

Interview with Matthew Hughes

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Interviewer: Mark DePue

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DePue: My name is Mark DePue; I'm the Director of Oral History at the Abraham Lincoln Presidential Library. Today is October 22, 2008, and it's my pleasure today to have an opportunity to interview Matt Hughes. You use Matt versus Matthew?

Hughes: Oh, yes.

DePue: Okay, excellent. Matt, when and where were you born?

Hughes: I was born near Litchfield, Illinois, on a small farm. I grew up kind of halfway between Litchfield and Gillespie. And born on July 19, 1965.

DePue: Okay. And tell us a little bit about your parents.

Hughes: My parents are Dale and Rosemary. My father worked at the post office most of his life and farmed on the side—kind of a hobby farmer, but as I grew up, we kind of expanded the operation a little bit until I left for college. My mother was a schoolteacher before they got married, and after she had me, she kind of came back home to raise me. Then after she raised the kids—I had two sisters—and got us all off into college, she went back and taught for a few more years.

DePue: What kind of farming was your dad doing?

Hughes: We had a cash grain and beef operation, and then I added some feeder pigs to it as I got into high school. But mainly corn, soybeans and wheat, and some hay, and then Black Angus cattle, and...

DePue: A little bit of everything, then?

Hughes: Yeah, it was a pretty diverse operation. My grandfather on my mother's side—my mother's father—was a butcher. He raised a lot of livestock for that, and it kind of spilled over into our operation. He had a lot of chickens and cattle and pigs as well, and eventually we kind of adopted that too.

DePue: Did your parents own that land?

Hughes: Yes, we owned everything we farmed back then. And like I said, it was pretty diverse, and Dad had an off-farm job. It wasn't our main source of income, but it was definitely important and supplemented what we needed to live on.

DePue: If you were to ask him, 'What is your profession?', what would he have told you?

Hughes: Like I say, his main income was from the post office; he was a letter carrier for over thirty years—thirty-five years—and I think that was what he would say his main profession is. If you asked him today, now he's a retired farmer, so. (laughter)

DePue: So he identifies himself today as a farmer?

Hughes: Oh, definitely. I think he always identified himself as a farmer, but I mean, primarily, if you would have asked him, he would have said he's getting most of his income from the post office.

DePue: How many acres did he have?

Hughes: We had about 200 acres for crops and such, and then we had about thirty beef cows, and then we raised most the calves all the way through finish.

DePue: I'll put you on the spot here. How far back could he have traced that land in terms of ownership in the family?

Hughes: Well, all the way back to my grandfather. Well, my lineage probably goes back to my great-grandfather, if I remember correctly, and they came over here and settled in around the Irving area. My grandfather kind of moved away from the farm and came over and found this land where my father lives now; he started farming that and was a fairly good-sized farmer for his day back then. And then when my father got married, he bought the farm from Grandma and Grandpa, and he moved out there, and we've had it ever since.

DePue: When would the initial purchase of land have been? Would it have been early twentieth century?

- Hughes: Oh, well my grandfather would have been back to...yeah, early twentieth century. Yeah, probably about the 1930s, '40s. And I don't know the exact history on that, but that's my understanding of basically what happened.
- DePue: Tell me a little bit about what you did on the farm in terms of chores growing up.
- Hughes: Oh yeah. You know, it was really a life-building experience. It was the old traditional, you know, something to do in the morning and night. Go out and take care of livestock before you go to school, and then when we got home at night, do all the chores again, and feed them, bed the cattle with straw and feed them corn and hay, whatever we needed to do. That was typical, year-round, and then of course we had the seasonal things where if we were planting season, I'd get out, and we'd have to work ground and plant it. Back in those days, we would still walk beans and did a lot of hand labor to take care of some of the weeds after we did the mechanical work. And of course, got in harvest, and that was always the funnest time for me.
- DePue: Well, later on, we're going to actually see you harvest a bean field or two. But what exactly does "walking beans" mean?
- Hughes: Oh, yeah. (laughter)
- DePue: I think I know, but in case for some people who don't.
- Hughes: Well, walking beans is literally... We probably take every measure up to then with mechanical beans. After the crop was planted and started to come up, you'd run a rotary hoe through it to try to get rid of some of the smaller weeds, and then the crop would get a little bit bigger, and you'd take a cultivator through the middle of the rows and get out some of the bigger weeds. Eventually the crop would just get too big to run equipment through it anymore, and of course, back then, we didn't have the chemicals we have today, so the weeds would still keep on coming. So then it was time to resort to your feet, and you'd start walking up and down the rows, typically in the soybean field. It didn't happen too much in corn because the corn would get ahead of the weeds and shade them out. But the bean field: you'd typically take a couple rows and just start walking up and down, and take a weed hook, which was a sharp instrument to cut the weeds off, and you'd cut them off and just keep walking back and forth. Over the course of a day, you'd cover maybe twenty acres, and then go back and do that the next day, and over the course of a week, you might get across all the soybeans you had. So.
- DePue: Well, how many miles a day would you be walking, then?
- Hughes: Oh, boy you know...you're talking about a half-mile field that's... You're going to walk... Heck, I probably walked twenty miles a day, easy. I mean, you don't do this all day long—you get tired and you'd quit. (laughter)

DePue: Yeah, and that's obviously going on in the summertime when you don't have school. What time would you wake up in the morning to do chores while you were in school?

