Texas Rice

Texas A&M University System Agricultural Research and Extension Center
Beaumont, Texas

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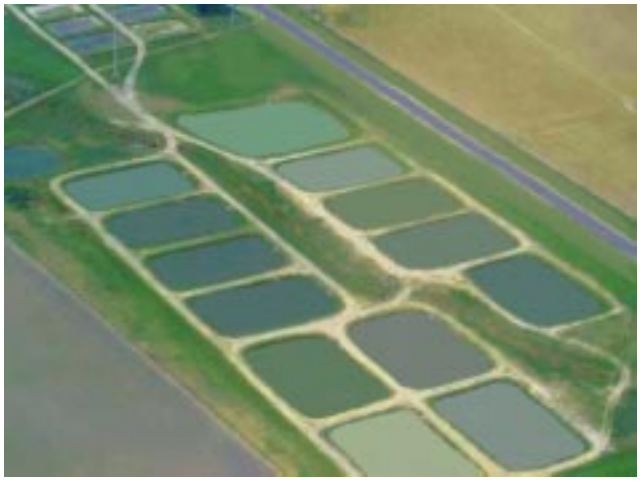
Texas Agricultural Finance Authority:

providing assistance for agribusiness entrepreneurs

The Texas Agricultural Finance Authority (TAFA) was created in 1987 by the state legislature as a public authority within the Texas Department of Agriculture (TDA). TAFA provides financial assistance to creditworthy individuals, businesses, cooperatives and rural governmental entities in partnership with banks or other agricultural lending institutions.



The TAFA Program has provided extensive support for aquaculture, a growing industry with excellent potential for Texas producers.

Eligibility requirements and use of funds vary for all of the TAFA programs. In general, applicants must be located within the state and be able to provide significant benefits for Texas agricultural products, show evidence of creation or retention of employment, and assure reasonable equity in the project. Funds may be used for the purchase of real estate, improvements, equipment and working capital.

The TAFA director is Lee Deviney, Assistant Commissioner for Finance and Agribusiness Development. Six other TDA staff members work full time on the TAFA program. They are responsible for processing applications and verifying information provided by the borrower and lending institution. Once the application is in order, it is submitted to the TAFA Board for consideration. The Board is appointed by the governor and represents banking, agricultural business, elected officials and academic institutions. The TAFA Chairman is Jane Anne Stinnett of Lubbock, Vice Chair is Mike Golden of Lake Jackson and TAFA Directors include Judge Susan Kennedy of Nacogdoches, Dal DeWees of San Angelo, Bob Henry of Vernon, Renato Ramirez of Zapata, and Dr. Victoria Salin, Agricultural Economist for Texas A&M University in College Station. The Commissioner of Agriculture, Susan Combs, and a representative from Prairie View A&M, Dr. Freddie Richards, are statutory members of the board.

According to Salin, Texas A&M University and Texas Cooperative Extension provide a significant amount of support for the TAFA program. Says Salin, "We are always willing to provide background information and economic analyses for the various projects submitted." Specifically, Salin provided TDA with an analysis of export markets and trade patterns for the U.S. rice industry when an industry group approached TAFA for funding of an export facility at Point Comfort.

The following is a brief description of the different TAFA programs, along with some specific examples of projects that have been funded in the past.

Financial Assistance Program: Loan Guaranty

This program is designed to provide financial assistance through loan guaranties to agricultural businesses that are, or propose to be, engaged in innovative, diversified, or value-added production, processing, marketing, or exporting of an agricultural product or other agricultural-related rural economic development projects. The original purpose of the legislation was to stimulate value-added and alternative production in Texas, and the TAFA Board strives to fulfill that directive. (Alternative production is

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From the Editor...

Welcome to the second year of *Texas Rice*. While the general layout of *Texas Rice* will remain the same, changes are in the works. Special interest topics, such as this issue's cover story on TAFA, will continue to be highlighted on a regular basis. We will also continue the *Production Guideline* section, the *National* and *International News* section, the *Researcher in the News,* the *Grower Profiles*, the *Pest of the Month*, and the *High-Yielder's Tips* section. The *Researcher in the News* section is particularly important in that it provides a glimpse of the faces responsible for all of the research and extension activities going on at the Beaumont/Eagle Lake Center. The *Grower Profiles* section is important, in that it provides examples of how producers tailor production practices to their specific soil, water, and economic conditions. This section demonstrates that the success of research developments are the product of good science and the willingness of producers to take the steps needed to determine how best to adopt and adapt scientific findings to their particular production conditions. This section has also repeatedly demonstrated that many Texas rice producers are innovators in their own right. I can't help but be impressed with all of the developments fostered by producers, from unique methods of managing water and nitrogen applications, to limited tillage system, to equipment that improves harvester efficiency.

