

KERNELS OF LEARNING

Quarterly Personalized Education Newsletter

Q4 2017

Holidays Already? Celebrating Gen 3

It's hard to believe that Halloween, Thanksgiving and Christmas are right around the corner; where did the summer go? With the entrance of autumn and all the fall birthdays to celebrate (Tim, Dave, Molly, Libby, Zeff and Taylor), it is also an opportunity to remember Nancy and Teddy (November and December birthdays). We thought it would be fun in this issue, as we head into the holidays, to recall some fun family holiday memories.



Boca Grande was the setting for a number of Christmas celebrations, magic shows, meals & cocktails at the Pink Elephant, and Teddy "shenanigans" (such as deciding to hold a plant



sale in the hallway of the main lodge for plants he had dragged in from outside). In the spirit of your grandmother Betty's magic shows, we will be sending some fun surprises in the mail just as she did. Not sure what level of "Magicians" everyone ended up as but hopefully you will have some laughs. And, since you will need energy while you work at mastering your magic tricks, we are sending you a little taste of the Pink Elephant.



*"We celebrate the past
to awaken the future."*

- John F. Kennedy

What would Christmas be without sheep? Libby would tell you not much fun. She was surprised one Christmas as a child to have no presents. Libby thought to herself "I haven't been that bad this year" but she didn't say anything. The family left the city to head for Libertyville where she was surprised with an ewe and her lamb (Topsy and Turvey). This was after Libby had carefully researched and prepared a business plan that she presented to her parents which ultimately proved to be successful. That is the kind of Babson entrepreneurship that has been valued since Henry Babson and will hopefully be encouraged for generations to come.



Family Governance (isn't as bad as it sounds)

The term "Family Governance" feels stuffy and autocratic. The reality is, family governance exists to be a roadmap for future generations, to aid the family during times of transition / adversity, and to clarify and enhance the family's vision for the future.

In a paper by the Heritage Institute, it stated that 90% of families fail to keep their unity and their assets together for more than 3 generations. When they examined the 10% of families who have succeeded, they discovered it was because the family had consciously prepared their heirs for their inheritance through education and ongoing family governance structures.

Oftentimes the first generation wealth creator tries to "manage" the transfer through complex legal and estate structures however they unknowingly underestimate the impact on the personal and collective dynamics / culture of the family in future generations. Sometimes the plans are too complex and succeeding generations don't feel prepared or knowledgeable enough which causes frustration, a breakdown in communication and lack of buy-in. Although there was no formal "family education" for Gen 2, 3 and 4; the hope is that for Gen 5 we can collectively (and most importantly) pass along the values that represent the Babson legacy and then secondly build their understanding of the business, finances, investments, estate structures etc... We will be devoting upcoming newsletters to this topic to better understand what it is, why it's important and ingredients for success.





Raising Gen 5

A Positive Outlook on Failure

We don't typically think of failure in a positive light. Most of us cringe at the thought of it when we think back on a time when we pursued something that didn't pan out quite the way we hoped. Chances are, even though painful or embarrassing, we learned something from it and it helped shape who we are and how we did things going forward. Failure can be one of life's best teachers but in our success-driven society, it's often deemed a deficiency. Many wealth creators and successful people in history were fueled by failure, and credit their success to the self-reliance and determination they developed from trying over. Thomas Edison (a name near and dear to the Babson family), purportedly took 1,000 tries before he developed a successful prototype for the light bulb. "How did it feel to fail 1,000 times?" a reporter asked. "I didn't fail 1,000 times," Edison responded. "The light bulb was an invention with 1,000 steps." The Gen 5 newsletter will be telling the story about how Henry Babson had gone to Chicago's Chinatown to record some music before going to China to sell phonographs, only to find he had recorded the wrong dialect that no one could understand. With perseverance he traveled back to the states, re-recorded, went back to China and the shipment sold out.

By creating a culture where failure is seen as part of the process we can help Gen 5 develop perseverance and resilience which will make them self-sufficient in the long run. In keeping with the Family Governance topic, one thing an expert on the topic recently said was that families who create a culture like this are generally more open-minded about each other's perspectives and tend to have more open communication. Sometimes we see someone do something and think "why in the world would they do that?" A better question they said to ask yourself is, "what would have to be true to make me do that?" When you put yourself in the other's shoes you gain insight on where they might be coming from.

Developing Financial Self-Reliance

Just as kids are able to learn multiple languages earlier in life, some suggest the same can be said for financial literacy. Building off the Financial Peace materials / toolkits sent to Gen 5 a few months ago, experts agree that when parents teach / facilitate the fundamental principles of saving, spending and giving early on, and capitalize on real-life teachable money moments, it often pays a long-term dividend. If the idea is to save a percentage of allowance (translate to salary one day), spend a percentage and give a percentage, ask the following: 1) What are the percentages? 2) What are the bigger item saving goals? You can get creative and match the amount once they reach the goal if you'd like. 3) Which organizations or causes are meaningful to them? Opportunity for volunteering their time and talents as well?



Giving Back

In 1964 the HBB Foundation was established by Henry Babson to provide an opportunity for each family member to become a light in the world. This giving vehicle was a gift of love and designed to help family members make an impact in the world around them.

Last year the HBB Foundation gave back to the community that has given the family much by making a gift to the DeKalb County Farm Bureau from the Foundation's core. Their mission: "To broaden awareness and understanding of agriculture through outreach and education." They were extremely grateful for this donation and wrote an article, "From Cows to Cornfields," for a past newsletter.



Farm managers (from left) Eric Shearer, Eric Lawler and Steve Glascock (right) regularly discuss business with Babson Farms president Taylor Kirkpatrick at the DeKalb farm office.

"We have a great relationship with the farm team here," says Taylor. "It's a well-oiled machine. We benefit by having some of the best farms, largely due to our employees."

