. Since they are adamant about pursuing the sod business, I agreed to plant their acreage for \$1,100 per acre, realizing they are going to get in the business anyway. Prices of sod in the state have eroded more than 50% in the last six months because of the new farmer entrants...something that we'll have to contend with as long as the bankers are willing to finance the row crop farmer."

We've deleted the name and state reference, but have to guess this experience is not an isolated development.

The best way we know to deal with new entrants is to offer your customers something the new firm may not realize is important...SERVICE, SERVICE AND MORE SERVICE!

DO'S AND DON'TS OF DELEGATION

As the season's activities begin to get more and more hectic, there seems to be less time get it all done. One of the best answers, both long and short term is delegation. Here's a listing of Do's and Don'ts that may help:

DO encourage the free flow of information and ideas;
DON'T hoard information or immediately reject an idea.

DO focus on results; DON'T emphasize methods.

DO delegate through dialogue; DON'T do all of the talking yourself.

DO delegate the entire task to one person; DON'T delegate just half the task.

DO fix firm deadlines; DON'T leave time uncertain.

DO give the person full credit for the accomplishment when the job is done; DON'T hog the glory or look for a scapegoat.

NEEDED: MOTIVATED EMPLOYEES FOR PRODUCTIVE SOD FARM

Prepared by Randy Tischer, Chairman
ASPA Business Management Committee

Imagine a help wanted ad which reads: "Wanted: Someone willing to work on a sod farm. Must be willing to work long hours (but as little as nine hours during the winter). Starting salary of \$800 per month, plus house. Benefits include one day off per year after one year. Experience and references required. Telephone 555-WORK!"

Would you be willing to apply? Although most sod growers quickly admit they'd never write such an ad, it's not unusual for a few to have a drastic turnover rate or wonder why good employees are so hard to find.

(According to AGRI-Careers)

Good employees properly motivated and supervised are one of the keys to a successful sod operation. Several secrets to finding good help are:

- ..Remembering that one of the biggest things prospective employees look for is good working conditions.

- ..Provide the prospective employee with a written job description. Have a list of duties in mind to present to the applicant.

- ..Have the applicants fill-out a form that includes references and check the references (don't forget you now must also have them complete the Immigration Department's I-9 form).

- ..Once an employee is hired, good communication is a necessity. New employees have a lot more need for guidance than most sod farmers realize.

- ..In addition to communication, realize the value of providing adequate time off.

Many sod growers may be in the unique position of having the employee and his family as neighbors if a house is provided. If so, employers must take the employee's family into consideration as well.

As one employer once put it, "Just treat your employees by the Golden Rule." Only then can the true potential of an employee be realized. And his potential is the key to your profits.

ERNST & WHINNEY-CHICAGO
INITIATES NEW BUSINESS COLUMN FOR ASPA

ASPA's Financial Consultant Dennis Marx, a partner of Ernst & Whinney, Chicago, has begun a new column with this issue of the "Business Newsletter." Running on page four, the column will focus on some important aspect of the business, such as this issue's article on Financial Planning.

PERSONAL FINANCIAL PLANNING
FOR THE PRIVATE BUSINESS OWNER

Provided by Dennis Marx, Partner
Ernst & Whinney-Chicago

All too frequently, owners of private business--in their zeal to secure the future of the business--give precious little attention to securing the financial future of themselves and their families. Even if you have a comprehensive tax and financial plan for your business, personal financial planning offers important benefits worth considering.

It is not difficult to locate someone willing to help you plan your personal financial future. People calling themselves "personal financial planners" are legion. In addition to most national and regional brokerage firms who sell products to implement their recommendations, there is a growing number of certified public accountants and a smaller number of attorneys, plus some financial planning groups that do not have direct ties to any product but may receive commissions on products they sell.

The first step in establishing a personal financial plan is to develop, with the help of your planner, your existing financial profile--business and personal--all in one place. It should show your current and projected cash flow, based on the best estimates as to the future of your business, your current and anticipated spending patterns and your investment portfolio. With this basic profile, you can then address:

<u>.Business Considerations</u>	<u>.Tax Sheltered Investments</u>
<u>.Tax-Based Asset Accumulation</u>	<u>.Retirement Planning</u>
<u>.Personal Cash Management</u>	<u>.Education Planning</u>
<u>.Insurance</u>	<u>.Estate Planning</u>

A realistic, flexible financial plan that meets your current needs and future financial goals is a key to financial security. It can help ensure that you do not overlook your personal and family financial needs as you strive to secure the future of your business.

Professional tax and financial planners can help you consider the many issues involved in business and personal financial planning. And they can help you develop and implement an integrated financial plan to meet your needs.

To obtain a truly objective financial plan, one that is not based on a particular product available from your planner, you may wish to choose a firm that has no specific products to sell. Ernst & Whinney is one of several nation-wide firms offering financial planning expertise without a tied-in product.