

KERNELS OF LEARNING

Personalized Education— Generation 5 Edition

April - September 2020

Multi-Generational Enterprising Families



Uncovering Wisdom

Successful family enterprises are incredible engines for generating wealth and expressing the owning family's values about business and the community. These families pursue business opportunities together while passing on their legacy values, culture and resources to each new generation. However, only a small fraction of families that create businesses are able to sustain them for more than a single generation. A recent paper, *"Resilience of 100-Year Family Enterprises"* journeyed with enterprising families that are in their third generations and beyond and uncovered traits of successful generative families.

For the Babson legacy, the farm company is the operating business that has continued now into the 4th generation. Generative families are rare, unique, and important. In fact, if a business is still operating over the course of two generations, it is very likely to be family-owned. They are called **generative** because rather than depleting or consuming resources, they add to and amplify the various forms of family wealth. They use their resources **not just to sustain** what they have **but to create** something new. If the proof is in the pudding, the family has continued to add value to the farm company with the addition of its subsidiaries, HB Crop Insurance and HB Farm Services (tiling) and add value to the community through the agriculture education they provide.

Generative families extend their legacy, values, and practices in new directions and generally have three things in common: **1)** Have created a successful business or businesses, **2)** Have successfully navigated at least two generational transitions and passed to the third **3)** Have retained a shared connection and identity through practices and processes from previous generations.

Family enterprises undergo huge transitions while crossing generations and members have to "want" to be part of the multi-generational business. This commitment is not a one-time choice but must be affirmed regularly by the family due to the demands on them.

Babson Bros. Co. and Its Transition

Henry Babson and his brothers were very successful with the creation of Babson Bros. Co. (the catalog mail order company based in Chicago) and selling / servicing the Surge Bucket Milker. The brothers also started acquiring farmland in Illinois in the 1930's. Although successful, there came a time when the brothers decided to go in different business directions. Babson Bros. Co. divided into Babson Farms with farmland and crops (Henry's branch) and Babson Bros. Co. with dairy equipment (which Henry's brothers descendants ran until it was sold in 1999 to a German based company and became Westfalia-Surge, Inc.). Now, there is even a Surge Water company that was created after Westfalia acquired Babson Bros. Co. Click [here](#) to see where they reference Henry, Fred, and Gustavus Babson.

Sometimes families decide that the business would have a better future without the family, or the family would have a better future without the business. Generative families redesign and renew themselves after each transition to emerge stronger and better. By fourth generation, around 57% of families in the study, had created a family office (like Babson Farms) to centralize and oversee the multiple business entities and operations. A family office enables the family to remain together as an organized, value-creating entity with the goals of managing and growing assets, trust administration, organized philanthropy from family foundations, providing services to the family including next gen education, tax, legal, and estate planning guidance, serves as a central location for family history, and could be seen as a "community center / hub" for future generations as the family grows.

Financial \$ense

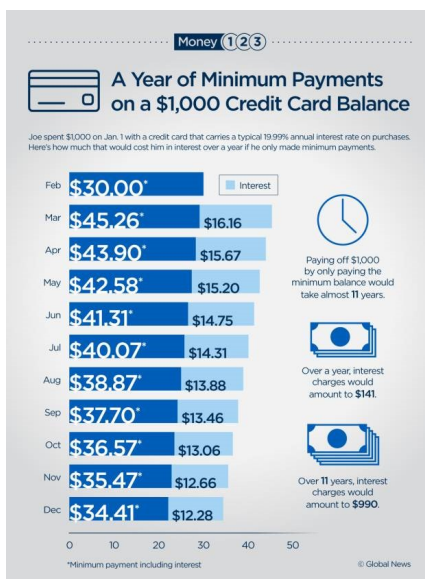
Credit Card Danger



It's funny when children are trying to convince their parents to buy the latest game, toy, or gadget and they say, "just use your credit card, there's plenty of money on it." Credit means being able to buy something now and not pay for it until later. That sounds great, except, not only do you have to pay it back, but you also have to pay extra for being able to "borrow" that money. Americans owe more than \$931 billion on their credit cards! Credit cards aren't always a bad thing, but if not used responsibly, they create many problems. Here are 4 things to remember:

- 1) It's not your money and it's not free.
- 2) Only use your credit card if you can afford to pay the full balance each month.
- 3) You're being graded—missed payments, late payments can affect your credit score.
- 4) It is easy to get buried by interest—don't just pay the minimum payment.