Steve adds, "The Babson family cares about their farms. While it's a business investment for them, they are a down-to-earth family that is passionate about farmland."

[Click here for the full article.](#)



Agronomy 101

Planting Dates

By Eric Shearer- Babson Farms, DeKalb, IL

My last article primarily concerned planting conditions, planting dates, GDUs (Growing Degree Days), and corn maturities for our area. In this article, I plan to discuss how this year's planting dates affect our yield potential. We haven't started harvest yet, but as we scout fields and do yield estimates, we have noticed some marked differences among crops with different planting dates. The first observation is the number of viable ears and the inconsistency of ear sizes. We knew this would be a factor because conditions after the early planting were cool and wet, which caused uneven emergence.

I want to direct you to points 1, 2 and 3 in the picture below. This is from one of our fields planted in the early window. Notice that 1 has a noticeably larger ear than 2, and 3 has no ear at all. This perfectly illustrates the outcome of uneven emergence. The plants suffered from different negative conditions, such as late pollen shed, insect pressure, and nutrient availability, depending on when they emerged.

Because the other planting window was later than normal, we were concerned about corn maturing before a killing frost. We had a mild summer with temps mostly below 90° F, which was excellent for seed pollination, but we fell behind in our accumulated GDUs for the growing season. As I discussed in the last article, you need a certain number of GDUs in order for corn to mature properly. With the late-planted corn and mild summer, we were getting concerned with the crop's stage of growth for this time of year. However, we have had a nice stretch of hot (not just warm) weather here in September. This has helped mature the corn in preparation for harvest. Although the crop will mature, we've had a dry spell during the month of August into September in most of our area. The later planted crops could be negatively affected due to its stage of growth and late season stress. Corn takes up the majority of its nutrients during pollination through grain fill. Moisture is needed for nutrient uptake which is supplied with water through the roots. When drought occurs during this time, yield can be affected.

Ultimately there have been advantages and disadvantages to either planting dates this year and we won't know which will be better until harvest begins. However, I have been very impressed with how the corn looks thus far, given all the challenges this year. It goes to show how far corn genetics have come and continue to improve.

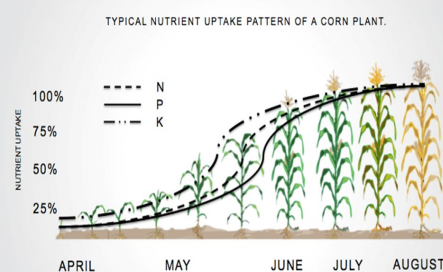


Effects On Corn During Grain Fill

“During grain fill drought stress results in premature death of leaf tissue, shortened grain fill periods, increased lodging, fewer kernels, and light kernel weights. Drought that occurs in the mid to late grain filling period (milk, dough, and dent stages) results in decreased kernel weights and premature physiological maturity. Once physiological maturity occurs additional drought stress will have no impact on grain yield. Because drought stress typically coincides with higher than normal temperatures the grain fill period is often reduced.”

~Iowa State University

NUTRIENTS NEED TO BE AVAILABLE THROUGHOUT THE GROWING SEASON



Family Spotlight

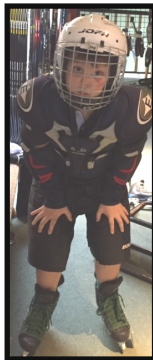
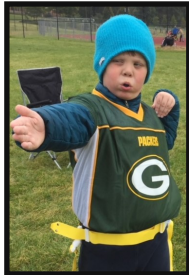
Sarah is off to a good start in third grade at Atlanta Speech School. She is on a competitive gymnastics / cheer team and playing soccer.



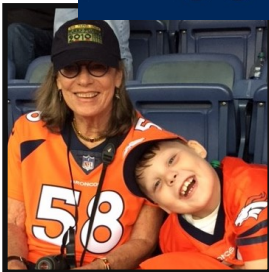
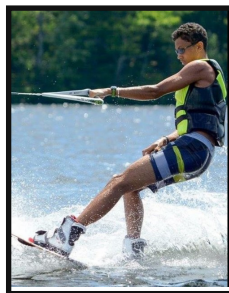
Mary Elizabeth is off to a good start in seventh grade at Lovett. She is running cross country, playing tennis and acting in the school play (tribute to Edgar Allen Poe).



Henry is off to a good start in kindergarten at Graland and is playing hockey and football.



JT enjoyed his time as a camp counselor in Maine and has been recruited by the University of Findlay near Toledo, OH.



Check It Out

Babson Memories Slideshow <https://vimeo.com/231610306>

The Babson Family Website <https://zalongo.com/group/babson>

Questions?

Meredith

(303) 243-3300

Meredith@BabsonFarms.com

Eric

(815) 756-2431

Eshearer@BabsonFarms.com

History Minute

Taylor happened to find an original window from Henry and Laura Babson's house in Riverside, IL through an online auction. The house was built in 1907-1908 by Louis Sullivan, who later became a mentor of Frank Lloyd Wright.

Here is a picture of the actual window (now hanging in Taylor's office) as well as a drawing of one of the windows. The auction still had 9 other windows of varying sizes available for \$45,000.



Celebration Corner!

- Molly & Taylor's Anniversary October 1st
- Molly's Birthday October 1st
- Libby's Birthday November 14th
- Zeff's Birthday November 24th
- Taylor's Birthday November 26th

Quote of the Quarter

Arabians

from the farm
of Henry B. Babson

A pipe, a fire, a friend, a book,
A dog, a gun, a rod, a brook;
A pleasure horse of Arab breed,
A woman who admires the steed,
As son and daughter ride each day
Why care about the price of hay
Or whether stocks go up or down?
I'm on the farm, away from town.