Hughes: Oh, when I was in school, typically I'd be getting up about... The bus would come about—when did the bus come? I think it was about 7:30 I'd get on the bus in the morning, so that meant I had to get up... We kept the chore schedule kind of light in the mornings, but usually I'd get up about six o'clock and go out and do about half an hour's worth of work, and come in, get cleaned up, and get ready for school, and get everything packed up, and have breakfast, and then be ready to get on that bus at 7:30.

DePue: Were you going to a school where there were a lot of farm kids?

Hughes: Yeah. Actually, the area I grew up in was a big coal-mining country. I'd say the predominance of those people—kids of fathers who were working in the coal mines—but yes, the second-biggest occupation would have been farmers and rural kids like that.

DePue: Were you involved in 4-H or FFA [Future Farmers of America] when you were in high school?

Hughes: I was very active in FFA. Again, we were kind of in a sparsely populated area for rural kids at the time, and our 4-H club at the moment was kind of on the outs. My father was very active in 4-H, but we didn't really have an active 4-H club in my area. I think since, now it's kind of come back. But I was very active in FFA when I got in high school and participated in a lot of events there and kind of ended up as President, and even Vice President of the section. Kind of made all my degrees there, so.

DePue: Tell me a little more about being in the FFA. Did you have a chance to exhibit or take some of the things, go to the State Fair, things like that?

Hughes: Yeah, FFA we didn't really focus too much on the State Fair, per se. We had our own FFA fairs that I got to take some things to and exhibit. We'd take samples of my projects. Basically, I took all the projects we grew on the farm. I had corn, soybeans, and wheat, and beef cattle, and feeder pigs. Those were my five major projects. So then from the corn, we'd take a sample, the grain we'd grown to all... You'd have to sort through all the grain, clean it up, make it look really nice, and show how good quality we produce there. Occasionally for the beef cattle, I had a heifer I did show once, but I didn't really get into the livestock showing too much.

DePue: But that sounds like a great education in terms of what the new, innovative trends are in agriculture for a young kid.

Hughes: Oh yeah. Back then, FFA was all about agriculture and Future Farmers of America. And it's still a great organization, but even that organization's

changed tremendously. Today, it's known as FFA; they don't even refer to it as Future Farmers anymore, because it's kind of transitioned. My chapter back then... Gillespie was a high school of about 400 total kids—it was consolidated district—so it was fairly large, but it was still not by any city standards, but it was fairly large for what it was. Our ag class was twenty or thirty kids, which was a pretty good sized class, and most of those were farmers.

Today, you get the same kind of class size, but I'd say only two or three of those are going to be farmers today. Most of them are city kids interested in horticulture, other nontraditional ag occupations. And I'm in no way belittling them, I'm just trying to say that's kind of what's happened. The rural population has really dwindled as far as the number of kids who are really... And the number of farmers has declined, and you see that reflected today. So it was a much different world when I was going to school than it is today.

DePue: And we're talking about the seventies, even.

Hughes: Yeah. It was...

DePue: When did you graduate?

Hughes: I graduated in 1983 from high school, so this was 1979-1983 I was high school, and yes, that was the time period. It was right after the big grain revolution we had of the seventies and right before the big downturn of the eighties.

DePue: When you say "grain revolution," what do you mean?

Hughes: Oh, with all the Russian buildup. They started buying all our grain in the seventies, and we had the big land price increases. The grain prices—the soybeans went up into the teens—and that was when Earl Butz came out and said, "Plant fencerow to fencerow." And then of course, it all came to a crashing halt when Jimmy Carter put the grain embargo on, and then we led into the eighties.

DePue: But this is the same timeframe, when the market kind of takes a dive, that you're making decisions about what you want to do for the rest of your life. So in high school, what did you want to do with your life?

Hughes: Well, I had grown up on this farm. Both my grandparents had been farmers, and much of my family had been farmers. My dad had an off-the-farm job, but he still was interested in the farm. I had every intention to come back and expand the operation, and really, most of my courses were focused on that.

DePue: In high school?

- Hughes: In high school even. I took a lot of mechanic classes, and our agriculture classes offered a lot of vocational skills like welding and such. I was always getting all the math and science I could fit on top of that, but I always put a little more priority on the vocational skills. And of course, I was a pretty good student—I was valedictorian of my class—and people kind of recognized that pretty quick and started trying to steer me down a different path. (laughter)
- DePue: Well, what path were they trying to kind of suggest you should take with your life?
- Hughes: Well, they recognized things in me I hadn't seen yet. So by the time I got later in my high school career, I'd started putting more focus on the academics. I'd kind of decided I'd really need to pursue this academic thing a little bit more before I came back to farming, but still had in the back of my mind that's where I was going to ultimately end up, and I think I kind of made that happen. But yeah, I had every intention in high school, though. I really wanted to farm, and that's really all I ever knew, growing up.
- DePue: What you just said, it sounds like some people were almost discouraging you from going through that path, or was it more just encouraging you to go to college?
- Hughes: Well, it's the same mentality today. I don't know that you'd call it discouragement as much as encouraging and make sure you keep your options open. And you know, we do that with our children today, too. I'm not going to dictate what they want to do, and I'm glad nobody dictated what I should be doing. I had my ideas, and they were just trying to say "keep your options open." They started seeing talents and skills in me that I could go a lot of other places than just back to the farm at that time. (laughter)
- DePue: Well, you strike me as a pretty modest guy, but I'm going to put you on the spot. What things were they seeing in you that they were wanting to have the opportunity to develop more fully, and who are the people we're talking about?
- Hughes: Well, you know, my parents were always very supportive and let me take whatever path I wanted. They were always there for me, and they sacrificed a lot so we could do whatever we needed to do. But I had a few teachers in high school that ultimately grabbed me and said, "You know, you're a good academic student and got a lot of—" I had already been exhibiting a lot of good leadership skills, and it was just a lot of reasons I needed to continue my math and science and economic focus is where I ultimately ended up. And ultimately, the leadership skills and things that... If I would have went straight back to the farm, I probably would have missed out on a lot of opportunities. By going out and exploring these other avenues, I was able to learn so much more about the world, so much more about the rest of how the industry works