Let's take the example to the right. Joe's dryer breaks down. He buys one for \$1,000 on his credit card because he doesn't have the money. If he doesn't pay the full \$1,000 off when his bill comes, and only pays the minimum payment every month, it will take him 11 years to pay it back. Worse, he paid almost another \$1,000 just in interest during that time!



At Home Ag-tivities

One of the most common phrases heard by parents right now while we have the Shelter-In-Home order is, "I'm bored." Many kids (and most adults) have forgotten how to put the electronics down once in a while to use our creativity or experiment in the world around us.

SOY Many Colors

Did you know, soybeans (like the ones Babson Farms grows) can be made into many things including animal feed, vegetable oil, plastic, biodiesel, and ...CRAYONS. Researchers have found drawing to be a powerful way to boost your memory so drop the iPad and grab a coloring book.

One acre of soybeans can produce **82,368** crayons. DeKalb County grows **118,000** acres of soybeans. That could make **9.7 billion** crayons. That's a lot of coloring!

Source: Illinois Farm Bureau

Try These "Egg-speriments"

With Easter just behind us, it's an egg-cellent time to learn more about this Easter favorite. You might even be shocked to find out how strong they are. Follow this link to see if you are stronger than an egg: [Strong As An Egg?](#) Here are a few other interesting ones to try: [The Naked Egg](#) and [Egg Drop](#).

Giving Back

Babson Farms Salute to Our Essential Employees



Valuing relationships and showing appreciation has always been part of the Babson legacy.

The Coronavirus is not stopping farmers from doing their jobs. Babson Farms and their tenant farmers are planting corn and soybeans as they normally would. You could say farmers are no strangers to social distancing. Their shelter-in-place is in the cab of their tractors while fertilizing, tilling and planting their fields.

They count on their ag suppliers to provide products and services and trust that the ag supply chain is not disrupted. All the products and players have to align for the sake of food, feed, and products.

Coming off a disastrous 2019 crop year, farmers are more than ready for a "normal" year. Although this isn't normal, it's business as usual for them. Lord willing, they will all stay healthy, productive, and the weather will allow for the last field to be planted before June.





Agronomy 101

It's All Part Of The Plan

By Eric Shearer - Babson Farms, DeKalb, IL

We are gearing up to start yet another crop season. Each year, farmers are full of optimism for a successful growing season, but they must carefully consider each planting decision. What we do today will affect the rest of the growing season. This can include working ground too wet, planting in less than ideal conditions, or not having equipment calibrated correctly. Because we get only one chance to start the season right, planting can be a stressful time for farmers. This is why input sales occur in the fall and winter months when farmers have more time to prepare for the upcoming year.

Here are the steps and timelines involved in putting a planting plan together:

- 1) The first part of the planning begins the previous fall. When combines are harvesting, seed salesmen drive around and ride in prospective or current customers' tractors, trying to convince them that their seed will produce more bushels than the competitors. Seed companies will plant plots of their latest and greatest hybrids so in the fall, we can analyze the data to determine which hybrids to purchase.
- 2) The second part is deciding which herbicide program to purchase, and that is usually done over the winter months. Because we work with several different farm tenants, we may choose different herbicide programs depending on the weed pressure, budget, or tenant preference. Seed choices can also dictate which chemistry to apply. Seed varieties only have certain traits that are tolerable to select herbicides. Soybeans currently have five main trait platforms: Round-up, Dicamba/Round-up, Liberty Only, Liberty/Round-up, or ENLIST (Liberty, 2-4D and Round-up). By this time our seed is ordered so we know which chemistries we have to purchase to match the trait platform.
- 3) Once we have our inputs decided, we will make crop plans listing out which variety, chemistry, and amounts of fertilizer to be put on in the spring. These are all mapped out and given to each tenant so everyone knows the "plan" for the spring. Of course, this can be modified if the weather doesn't cooperate, but usually it isn't deviated from a whole lot. However, weather does affect one of the most stressful elements of planting: TIMING. All of our planning in the fall and winter alleviates some of that stress by allowing us to focus our energy on executing the plan when mother nature allows.