The biggest change that will be incorporated into *Texas Rice* will be the addition of a section highlighting on-going research by our scientists. This section will provide a glimpse of new varieties that are coming down the pipeline and new production and pest management practices that promise to improve production efficiency. This section will provide information in a timely manner. The quicker we get research information to our producers, the sooner it provides benefits to the Texas rice industry. Digressing for a moment, current yields are about 4 times what they were in 1945, and grain quality is about 30% better. Thirty percent of the yield increase and most of the increase in grain quality is due to the development of improved varieties, with 70% of the yield increase due to development of improved agronomic and pest management practices. Without the type of ongoing research that will be highlighted in future issues of *Texas Rice*, we could not continue to develop improved varieties and more efficient production practices.

Much of the research that will be highlighted in latter issues of *Texas Rice* is made possible by funding from the Texas Rice Research Foundation. This year alone, the Texas rice industry is funding 14 research projects. Funding is also being received from the Texas Rice Foundation, the Lower Colorado River Authority, chemical companies, the Texas Agriculture Experiment Station, the Texas Cooperative Extension, and the USDA Agricultural Research Service. Two or more research projects will be highlighted in each issue of *Texas Rice*, with the coverage of each project timed to coincide with an appropriate stage of crop growth.

I hope you continue to enjoy *Texas Rice* as much as we have enjoyed producing it. I also hope that you will continue to send us your suggestions. If you have a topic or idea that you would like us to consider adding to the newsletter, please contact us and we will see what we can do. Also, keep on telling your friends about *Texas Rice*. We would be glad to send them copies if you provide us their email address or mailing address.

Sincerely,

T. T. Wilson

Ted Wilson
Professor and Center Director

Inside This Issue

Cover Story:
Texas Agricultural Finance Authority

Texas Rice is published 9 times a year by The Texas A&M University System Research and Extension Center at Beaumont. Interviews, writing and layout by Jay Cockrell. Editing by Ted Wilson, Jay Cockrell and Tammy Tindel. Technical support by Jim Medley. Information is taken from sources believed to be reliable, but we cannot guarantee accuracy or completeness. Suggestions, story ideas and comments are encouraged.

Farming Rice

a monthly guide for Texas growers

Providing useful and timely information to Texas rice growers, so that they may increase productivity and profitability on their farms.

Seeding Rates and Other Factors Affecting Yield

As growers prepare for the 2002 planting season to begin, consideration of seeding rates is warranted. There have been several studies done at the Beaumont/ Eagle Lake Centers that focus on such parameters as seed treatment and varietal differences. The following is a summary of some of the results.

Measuring Varietal Differences in Main and Ratoon Crop Yield Under Different Plant Populations and Nitrogen Rate

Dr. Fred Turner conducted this study in 2001 at the Beaumont and Eagle Lake Center. Not only did he look at seeding rate, but also the number of seeds per pound, which can vary as much as 25% among varieties. The varieties tested included: Jefferson, Bolivar, Cocodrie, LA2051 (potential replacement for Cocodrie), Cypress, CL121, CL141, Saber, XL7, XL8, Wells and Ahrent.

To begin, Turner measured seed per pound for all varieties and calculated the number of seed/ft^2 produced at seeding rates between 40 and 140 lbs/ac for each variety. They adjusted seeding rates for the different varieties to achieve the targeted 12 or 24 seedlings/ft^2 evaluated in the study. Generally, Jefferson has the fewest seed per pound (~16,000 lb); LA2051, Saber, Bolivar, Ahrent and the hybrids XL7 and XL8 have the most seed per pound (~19,000 to 21,000 lb); and Cocodrie, Cypress and Wells have an intermediate amount (~17,000 to 18,000 lb).

The nitrogen rates used in Beaumont were 170 or 220 lbs N/ac applied in three applications for the semidwarf varieties plus 90 lbs N/ac pre-ratoon; and 90 or 120 lbs N/ac on hybrids applied 1/2 pre-flood and 1/2 PD plus 90 lbs N/ac pre-ratoon.

Varietal effects on main and ratoon yield were evaluated at Beaumont with stands very close to the target rate of 12 or 24 seedlings/ft^2 for the semidwarfs, and 9 or 18 seedlings/ft^2 for the hybrids.

Turner found that plant populations of 12 seedlings/ft^2 for non-hybrids and 9 seedlings/ft^2 for hybrids will yield as well as 24 seedlings/ft^2 as long as the variety tillers well, seedlings are uniformly spaced and N rate is not limiting. The varieties in decreasing order of average main crop yield for the two N rates and the two plant populations were: Wells, Cocodrie, XL8, XL7, LA2051, Saber, Cypress, Jefferson, Bolivar, CL121, CL141 and Ahrent.

Evaluation of Icon 6.2 FS Under Reduced Seeding Rates

Dr. Mo Way conducted this study in 2000 comparing the yield potential of Cocodrie seeded at 40, 60, 80 and 100 lb/ac, with Icon treated and untreated seed. All seed was treated with Allegiance, Vitavax, Release and Zinc Starter prior to treating selected seed with Icon 6.2 FS. The plots were surrounded by a metal barrier to prevent movement of chemicals in the flooded field.