and how it all comes together, and today, I'm much more suited to take on the challenges I see coming here.

DePue: Where did you go to college?

Hughes: University of Illinois, Champaign-Urbana.

DePue: Why there?

Hughes: (laughter) Well...

DePue: What was your major?

Hughes: I started off in the College of Agriculture, and my major was animal science for my bachelor's degree. I really started off in there, again, because of my love for the beef cattle and that occupation there. And ultimately I got a scholarship that was good at the University of Illinois, so I kind of took advantage of that, and that led me into the animal science arena there as well. As I got into that program, I quickly found that most of the people in that program were pretty much focused on veterinary medicine, and I was again pretty unique in that I was really more focused on production. I really still had the intention at that time I was going to learn all I could at college and take it back and apply it on the farm. And that's really where my focus was—real-life production agriculture, and economics, and things like that. I wanted to know all I could about feeding cattle and things like that, but I wasn't so much interested in the medicine part of it that you get into.

DePue: Right. I didn't hear you say much about the grain side of the business, either. Were you less interested in that?

Hughes: No, I was very interested in that as well, but the grain side was a little less complex to me; at the time, it was more simplistic. As a farmer, I just thought, go out, you plant it, you have agronomists to kind of help you through it, but you plant the crops, they kind of take care of themselves, and then you harvest it. The cattle was always a challenge growing up to me because you could feed them different, you could do different things, treat them... I could see things I did to them that made a real effect, and I didn't understand it. I didn't quite see that on the crop side at that time. Again, I was more focused growing up on the cattle, I guess. So I was more interested in learning how I could do a better job raising cattle and livestock.

DePue: Let's get you up to your junior and senior year in college, and I want to know what your thoughts at that time are—what you're going to do with your life.

Hughes: Well, there again, I'd pretty much figured out by that time—I transitioned most my classes to the ag economics department. I was taking a lot of finance and economics and marketing, and I was taking a lot of the nutritional classes I needed—I thought was going to be for breeding and such. I kind of

identified an opportunity maybe to go out west and work on a cattle operation for a while, and I thought the feed lots out there looked kind of appealing. So I started exploring that. So that, at one point, became a goal. There again, I started excelling, and again, I graduated pretty much top in my class over there, and... (laughter)

DePue: So you had professors who were taking you under their wing?

Hughes: Yeah. It's kind of hard for me to talk about some of these things, because I don't usually brag like this, but... (laughter)

DePue: It's okay. We need to understand how somebody like yourself, who obviously has a lot of talent, ends up doing what you're doing today, and what it takes to be successful doing that. So this is important.

Hughes: So again, I had some professors intervene and realize how much talent I had, and then ultimately had a professor in the marketing department that identified me and took me under his wing. We did an undergraduate research project, and he really started to steer me toward graduate college. And that's where I ended up, then. I ended up staying on for another two years and getting a master's in ag economics working for this professor, and kind of focused on the livestock marketing aspect of it. Again, even expanding more into decision-making theories and trying to use more technology in that arena. So ultimately, I guess, that's where I ended up. After I left the university, what I kind of had was a real strong animal science, production, economics background, and then really specializing more in the marketing and technology arena to kind of expand there.

DePue: When did you graduate from college?

Hughes: Well, I got my BS in 1987, and then I got a master's in 1989.

DePue: What was the project that you worked on for your master's thesis?

Hughes: My master's thesis—I actually could have completed my master's a lot quicker, but I ended up taking a job as kind of an ongoing internship as I was doing this, so that kind of extended things. That was also very valuable, to work for a local consulting firm. But they were doing a lot of consulting work on like models that help... For example, one of the big clients was a farm credit service, and they would go and train their loan officers how to evaluate financial statements, and they would create computer models to help them do that. And that kind of intrigued me, but that's what my thesis ultimately ended up being, was decision support systems. I really focused on how do you use—at that time, it was really basic stuff, Lotus 1-2-3—how to program Lotus spreadsheets. And at that time, that was a very powerful instrument, you know, and you can see where we've come from there.

But I was kind of focused on how you could use those kind of tools to build what-if scenarios, to spread some of the basic handwritten things we had done at that time, and explored some of the theories that go into that and how you can better use those in decision making. So that's what my thesis became, was decision support systems. And then I was able to use that to help—to work and expand that in the area of the research that I eventually got into.

DePue: Your career goals, by the time you're finishing up your master's thesis, though, had they evolved away from going back to farming towards something else?

Hughes: Well, by the time I got into graduate school, then the farming kept getting put further back and further back, and I still had the desire ultimately to get back. At that time, though, I think I kind of reserved that I was going to probably end up working for a few years in the industry and then seeing where it led to. But ultimately, I was still hoping to get back to the farm at some point. I just didn't know what capacity it would be at that...

