

that are almost a hundred years old. Examples are Sunkist Growers, Blue Diamond Almond Growers, Ocean Spray Cranberries, CHS, and others, all of which are approaching 100 years of life. Yet most producers want to forget about the long-term and focus on the short-term.

Producer members/investors should be investing in the long-term. Examine the long-term value added to your farming operation over ten, fifteen, or twenty years. Keep in mind that the business may have a successful life over a hundred years, like many of the value-added businesses we have today.

Impact of Sarbanes Oxley

Sarbanes Oxley (SOX) was passed by Congress in 2002. It applies to companies that sell securities and report to the Securities and Exchange Commission (SEC). In reality, many of the underpinnings of SOX are good business practices for many boards, even if the board does not have to report to the SEC. It should adhere to good tenets of the Sarbanes Oxley Act. One of the tenets is that boards should have an active role in strategy.

Traditionally, the CEO brought the strategy to the board and the board aligned itself with the strategy. However, it is important for new value-added busi-

ness boards of directors to be involved in the strategic setting of the organization. Although the board may not understand the strategic planning process and what it means, the CEO has the responsibility to ensure that the board is involved in strategy development and the strategic direction of the business. Even if the board is not actively involved in developing the actual strategic plans, it has a responsibility to think strategically, act strategically, and help develop the vision and mission of the organization.

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