Rice stand counts were collected just prior to permanent flood. Way found that stand establishment within each seeding rate was similar, regardless of whether the seed was treated with Icon or not. Core samples were taken three weeks after permanent flood and again two weeks later to determine rice water weevil (RWW) populations in the root zone. Across all seeding rates RWW populations were significantly lower in Icon-treated plots versus untreated plots. Icon effectively controlled RWW regardless of seeding rate. Yields were also similar regardless of seeding rate. However, plots treated with Icon out-yielded untreated plots by 1100 lbs/ac. In conclusion, data from the experiment indicated that altering the seeding rate had no effect on yield or the efficacy of the Icon seed treatment. Stand establishment was also not affected by Icon, but controlling RWW resulted in significantly higher yields across all seeding rates. *

For more details on either of these studies contact the Beaumont Center at 409-752-2741 to receive copy of the annual reports published by Turner and Way.

Texas Agricultural Finance Authority continued...

defined as an agricultural endeavor that generates less than 5 million annually in gross receipts statewide.) Therefore, the Authority may decline to provide financial assistance to businesses whose primary purpose is to establish or expand conventional agricultural production.

Loans may be from $30,000 to $5,000,000 and the loan rate is typically priced at Wall Street Journal prime plus 2% floating, unless the Authority approves a different rate. The term of the loan is determined on a case-by-case basis, with a maximum of 20 years, not to exceed the life of the assets being financed. The owner(s) must provide at least 25% equity of the total project for existing and start-up businesses. A non-refundable application fee of $100 is required when filing the application. Upon approval, the application fee will be considered a part of the guaranty fee. A guaranty fee of 1.5% of the guarantied amount of the loan is to be paid by the borrower. Closing costs, including legal fees, are the responsibility of the borrower and are due at closing.

TAFA supports a wide range of agricultural enterprises - from vineyards to greenhouse operations.

Betty and Dickie Adams went to the TAFA Board in 1995 with a loan request to build the Colorado County Rice Mill. After extensive research to complete a business plan, the couple traveled to Austin with their loan officer from First National Bank of Eagle Lake, their business planner and several local farmers to go before the TAFA Board. After a question and answer discussion, the Board was satisfied that the plan was acceptable. Although there were several steps in securing the loan guaranty, the Adams believe it was definitely worth the trouble. Betty said "We could never have secured the loan without support from TAFA. The TDA people have been wonderful to work with, and very eager to help us succeed."

Financial Assistance Program: Direct Loan

In some cases the Authority may provide a direct loan to an eligible applicant in cooperation with the eligible applicant's lender. The Authority will consider a direct loan only when the eligible applicant and a participating lender provide evidence that a direct loan is in the best interest of the applicant, the lender, and the Authority. Generally this occurs only when the loan amount is too small for the banks to be interested. The maximum amount cannot exceed $250,000 and the interest rate, terms and fees are the same as for the Loan Guaranty Program.

Financial Assistance Program: Loan Participation

As part of the original legislation, TAFA is authorized to provide assistance to lending institutions for eligible agricultural projects through the purchase of an undivided interest in a loan made by a lender. The program provides that the maximum participation purchased by TAFA cannot exceed $5 million.

As with other TAFA programs, the project for which a lender is requesting a participation must be located within the state, provide significant benefits for Texas agricultural products, show evidence of creation or retention of employment, and assure reasonable equity in the project.

The participation purchased shall be at the same rate as the original loan made by the lender. Terms are determined by the lender. The lender must provide evidence that the loan is secured by sufficient collateral to provide reasonable assurance of repayment.

Young Farmer Loan Guarantee Program

This is perhaps the most innovative of the TAFA programs, with the greatest potential to help our declining rural communities. It encourages young people to pursue careers in agriculture, offering loan guarantees to eligible applicants from 18 to 39 years of age who wish to establish or enhance their farm and/or ranch operation, or establish an agricultural-related business. Participants in the program, who keep their loan payments current, may also receive a reduction

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of up to 3% of the interest rate paid on a Young Farmer guaranteed loan.

Funds may be used to provide working capital for operating the farm and/or ranch including the lease of facilities and the purchase of machinery and equipment, or for any agriculture-related business purpose, including the purchase of real estate for the business. Proceeds cannot be used, though, to purchase farm and/or ranch land exclusively for agricultural production purposes, as production acreage would fall under the Farm and Ranch Finance Program.

The turf grass industry is one with excellent profit potential, but high start-up costs can be a barrier. David Jr. and Derek Doguet's business, *The Other Side*, got its start through help from the TAFA program.

Brothers David Jr. and Derek Doguet took advantage of both the Young Farmer Guarantee Program and the Farm and Ranch Finance Program to help finance their turf grass business in South Texas. The Young Farmer Program loan covered their capital expenses while the Farm and Ranch Program allowed for the purchase of land for production. When asked why they worked through a bank in Beaumont, David replied, "The banks in our area were unfamiliar with the TAFA program, and not interested in going through the steps to get the loan guarantee approved."