DePue: So what was the job, coming out of graduate school?

Hughes: Well, my first job out of graduate school then was, I moved to St. Louis and worked for Doane(??) Marketing Research. They're a firm that specializes in agricultural research. They're the people that a lot of farmers are going to—or even city people will appreciate this. You know, you get those telemarketers calling up asking you survey questions; but they focus on the agriculture: they focus on calling farmers, and sending out surveys, and asking them what brands of corn they plant, and what kind of feed they use for their livestock and things like that.

So that was my first job, was a project director for Doane(??) Market Research, which means I worked with clients to help develop a study that would address a specific question they had. Ultimately, I ended up taking charge of one of the bigger projects, which was called their seed study, which answered the question of what brands farmers do use and what's the market share of all the brands. Then that was a study we would sell to most of the major seed companies. My job was basically to develop the questionnaire and design it so that farmers would understand it, and to teach the interviewers how to ask the questions properly, and then to collect the data. Then my next job was to take that data and make sure it was valid, and turn it into results that my client could use, and then to present those results to my client, and then to help him use it.

DePue: Did you find that to be an interesting and challenging job?

Hughes: Yeah, it was very interesting, because I got to really relate to a lot of farmers. I was a unique individual at that time because I was working in a corporate environment, coming straight from a farm. You know, I was almost a farmer

working in a corporate environment, and I could really relate to what they needed. And I was working alongside computer programmers that had no concept of what agriculture was; worked aside university professors that had not even grown up on a farm. So they were always leaning on me to get the production, practical aspect of it. But the same token, I was a classically trained economist at this point. I understood statistics and how to program statistics and do all that. So I was really an integral go-between who really could explain things from the farmer level but also could understand it from the academic standpoint at this point. So I became a pretty unique commodity. I'm the kind of individual that as long as I can see I'm in a unique position, I'm providing some value that nobody else can, I'm excited. (laughter)

DePue: Well, this is also an important part of your life, because I think you met your wife around this time, or at least you got married during this timeframe.

Hughes: Actually, we met in college. We were both in college the same time, and I met her as a freshman, and...

DePue: Let's get the name out there so we know who we're talking about.

Hughes: My wife Connie, Connie Schneider. We met really about the first day I got to college, really, and didn't date right away. But later on in the semester we started dating, and we really dated throughout college. Then marriage was kind of inevitable at some point, but it kept getting pushed off for my academic pursuits at that time, and then once I finally got to St. Louis, we decided that the time was right. She had graduated and went on to a job working for commodity analysts over in Morton. So she had been working there for about a year about the time I moved to St. Louis, and we decided we're going ahead and getting married. So then I moved her down to St. Louis. And ultimately, I guess that's the reason we ended up back here, because when I drug her away from her job in Morton, the St. Louis economy at that time was a little more depressed, and jobs were a little more scarce. She ultimately found a job, but not the one she really wanted. At the same time, her father was expanding this operation and had need for somebody to come back, and so she was actually the one that drug me back here and started farming with her father. I was able to get a job for Growmark, which is positioned right in Bloomington. We're just fifteen miles south of Bloomington here, so it was an ideal position. I could work at Growmark in the same capacity I was doing for Doane.

DePue: We should identify where "here" is.

Hughes: Oh, I'm sorry. Yeah. Right now, this farm is located near Shirley, Illinois, about fifteen miles south of Bloomington, right off of I-55. We're in Funks Grove Township, is where the bulk of the operation is located, and has a lot of history there that we could talk about forever, but (laughter) that's been unique.

- DePue: One of my favorite names from Illinois—Funks Grove.
- Hughes: Yes, but they're an important figure for Illinois history, and a lot of people will recognize that.
- DePue: And what's Connie's connection with this land?
- Hughes: Well, this particular land was... Her father had started the operation and moved from—actually, he grew up and has a long history himself on that side, in the Minonk area, which is up north of Bloomington. But after he got old enough and decided he was going to go off and farm on his own, he came down here and started this operation. He moved his family down here in 1972, and Connie was in second grade about that time, so she grew up right here.
- DePue: She grew up in the farmhouse right next to us.
- Hughes: Right, yeah. Right here where we're living today.
- DePue: Did her father own this land?
- Hughes: No, her father never owned anything. I think he owned forty acres at one time, and then he sold that. But he basically started and was just a tenant farmer, crop share farmer, however you want to put it. His focus—and our philosophy still is—he was going to put his time and resources in equipment, and then let somebody else take care of the ownership of the land, and really specialize in what he can do.
- DePue: But it strikes me, though, that there was a strong connection to the land, or else Connie wouldn't have come back here, and you wouldn't have followed her here.
- Hughes: Well, he was able to start this operation, and it... You know, tenant farming is its own unique thing. I mean, you don't just go out and buy a piece of land and buy it. It's pretty easy—not easy—but it's relatively easy to go out, and somebody puts a piece of land up for sale, and you go buy it, and you start farming it. You own it, and you make all the decisions. As a tenant farmer, you know, you've got to go out and solicit a landowner to let you farm for him, essentially. It's like a job interview, I guess, in a lot of ways. And you have to do that...