The Plan in PLAN-ting

1) **Part One** - During the previous fall, seed companies plant plots of their latest and greatest hybrids so that farmers can analyze to determine the best hybrids to purchase.

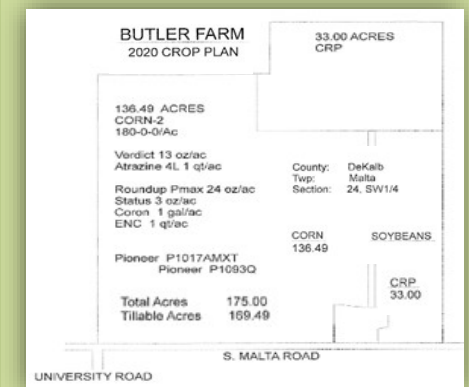


2) **Part Two** - Make decisions about which herbicide program to purchase.

Herbicide Tolerances Available for 2020

NAME	ORIGINATOR	INTRODUCED	HERBICIDE PARTNERS
XtendFlex	Bayer	2020	Glyphosate, Glufosinate, Dicamba
Enlist E3 Soybeans	Dow AgroSciences, MS Technology	2019	2,4-D Choline, Glyphosate, Glufosinate
LLGT27 Soybeans	Bayer CropScience, MS Technology	2017	Glufosinate, Glyphosate, HPPD inhibitors
Roundup Ready 2 Xtend	Monsanto	2015	Glyphosate, Dicamba
LibertyLink	Bayer CropScience, MS Technology	2009	Glufosinate
Roundup Ready 2 Yield	Monsanto	2009	Glyphosate

3) **Part Three** - Inputs are decided and crop plans are made including: variety, chemistry, and amounts of fertilizer. These are mapped out and given to each tenant so everyone knows the "plan" for the spring.



Family Spotlight

The Atlanta Kirkpatrick's were able to sneak in their spring break boat trip to the British Virgin Islands before everything shut down due to the Coronavirus pandemic.

Mary Elizabeth was named to the varsity track and field team. She announced that she will be attending Taft in the fall. Safe to say she will be ready for some space after this quarantine!

Sarah's cheer team took second place in their division at the highly competitive Cheer Sport. Sarah was also riding several times a week but the barn is now shut down and it is unclear when it will open back up.

The Denver Kirkpatrick's weren't so lucky with the timing of their spring break and had to cancel their trip to Mexico as travel was highly discouraged at that point.



Henry is enjoying time at home with Chilly and also took part in a virtual dance party that they hosted from their house for children, faculty, and staff associated with the Graduate School of Professional Psychology at the University of Denver.



JT at the University of Findlay Eventing Team 2019 Fundraiser.

Check It Out

Libby Memorial Slideshow <https://youtu.be/sgSMvGQrlls>

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

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

Questions?

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Family History



The year was 1967 which brought the first heart transplant, the first ATM, the first issue of Rolling Stone magazine and the first Carroll Shelby Mustang GT-500 Fastback.

Elvis and Priscilla weren't the only ones getting married that summer! On April 5, 1967 the Chicago Tribune published an engagement announcement (while the family was on holiday in Greece) for Libby's upcoming August nuptials. Click [here](#) to view the Chicago Tribune clipping.

Elizabeth Chapman Ticken's Engagement Is Announced



Miss Elizabeth (Libby) Ticken

Celebration

- Tim & Cho's Anniversary April 3rd
- Dave & Mary Jane's Anniversary April 25th
- Mary Jane's Birthday May 5th
- Mother's Day May 10th
- Sarah's 12th Birthday May 14th
- Mary Elizabeth's 15th Birthday May 19th
- Cho's Birthday June 4th
- Father's Day June 21st
- Henry's 9th Birthday July 28th
- Zeff & Andronica's Anniversary August 12th
- Tim's Birthday September 14th
- Dave's Birthday September 15th