This seems to indicate it is easier to work with banks where someone on staff has experience with the TAFA Program. Yet according to TAFA board member Judge Susan Kennedy, "The TDA encourages individuals to try, whenever possible, to work with banks in the area where the project will be located, to stimulate local economies."

Like Betty and Dickie Adams, David insisted that he and his brother could not have secured funding for their new business without support from the TAFA board. Says David, "We are very grateful that the TDA has programs in place to support young people interested in agribusiness. It made all the difference for us."

Farm & Ranch Finance Program

Most commonly used by individual growers wanting to expand, this program provides financial assistance to eligible and creditworthy applicants for the purchase of farm and/or ranch land that will be in full time agricultural use. An applicant must submit an acceptable agricultural business plan that shows that the land will be used primarily for farming and/or ranching; provide evidence of three years of relevant agricultural experience; and have a net worth of $400,000 or less.

Applicants may finance the land purchase through a participating lending institution with a 5% minimum down payment. The program provides a maximum commitment of $250,000. The participating lender funds 50% of the total loan and, through the purchase of a participation, the TAFA program will fund 50% of the total loan. To help the banks further, the Authority will provide a guaranty to the Lender for its pro rata share of the commitment. The interest rate will be variable, adjusting at least semi-annually, to be set by the Lender and agreed upon by the Authority. The terms are determined on a case-by-case basis, with a maximum of 20 years.

Linked Deposit Program

TAFA encourages private commercial lending below market rates to qualified applicants for eligible projects. As is common in the banking industry, applicants who qualify for this reduced interest rate must have an excellent credit rating. Eligible projects include: production of an alternative crop ($250,000), a value-added project ($500,000), a project that is located in a USDA- or Presidential-declared disaster area ($250,000), and a project using water conservation techniques or purchasing water conservation equipment ($250,000).

The lender and the borrower determine repayment, maturity, and collateral for the loan. The Linked Deposit Program is an interest buy down and not a guaranteed loan program. Neither the Texas Agricultural Finance Authority, the Texas Department of Agricul-

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TAFA continued...

ture or the State of Texas are liable to institutions for default or delay of payment on the part of the borrower.

Rural Development Finance Program

The newest program offered by TAFA provides financial commitments to rural, non-agricultural businesses and public entities such as economic development corporations, municipalities and special purpose districts. The applicants must be located within the state and can provide significant benefits for rural areas, such as employment opportunities.

For private businesses, funds may be used for the purchase of real estate, improvements, equipment and working capital. Guaranty amounts can range from $100,000 to $5,000,000. The interest rate is approved by the Authority Board, usually Wall Street Journal prime plus 2% floating. Terms are determined on a case-by-case basis, with a maximum of 20 years, not to exceed the life of the assets being financed. Owner(s) must provide at least 25% equity of total project.

While interviewing Texas Cooperative Extension Agent Rick Jahn, I learned of a potential TAFA project that highlights the role of Extension in encouraging rural economic development. Rick was approached by several catfish farmers in the Wharton County area who wanted to explore the possibility of building a catfish processing facility. Rick organized the first meetings, and brought experts in to provide information for the farmers. The group became better organized, and recently became a sub-chapter of the Texas Aquaculture Association. The next step was preparing a feasibility study for the project. Dr. Greg Clary, Agricultural Economist at Texas A&M Research and Extension Center in Overton was contacted by the group, and agreed to provide the study. Once the business plan has been finalized, and collateral secured, the group will be ready to approach the TAFA Board for financial assistance.

Any producer groups or grower cooperatives that are interested in joining together on agricultural enterprises, especially for value-added marketing, are encouraged to contact the TDA for assistance. *

For details on any of the TAFA Programs contact:
Lee Deviney, Assistant Commissioner, at
512- 475-1614 or finance@agr.state.tx.us

Article by Jay Cockrell.

Marketing News

Rural Economic Development Division
Texas Department of Agriculture

The Texas Department of Agriculture (TDA), in cooperation with public and private partners, is dedicated to economic development by increasing rural and agribusiness development opportunities. The Rural Economic Development Division can assist with a new business interested in locating in Texas; one that is expanding operations, such as adding new locations, putting in new equipment or hiring new employees; a new business start-up that will employ Texans; a rural community interested in attracting new business or retaining existing businesses; a rural community working to improve telecommunication infrastructure, housing or health care in the area to improve the "livability" of the community; and a business or individual that may be a prospect for the Texas Agricultural Finance Authority (TAFA) program.

In general, the TDA's Rural Economic Development Division assists rural communities and agribusinesses throughout the state by promoting and encouraging creation of new businesses and jobs; assisting with start-up business development by identifying resources, business plans, contacts, feasibility studies; identifying financial resources, grant searches and TAFA lending; facilitating contact with appropriate state agencies for licensing and permitting; researching communities and assisting with site location; maintaining contact with local economic development professionals, Chambers of Commerce and other community leaders to facilitate communication; conducting economic development seminars; identifying opportunities for diversification of traditional agriculture-based economies; conducting meetings with public/private partners to foster regional alliances and to coordinate economic development activities and information dissemination; assisting out-of-state firms with relocation; utilizing field staff and regional allies to become involved at the local level; and encouraging growth of Texas food and fiber related industries.