And then we have six landlords, so you know, you don't just do it one time. You have to get a big enough pool in the same area. Well, at that time, we were focusing on the same area; now we're getting more spread out. But you're trying to get a big enough pool of land in the same area, to get enough landowners to let you do that. So it's much more challenging to put that operation together, and then holding it together is even more challenging. But he was able to put together a pretty good base, and he built that to the size where he was needing a little help. He was getting ready to retire and

transition out as well. So it was a good opportunity for her to come back and an opportunity for us to move into an existing operation and transition into it.

DePue: How many acres did he have at that time?

Hughes: When he started here, he started with 1,200 acres, and he grew that to about 2,000. And then when we came back, we got that up to about 2,500 at one point, and then over the course of the years, we've lost a little land to the Bloomington development. They planted houses instead of corn. So we lost a farm there. You always give and take a little bit here and there. Then ultimately he decides he wanted to retire, so then that was another—we lose that labor, so we're just holding on to what we had. Building back up to maintain what we had took some time, and now we're starting to grow again. So.

DePue: And what's the size of the operation today?

Hughes: Today we've built it back up to about 2,200 acres, and probably next year, we're going to be around 2,500 acres.

DePue: We kind of skipped over one part of this. You were at Doane Marketing in St. Louis, and then you came up to Bloomington.

Hughes: Yeah. So we had an opportunity. I was working for Doane Marketing Research down in St. Louis, and I took my wife down there. And she had an opportunity to come back here and work for her father, and then I found the job at Growmark doing essentially the same thing I was doing for Doane, but again, now working for a traditional agricultural distributor; of course, Growmark is the distributor for FS. But I was able to work in their marketing research department, and actually, that was even another additional challenge, because now I was actually working for one of my clients and doing some primary research that needed to be done, but also taking other research and helping make decisions that would be ultimately implemented in the company, and work with other people there as well. So I had an opportunity to start working for them, and it was an ideal place to be, because I could work my—what were they working then?—8:00 to 4:00 day. (laughter) Eight a.m. to 4:00 p.m. You know, I'd go in five days a week at Growmark, and then every night, I'd come home and help out whatever was needed done here on the farm, and have my weekends to work here. Of course Connie was here full time. And then ultimately, by 1997, I'd become more and more involved, and Terry was wanting to transition out. It'd just become—the demands were too great—and we finally made the decision it was a good time. We just came back, and I've been farming here full time ever since.

DePue: Terry is Connie's father, then?

Hughes: Right, right.

DePue: Well, tell me a little bit about the nature of the partnership that you and Connie have in managing this land.

Hughes: Oh. (laughter) In terms of –I mean, she’s my wife –and I do what she tells me to do. (laughter) No, that’s a unique challenge, that really is. We have a pretty good—I think it’s really strong—relationship, but at the same token, it’s a burden at times. It really taxes you to try to work with each other on a day-in, day-out basis—making financial decisions, and the risks and things that go with farming –and you’re both in the same boat. We don’t have the off-farm income or the benefits that a lot of couples around here have, and we put all our eggs in one basket in some respects. So that makes a challenge –but , but the same token, I don’t know –I wouldn’t give it up for anything. To be able to work with my wife and be with her all the time, and all the time we get to spend with my kids. We’re both together, and we have a lot of flexibility to raise our kids the way we want to be raised, and we don’t have to let other people raise them for us.

DePue: How many children do you have?

Hughes: I have two children. I have a boy, Thaddeus, that’s eleven, and a girl, Marissa, that’s six. Thaddeus is in sixth grade, and Marissa started kindergarten this year, so.

DePue: What do you see as the future for them?

Hughes: Well, I think Thaddeus is taking after both his parents. It’s pretty obvious he’s going to be smart; he excels in math and science, and he’s constantly building things. I think he’s going to probably be an engineer.

DePue: You think that he would have an interest or a love for farming

Hughes: Yeah, you know what? I actually see that more in my daughter. I think she’s going to be a little farmer. (laughter) But that’s yet to be seen.

DePue: Well, how old will Thaddeus be when he starts driving some farm machinery for you?

Hughes: (laughter) Well... Don’t usually get to talk a lot about my family for some reason. I always talk about them with my friends and such, but never on camera. But that’s been a real challenge. You know, when I was a kid, I was driving the tractor when I was five years old, and I was probably operating a combine when I was eleven. I was doing a lot of things that probably people today would have come in and probably took me away from my parents. (laughter) But I wasn’t at all out of the ordinary, and that’s kind of the way farm life was. Today, I’ve been struggling on figuring out how to... We’ve finally got Thaddeus starting mowing grass, and I’m thinking still today, I probably could get in trouble for that. If I hired a kid to do that, I can’t do that. But we watch him, and we supervise a lot of things.

There's just a lot of things he can't do with the equipment the way it is, and I wouldn't let him do it. The equipment I have today is nothing like what I grew up with. It's bigger, it's more sophisticated, and he just –I wouldn't be suited to operate it at his age. So things are a lot different. It's been a lot more challenging to expose him to the agriculture I grew up with, and even trying to get him to do the chores. You know, we've become more specialized in grain production and don't have that livestock around to make him have that work ethic, but we look for the opportunities. We have pets, and Connie still has horses, so there's some responsibility for him. But that's been a struggle.

DePue: I did want to ask about the decision to get away from the livestock side of the business and concentrate on the grain. What was involved with that decision process?

Hughes: Well, actually, by moving back here... The livestock really left McLean County, probably in the seventies—maybe even back to the sixties it had started leaving. We talked earlier about the revolution we had in the seventies, and when grain prices shot up the way they did... McLean County has always been viewed as some of the best soil and climate in the world, and the land was just so valuable, they couldn't afford to have livestock anymore, and they turned all the feedlots and all the pasture into cropland. The livestock kind of really exited the county and really have never come back to the extent they existed before. They're coming back in a different form. Basically what happened is this area was one of the first to really start specializing. And that's what happened: we specialized in corn and soybean production in this county. Even today, most of your operations have moved in that direction. If you're in livestock, you specialize in livestock; that's your primary focus. If you're not in livestock, then you're probably focusing in crops, which is corn and soybeans in this area. It's pretty rare to have a real diverse operation. They do exist, but it's very rare to have that real diverse operation like I grew up with.

DePue: I would expect another difference is the nature of the crop rotation that you've got here versus what you experienced growing up. Can you talk about that a little bit?

Hughes: Well, the crop rotation is still fairly similar. Litchfield's 100 miles south of here, and the climate's just a little bit different; we grew a lot of wheat in the rotation. So we were doing corn, soybeans and wheat. And, of course, with livestock, we had some hay in the rotation as well. Sometimes the wheat was there more for the straw and as a cover crop for the hay, so again, back to livestock. But moving back up here, it was pretty much strictly... We've tried wheat in there; it just doesn't do very well. It's a little bit more tough crop to manage in this area, and the corn and soybeans just—full season corn, full season soybeans –just do so much better than some of the double-cropping we could do down south. So really, around here it's all about corn and soybeans.

DePue: But in the old days, you would want to rotate the crops so you could get the nitrogen back in the soil. Is that not necessary anymore?

Hughes: Right. And we still do rely heavily on rotation, but probably less for the fertility and more for some of the disease aspects, particularly in soybeans. We really shy away from continuous soybean production because we have some disease and pest pressures that fight with corn. Corn's a little different animal, though; we can do continuous corn without too many problems.

But yeah, you're right. In the past, we would grow a lot of crops, and then the last hay crop might get plowed under to make green manure, because we didn't have the knowledge we do about agronomics today, or the chemicals and the fertilizers and things back then. But over the years, we've learned that we can use commercial fertilizers and chemicals and things to take the place of a lot of things we were doing for fowl(??) operations before.

And we found other production practices. We're pretty much 100 percent no-till, for example, and we're actually building our soil till and actually improving our soil versus what it was years ago by using different tillage methods and focusing on better crop production methods. We can do as good or better a job than we ever have before, because of advances in technology.

DePue: Okay. I wanted to come back to this issue about renting versus ownership. I mean, most Americans think of the family farm—the classic American family farm—is that you're owning the land. And I'm sure most Americans driving by this operation here would jump to the conclusion that you're a farmer that owns the land. So tell me about that relationship of renting versus owning and what the implications for us are.

Hughes: That's true. Historically, you can go back to the 1860s when—I think the 1860s—when the Homestead Act started, and you'd come, you'd settle, and you'd get 160 acres. The government gave it to you, and you grew it from there, and then all you had to worry about was getting the equipment. You owned the land. But then at some point, the land became more valuable and the equipment became more valuable. The tractor was invented, and we found out we could farm a lot more land with one person than we ever could before. One thing led to another, and ultimately, we got to today, where the equipment lets us farm far more than we ever could before, but the land is also worth a lot more.

So what we have is equipment that takes a lot of capital to own it, we have land that takes a lot of capital to own it, and we have an individual that doesn't have the resources to meet both of them. So you have to make a decision: you're either going to be a landowner and hire somebody to farm it for you, or you're going to be the farmer that owns the equipment and finds somebody to own the land and then share it. Or you have to settle for somewhere in between and then try to sacrifice on one or the other. People

have found ways to put this all together and be very successful at it on any terms, but I think what's happened, the predominant path has been, we see outside investors—people from Wall Street, for example—that want to own land, and have a lot of money they made somewhere else and want land as a safe investment, for example. And they'll invest in land and tie up their capital there for a small return, but hoping for appreciation in land values and things like that. So they're very happy owning the land. And then we have farmers over here that have the skill and technology available that can do a great job farming that land for them, but they have their own capital tied up in all this equipment. And so they focus their efforts and knowledge and skill base on owning that equipment, doing the best job they can, and managing the land, and then finding these other people to own the land, and then they'll share.

They'll either pay a cash stipend to farm the land for the owner; we have some of those. We also have some where we just physically share everything fifty-fifty: the landlord pays half the expenses and we pay half, and we get half the crop and they get half in turn, and we supply the labor and equipment, and they supply the land. And it works out very well; it's a win-win for everyone. We're able to take advantage of the better equipment, get it over more acres. It's like a big partnership, and it works very well. It's been great through the years, and it's for the most part working. But you can see some signs where you get into trouble with that, and that is where—it works fine in a fifty-fifty, but then you start getting competition, and the farmer starts losing a little bit here, or the landlord loses a bit here, so then, you know, their greed sometimes enters into it. If the landowner wants more or the farmer needs more, or things happen, and it's a little bit out of your control at times.

DePue: Can you talk a little bit more of the dynamics of basically cash rent versus sharecropping rent. In part, I hear the term “sharecropping” and I jump to this image that Americans have about sharecroppers: it's somebody down in the south, and he's barely scraping a living through.