For more information contact Robert Wood at
512-463-7476 or robert.wood@agr.state.tx.us

Grower Profile...
Hlavinka Cattle Company

Joe Hlavinka was born in East Bernard, but his value system traces back to his Czech heritage.

Joe and Patty Hlavinka at their original dealership in East Bernard. Patty is a native of Colorado Springs, but very proud to have made her home in Texas. She said the best thing Joe ever did was bring her to the hot, humid climate of the Gulf Coast.

Joe's father, J.C., was born in Nechvalin, Moravia (a province of the Czech Republic) and immigrated to America with his parents in 1905 when he was five years old. The Hlavinka family has farmed since J.C. first arrived in America with his parents - then it was mostly corn and cotton. J.C. Hlavinka married Annie Hruby (also of Czech decent) in 1925 and they had six children, Joe being the third to oldest. J.C. became involved in rice farming in 1939 as a landowner working on a 50/50 share basis, and like all J.C.'s children Joe worked on the family farm.

In remembering the lessons taught by his father, Joe recalled, "Dad believed that God is first, family second, and business third. That is the secret to happiness and success." In coming to America, J.C. added to that list of loyalties when he determined that all his children would be Aggies!

This came about as a result of the influence of J.C.'s banker in East Bernard, R.B. Boettcher, Aggie class of 1900. Mr. Boettcher advised J.C. that the Hlavinka family would benefit greatly if his children would pursue degrees at Texas A&M. Over fifty years have passed since then, and eighteen of J.C.'s descendants have graduated from Texas A&M, for a cumulative family total of 87 years at the University. It is no wonder Joe and Patty were honored as 'Aggie Parents of the Year' in '85 -'86.

"Much of our success is due to the efforts of our employees. We have been fortunate to find dedicated men and women who have made this work their career, not just their job."

Terry Hlavinka

Joe said the whole thing was a total surprise. "We made the trip to College Station for parent's weekend (adding to the uncounted miles the couple had already traveled between East Bernard and campus) and were completely surprised by the announcement." According to Joe, the greatest honor is that Aggie Parents are nominated by their children.

Joe and Patty have five Aggie children, each successful in their chosen careers. Michael has a PhD in chemical engineering and his wife Laura is a school teacher. Michelle and her husband Bruce Fusselman share a veterinary practice in Southlake. Sarah is an attorney, and lives in Houston with her husband Mark McConnell. (An OU grad, Mark is the only non-Aggie in the Hlavinka clan!) Then of course, Terry and Kenneth are at home in East Bernard continuing the family tradition in agriculture.

Although they are all actively involved in the family businesses, Terry focuses on the equipment dealerships, while Kenneth spends his time concentrating on the farm. According to the boys their dad is everywhere. "He is the driving force behind it all – the dealerships, the farming, everything." Of course Joe would disagree, he insists that his boys work harder and deserve more of the credit for the family's success. Either way, a success it is. This year the Hlavinkas are planning for 1800 acres in rice; 1400 acres in cotton; 300 acres in soybeans; and 600 acres in corn and sorghum - not to mention several hundred head of cattle.

Kenneth Hlavinka '90 is a quiet, self-assured man with a keen understanding of the dynamics of farming. In high school he played football, when he wasn't working at the family business, and made All-State his junior and senior year. Kenneth knew growing up that he would get his degree from A&M, as all the other Hlavinka children had before him. He met his wife, Bonnie Helm, while in college and they were married in 1992. Kenneth and Bonnie have four children; Kyle (5), Travis (4), Jillian (3) and Shane who is not yet a year old. Bonnie is from Baytown, and I asked

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Hlavinka continued...

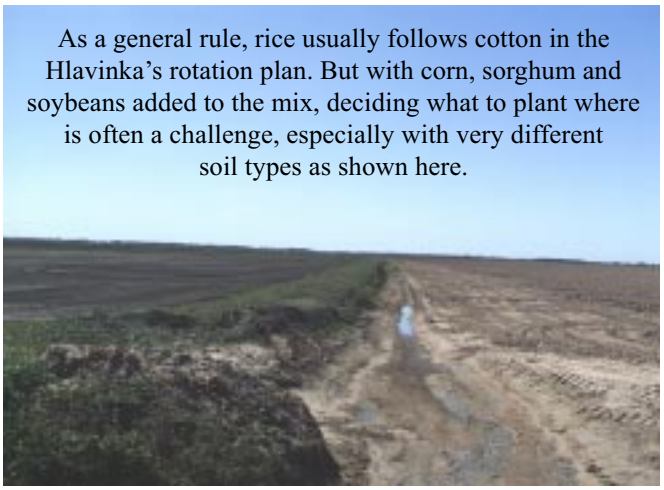
Kenneth how she felt about being a farmer's wife. Kenneth grinned, "She was a little bit skeptical at first, but I think she's come around." The original homestead built in 1911 by J.C.'s father is located on 45 acres in East Bernard. Kenneth and Bonnie remodeled the home in 1994, and their children are the fifth generation of Hlavinkas to live there.