Hughes: Yeah. Well ultimately, it doesn't matter. There's different types of partnerships out here. You can call them crop shares, which basically mean we're kind of in this together: we share the risk equally. If the landowner's going to pay for half the expenses, like I said, and I'm going to pay for half, I'm going to get half the crop and he's going to get half the crop. So if it's a good crop, we both are rewarded; if it's a bad crop, we both share in the risk. And you know, we're kind of in it together.

The other arrangement is more of a cash rent, where I try to budget out what I think I can make on this land, and I say, “Well, I can give you this much guaranteed—I'll give you \$200 an acre guaranteed,” and I give that to you upfront, and then everything's on me. So I give the landlord his \$200 ; he has no risk in it anymore, and that's what his return is. And then it's all up to

me to make enough to cover that \$200 and hopefully more. But a lot more risk on me at that point.

DePue: Which do you prefer?

Hughes: Again, we have a little bit of both, and that gets back to why we have corn and soybeans, too. We're kind of diverse. We try to spread our risk and not put it all in one basket that way. But the crop shares is probably the most fairest way because you're both sharing the risk—you're both supplying something valuable to the equation, and you're both getting rewards from it. The cash rent is a little more risky, like I said, but usually with risk comes greater reward. So if you can negotiate a fair cash rent, you have the opportunity in a good year to really reap a lot of rewards. But if you face a drought, or a bad year, or prices turn against you, then you have the opportunity to lose more than you would, too, so.

DePue: In these equations, how is the decision of when to sell your grain factor into it?

Hughes: Oh. (laughter) Well, ultimately...

DePue: Is it your decision, or is it the owner's decision, first of all?

Hughes: Well, in a crop share agreement, we both have our own grain; we both sell our own grain. On a cash rent, it's all me, so it's all my decision. But my grain is all my decision, and I use a variety of sources to make that decision. We pay a fee to a consultant to try to give us ongoing market advice, but ultimately it comes back to me doing a lot of budgeting, knowing what my costs of production are, and knowing what price I have to have. So that becomes my floor. I know I have to have this to cover my costs and expenses and such, and then secondly it comes back to my advisor, who's telling me, you know, this is where prices could go. So we start making incremental sales. We'll sell a percentage as it goes up, all the time making sure we cover our costs, but then hoping to get a little bit more on top of that.

DePue: Now, later today, we're going to go watch you harvest some soybeans. Let's put a face, if you will, to that marketing decision. What's going to happen with that grain? And let's assume that you have control over that.

Hughes: Right, right. The grain that I'm going to sell, a lot of it's been priced already. We're pricing this grain before we ever even know we're going to grow it.

DePue: When you say "price," you've already sold it?

Hughes: Sold. It's sold; it's under contract.

DePue: So you were able to sell some of this grain when the market was high in July?

- Hughes: (laughter) Yeah, a little bit. Probably not enough at this point. But farmers are eternal optimists; we know it's all going back to \$20 again somewhere, so... (laughter) But no, we are. I mean, there's logical reasons to think it will come back to some extent—probably not as high as it was. But we know we're not going to make sales today, because we know we're probably at the low of the market. So we're not making any sales today.
- DePue: And what's the market today?
- Hughes: Oh, today we're maybe \$9 a bushel? I haven't checked. But we were, at one time, \$17 a bushel.
- DePue: I think it's indicative, you're glancing over at your computer—which is just at the screensaver now—but that's part of the business, isn't it?
- Hughes: Oh yeah, that's... You know, I spend an hour in this office every morning on the Internet: looking at what the markets did overnight, looking at what they're going to possibly do for the day, looking at some advice, reading commentaries. I'll probably spend another hour at night when I come in, before I go in the house, doing the same thing. And then I also carry a PDA with me all day long, making sure I'm up to date on if anything happens to shock the system or something.
- DePue: So you're following the weather, and you're following the market.
- Hughes: Well, we're probably following the weather more than the market when we're harvesting, because our focus is probably a little too much on the production aspect at that time. But yeah, we're trying to keep our eyes on everything, all day long.
- DePue: Do you have the ability to store grain, then, so you can play the market a little bit better?
- Hughes: Yeah. So you know, we start the year—in fact, we're already looking at next year's crop, not just this year's crop—but right now we're looking at next year's crop, and maybe even the '10 crop. So if we see a pricing opportunity... It gets a little scary in the environment we're at because we know the input prices have been going up and up and up, and we don't know if the prices today will cover that. We do know that ultimately, when we get ready to plant this crop, we should have an opportunity to cover our costs after we get them locked in. So we're a little reluctant. But if we see a good price, we'll maybe start making a percentage of our sales just to get something started.

But for the crop we're harvesting today, though, we started a long time ago, but we've really gotten more aggressive after we've had most of our crops lined up, we knew what they were, they were locked in. Then we have a good idea of what we think we can produce in a normal year, and so we'll

start selling a percentage of that crop. We won't sell it all—we won't even sell all of what we think we can grow—we'll just start selling a percentage of that.

So we'll get that locked in as that far, and we might do that through just flat-out signing a contract saying we'll sell it for this price, or we may actually go to the Board of Trade and sell a contract on the Board of Trade, put a traditional hedge on, or buy an option, or something like that. And then, after the crop's harvested, then we know exactly what we have, and then we'll start looking for opportunities to price the rest of the crop. Again, like I said, we're not going to sell it today, because we look at cycles and trends and information, and our advisor is telling us this is probably the bottom of the market, if anything. It might go down from here, but it's certainly going to go up at some point. It might only go up a dollar, or it might only go up fifty cents, but it's going to go up something.