Kenneth spends most of his days attending to the scattered operations of the farm. He has six full time employees, including Brian Hlavinka '93, who is Kenneth's right-hand man. Brian had a crop consulting business specializing in cotton, sorghum and corn. After working part-time for the family for seven years, Kenneth persuaded him to join them full time in 1999. In addition to his other duties Brian scouts the cotton, sorghum and corn, while Kenneth keeps a close watch on the rice. Together, with other trusted employees, they make a great team.

This year Kenneth will be planting Cocodrie, XL7, XL8, and Clearfield 121 where red rice is a problem. When asked about the milling concerns with the hybrids, Kenneth said the later versions are much improved over the original XL6. Last year XL7 milled 55/70 and XL8 58/72. He feels the hybrids have promise due to their lower nitrogen requirements and improved yield.

The season begins with pre-plant phosphorus and potassium, which is incorporated for better assimilation into the soil. Planting will begin on March 10th, with Command applied right behind the drill for grass control. The first nitrogen is applied at the 3-leaf stage, around 40 units for the conventional varieties. Another 40 units is applied at tillering, 46 units at PD, and 46 units again at boot for a total of 180 – 200 units of nitrogen applied per acre. Kenneth recognizes that research has shown that splitting the nitrogen into 4 applications has not proven to be beneficial for the main crop, but he feels the boot application helps grain fill and ratoon crop development (70% of the Hlavinka rice is ratooned each year.) Just before permanent flood, Propanil and Facet are applied for weed control. Kenneth doesn't treat any of his seed with Icon, as the rice water weevil is not a big problem in his area. Kenneth explained, "With the market like it is, we try to keep production costs as low as possible, and I just have not seen any benefit from the Icon that would justify the costs."

Brian and Kenneth Hlavinka. An entomologist by training, Brian is a jack-of-all-trades and Kenneth depends on him for everything from scouting to equipment repair. Remember the 'crop formation' photo in the October issue of *Texas Rice*? These two Aggie cousins spent months planning it, and when they found the perfect field, Brian drove the combine and Kenneth took the bird's eye view, yelling directions from the top of a rice dryer. Needless to say, Aggie pride runs deep in the Hlavinka family.



As a general rule, rice usually follows cotton in the Hlavinka's rotation plan. But with corn, sorghum and soybeans added to the mix, deciding what to plant where is often a challenge, especially with very different soil types as shown here.

Land preparation goes on virtually year-round. The family owns some leveling equipment, but in peak times some of the work is hired out. Kenneth said it costs around $200 acre to laser level a field for the first time, and $50 an acre for maintenance (usually every five years.) He emphasized though, "The money is well spent. In the long run you save at least that much in labor and water costs." Most of his water comes from irrigation wells, with only 20% from the LCRA canal system.

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Hlavinka continued...

With the diversity of crops grown, Kenneth has flexibility in his rotation schemes, but has found that one year in rice and the next year in cotton works well on their soil. Yields are consistently high, with the conventional varieties bringing in around 8000 lbs/ac on the first crop and 2500 lbs/ac on the ratoon crop. Roughly half of the Hlavinka land is leased, the other half purchased over the years by the father/sons partnership. In visiting with Terry and his dad at the Hlavinka dealership in Nome, Terry stressed that the leased land is cared for just like the land they own. Said Terry, "We are very conscientious about the leased property. First, we don't compete with our equipment customers by aggressively buying up leases, and any land we do lease gets all the improvements necessary – such as leveling and irrigation lines."

Kenneth plants his rice with this Great Plains minimum till air drill. Forty feet across, it plants 65 rows at a time. And with a hold capacity of 10,000 pounds of seed, Kenneth can plant 130 acres before refilling.

While Terry Hlavinka '85 is involved in the farming operation, he spends much of his time at the Hlavinka equipment dealerships. Like his brother in many ways, Terry has an air of self-assurance about him, but in no way is he quiet or shy. When I asked Joe how Terry was as a youth, I got raised eyebrows. "Well… he wasn't *too* bad," said Joe, "nothing really serious ever happened." Terry was Yell Leader during his time at A&M, and participated in the extracurricular activities associated with Aggie football. After finishing his degree in Agricultural Economics, Terry returned home to East Bernard to work in the family business.

Terry talking with a sales rep during open house at the Nome store. Area farmers are invited for a barbecue lunch and a chance at door prizes during this annual event to show customer appreciation.

Terry married Susan Lewis in 1986, a local girl that has been his friend since high school. They have four children; Tara (11), Lauren (8), Blake (6), and Patrick who is not quite 2 years old. Patrick is the namesake of Patty and Joe's son who was killed in a tractor accident in 1983. Joe gives Terry credit for the impetus to expand the family business endeavors. Says Joe, "The year after Terry came home from college, we bought our second equipment dealership, and with our newest store in Tivoli we now have seven locations. He was convinced we could not make a good living on a single 'mom & pop' operation." Terry had other ideas for expansion, beyond the equipment company. It was in 1988, while Kenneth was still in college, that Terry went out and acquired their first piece of land for production agriculture. They started out with 250 acres and have grown more than ten-fold since then.

And considering that J.C. purchased the family's first equipment dealership in 1939 for $18,500, Hlavinka Equipment Company has certainly grown in the years that have passed, just as the farm and family has grown. With 5 surviving children and 15 grandchildren, Joe and Patty Hlavinka have been blessed many times over, and it is clear that remembering the values that J.C. taught has made their life prosperous in every way.*

Article and photos by Jay Cockrell.

Texas Cooperative Extension in the News...

Rick Jahn in Wharton County

Being 'Down to Earth' is part of the County Agents job. Really successful agents like Rick Jahn are also innovative, outgoing, and very knowledgeable about agriculture in Texas.

Born and raised in Yoakum, Texas, Rick grew up on a small farm where his family raised cattle. Up until his junior year, Rick had worked in his father's business in town, but happenstance played a role in his immediate future. The man his dad hired to build a new cattle barn was most impressed with Rick's welding talents, and offered him a job in the company. Thinking that it would be a good idea for Rick to gain experience working for other people, his dad agreed it was a good decision. Rick excelled in his building talents, and even had an opportunity to buy the welding business and venture out on his own.

But, his parents considered college a high priority, so Rick enrolled in Victoria Junior College to begin his freshman studies. Sometime during his second semester, he was paid a visit by his high school Ag Teacher, A. G. Garrett, and Professor Herman Brown from Texas A&M University. The two cornered him in the student union and convinced Rick that his future was at A&M. Concerned about his grades, Rick wasn't sure he would be accepted, so he didn't tell his parents he had applied. Shortly after, the letter came and Rick began planning the move to College Station.

Never having visited the Texas A&M campus, Rick made sure he had a map in hand as he started out on the road to higher education. The first order of business on arriving was finding a place to stay. He had heard from a friend to check the bulletin board at off-campus housing to find a roommate. He chose five cards that seemed relatively promising and begin to call around in search of roommates. Discouraged after the first four didn't pan out, he nearly gave up on the idea. Looking back Rick said, "This is where I had a great stroke of luck. I called the number on the last card, and it turned out to be the best thing I could have done to start my college career." The roommates Rick found were veteran Aggies, all friends of Czechoslovakian background, with a hard work ethic not uncommon in their ancestry. "These guys taught me how to study," Rick recalled. "I hadn't been a great student up until that point, but they showed me how to get things done and make the grade. I will always be grateful for that."

In 1982 Rick married his high school sweetheart, Laurie Lauer, who was also from Yoakum. Two years later, Rick completed his bachelor's degree in Agricultural Education. He started out with Volero Hydrocarbons, then took a position as Assistant Ag Agent in Wharton County in 1986. Motivated by his co-worker, Marilyn Sebesta, who was commuting to A&M to get her Masters, Rick began his quest for a higher degree.

In the meantime, Rick was offered a position in Brazos County as the Extension Agent for 4-H. He enjoyed working with the kids, but couldn't pass up an opportunity to move to Colorado County in 1991 as the new Ag Agent, working mostly in rice and cattle. During this time, he worked with Dr. Garry McCauley on his well-known water quality study, which determined that run-off water from rice fields is often cleaner than the water that goes in. Rick coordinated sampling and monitoring of the numerous field sites.

Shortly after this, the EPA issued a fact bulletin on the Attwater Prairie Chicken, alleging that its habitat was threatened by rice farming in Colorado County. With Rick's help, the TDA developed the Colorado/Austin County Task Force to investigate the issue. For 18 months they collected information on Prairie Chicken behavior and diet, chemical toxicity, water quality and production practices in order to fully understand the impact of farming on the endangered species. They found that some chemicals named by the EPA in the bulletin could be used if the timing and application followed established procedures. They also found alternatives to some of the chemicals named as the worst threat to the Prairie Chicken's habitat. In 1995

continued on next page

Rick Jahn continued...

Rick was invited to the National Endangered Species Symposium to present a report of their findings.

Another highlight of Rick's career in Colorado County is his part in getting the new fairgrounds project going, since he called the first meeting that got things started. Rick is quick to point out, "I can't take credit for the fairgrounds getting built, but I am proud to have been a part of it." Just like the farmers market he helped organize. "I didn't do anything but get them together and encourage the idea, the community volunteers did the work," he insisted. But ten years later the farmers market is a thriving year-round enterprise, bringing retired farmers and backyard gardeners together to socialize, *and* sell their produce to eager consumers.

With everything he was involved in, it's hard to imagine how Rick found time to go back to school. But it was during this time that he finished his MA in Agricultural Education at Texas A&M. Recalls Rick, "It was certainly a challenge to finish school while fulfilling my agent responsibilities, but my wife was supportive so we made it happen."

Sad to leave Colorado County, but eager to pursue new career opportunities, Rick moved his growing family to take the Ag post in San Patricio/Aransas County. There he assisted with another water quality study, this time in cotton, showing that run-off chemicals are minimal when application procedures are followed, and that there is often more nitrogen in rainwater that falls on a field than there is in the water that runs off.

In 1997 he took the post in Calhoun County and moved his family to Port Lavaca. In addition to the familiar crops of cotton, sorghum and corn - Rick did his first work in soybean production. Three years later, the retirement of John Cosper presented another opportunity that couldn't be turned down.

So in the spring of 2000 Rick Jahn came back to Wharton County, bringing with him 14 years experience in rice, sorghum, corn, cotton and soybeans – the top five agricultural commodities produced in the county. Not to mention his expertise in motivating and organizing communities to help themselves, which already has proven to be beneficial for the producers in his area *(See cover story on TAFA highlighting Extension involvement.)*

Along with the help of his fellow agents, Dan Fromme and Brandon Gregson, Rick conducted 28 Agricultural Demonstration Projects in 2001 including innovative soil testing to improve nitrogen recommendations in cotton, and evaluation of new soybean varieties for Texas producers. Rick has coordinated with local farms to have on-farm test sites for these demonstrations, and continually reaches out to the community for involvement in Extension projects.

Since coming back to Wharton County, Rick has organized the annual Pasture and Hay Field Day at Harry Goudean Farms. With generous sponsorship by Hlavinka Equipment Company, Rick is able to bring farmers together with silage experts from all over the country. The day begins with workshops, then field demonstrations and lunch. Says Rick, "It's a great opportunity for farmers to come together and learn from the experts, and each other. Besides, it's a lot of fun for everyone involved."

Rick having lunch with Wharton County producers Kenneth and Terry Hlavinka. On this occasion they were discussing alternative crops, such as native Texas grass seed production. Through his contacts, Rick learned that native grasses such as Eastern gama are in high demand and short supply.

It's clear that the role of an extension agent is as much instigator as it is expert. The really good agents seem to have a knack for putting people together with ideas and making things happen. They have a real desire to make a positive impact in their community, and create lasting friendships in the process. Rick Jahn has done all these things and more. According to businessman and farmer Terry Hlavinka, "Rick had some pretty big shoes to fill, and he is doing a great job for the people of Wharton County." *

Article and photos by Jay Cockrell.

Pest of the Month

Channeled Apple Snail

The channeled applesnail (*Pomacea canaliculata*) is a potential pest of Texas rice. This exotic snail was introduced into the US from Latin America via the pet trade. In July 2000, reproducing channeled applesnails were found in an irrigation canal in Galveston and Brazoria counties.

Freshly laid egg mass, found above the surface of the water.

The channeled applesnail is large, (about the size of a tennis ball) globular and brownish. Egg masses are reddish and 1 to 4 inches in length. Masses are laid on objects above the water surface. These snails can feed on rice, so be on the watch for this potential pest.

If you find this snail, please call your County Extension Agent or Mo Way at 409-752-2741.

Article by Dr. Mo Way.
Photos courtesy of Stijn Ghesquiere at www. applesnail.net

Some information taken from: Robert G. Howells. The Channeled Applesnail Invasion: A Threat to Aquatic Ecosystems and the Price of Rice Crispies. American Conchologist. Vol. 29. No. 4

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High Yielder Tips

From the 2000 High Yielder meeting. These are selected comments that may be useful for early season production.

From Mike Burnside:
Incorporate base fertilizer for better availability to the plants. To get good stands early, for every week before April 1st that you plant add 10 lbs/ac to the seeding rate. Highest seeding rate is Jefferson at 110 lbs/ac. If you plant levees, add 25 lbs/ac to the seeding rate. Look down for water not up. If you wait too long on a rain it will delay emergence. Once initial flush is made, drain fields thoroughly, making sure there are no puddles of standing water.

From Gary Bradshaw:
Pre-plant fertilizer is applied no more than four days prior to planting. Incorporate with a "s" tine cultivator. Planting begins in the last week of March and goes through the first week of April. Plant as shallow as possible, but still reaching moist soil, never deeper than 1.25 inches.

From Jacko Garrett:
I use a low seeding rate, around 40 – 60 lbs/ac, except for Jefferson which gets 80 – 90 lbs/ac. All my fields are planted in a stale seedbed, as this allows for earlier planting dates. Pay close attention to your emergence date, as fertility management is all based on this one date.

From others attending the 2000 High Yielders meeting:
Some prefer lower seeding rates, 30 – 50 lbs/ac. If you have 10 - 15 plants per square foot, you will get good first and second crop yields. Others go with 75 lbs/ac on blackland and 65 lbs/ac on sand. Watch planting depth carefully, insuring that seeds reach moisture but are well covered. Visually inspect rows behind the planter to insure you are getting the proper depth. Bring on permanent flood 20 – 25 days after emergence. Check water daily to maintain proper levels.

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