DePue: Is it possible that you can sell more of your future crop than you end up harvesting?

Hughes: Yeah, and that's the risk that we get into. That's why I said we're not going to sell everything we think... We keep historical records, and we know what we've done in the past, and we know what our worst yield's been, and we know what our best yields have been. We're certainly not going to sell our best yield. We may consider selling our worst yield, but most likely, we're probably only going to sell 50 percent of our worst yield until we actually start walking this crop in the summer and we see it's getting better, we'll start making more sales. And when we get closer to harvest, we see an opportunity of selling them... The more certain we have of what we can sell, we'll be more inclined to sell that crop, but we're also at the same time wanting to make sure we get a good price for it. So we'll store this crop in one form or another if we have to; we have a lot of on-farm storage to take care of most of it. But yeah, we'll ultimately store it through the summer and find an opportunity to sell it at some point before next year's harvest comes in.

DePue: We're getting close to the point where we want to head to the field and allow you to actually make a living.

Hughes: Yeah, (laughter) that would be great.

DePue: But I wanted to talk a little bit about the Illinois Soybean Association, and I think that will allow you to talk about the book you have sitting on the desk there, too.

Hughes: Well, (laughter) yes. And that's another challenging opportunity. I talked about the community I grew up in and the class I went to and the world we were in. It was definitely more rural-oriented. I guess if I would have grown up being my age back then, I would have been a middle-aged farmer—no doubt—everybody would have looked at me as a middle-aged farmer. Today,

I'm called a young farmer, and in fact, I am one of the youngest farmers in my area. There's a few younger than me, but not too many; there's certainly a lot older than me. I'm in my early forties right now, and I'm considered a very young farmer. And that's kind of what's happened out here. There's just fewer of us out here, and there's fewer of us out here to represent agriculture. The Illinois Soybean Association is one of the important commodity organizations out there. We have an organization for corn, an organization for soybeans, and one for wheat, and for our livestock industries, and of course, you have the Farm Bureau over all of that. But all those are voices for our policies and our direction of our future. There's less and less farmers out there to fill those roles. And we kind of identified that as important that we do our share to be part of that, and to have our voice heard, and to make sure farmers are getting good representation. So you know, that was one of the decisions we made, which we sacrificed a little time to sit on this board. I ran, and I got elected as a Director on the Illinois Soybean Association Board, and I serve there. I've been on there for about three years now. And among that board, I was elected to the Executive Committee as well, so I served in that capacity and helped guide the organization from that level.

But it gets back to you got to have to have some kind of community sense about yourself. We try to participate in the community as well, but this is just one example specific to agriculture. It's important, because we have to promote our product, and soybeans is a good example. We have a check-off, where every farmer, by law, has to give a portion of his sales to this check-off fund. In the past, that's amounted to about \$12 million that goes in the fund every year that's dedicated for production research and developing new products that are going to ultimately to promote soybeans so that they remain profitable for farming. Well, that money sits in this fund, and it has to be administered by somebody. One of the jobs of the Illinois Soybean Board is to oversee that money and make sure it's invested wisely, so when I sit on that board, that's what I do. And yeah, you mentioned my book.

DePue: Hold that up so we can see the title here.

Hughes: Yeah, *Doing Business in China*. It's just that we are in a global marketplace—good or bad—we produce far more than we can ever use in this country. Even with the advent of biofuels, we still export so much, and we have to deal with the rest of the world.

DePue: What percentage of the soybean crop in the United States do we typically export?

Hughes: Typically, 40 percent of our soybeans is exported as whole soybeans.

DePue: And where is that typically going?

Hughes: One of our biggest buyers is China. And we continue trying to develop those types of markets. We sell a lot to China and Japan and the Philippines, and we're even doing—we don't sell a lot directly to India, but you know, they're big consumers over there, and we try to make sure they use a lot of soybeans—it takes soybeans off the market. So we're doing all those kinds of things. But getting back to the board, that's what our job is, to make sure these monies are getting used effectively.

Of course, one of the things we're trying to do in China is help them develop the aquaculture market. When you talk about aquaculture—that's the actual farming of fish—I'm not talking about wild catch. But aquaculture in China is 70 percent of the world's production; that's where all the fish are being grown. And it's not under the best terms. They've got a lot of improvements they can make; they're not fully using all the technology and things that they could use. But one of the things we've identified is we can incorporate a lot of soybeans in their diets of these fish and help them be better producers of fish, and it's a great market for soybeans. So we've invested a lot of money in aquaculture. So one of my jobs was to go over there and view that research and see how it's going and see if there's anything else we can do for them, and make sure our money's getting invested wisely over there.

DePue: We talked before we started the film here that you actually had the opportunity just recently to go to China. Can you tell us a little bit more about that trip? Who you went with and exactly what it is that you were doing?

Hughes: That's back to this aquaculture, and that was the whole purpose. We went with a group—actually, it was the United Soybean Export Council put the program together—and they invite directors from the different state organizations. I serve on the Illinois state board. And so two of us from the Illinois board went, and two of us from Nebraska and two of us from Kentucky, and that was our contingency. We went over there to represent all of the nationwide soybean producers for the United States, to observe what they were doing and to see how the results were going and get feedback from them on how we can do a better job, and to make sure that our message is getting out properly and that our money is getting spent wisely over there.

So we spent a week in the Philippines looking at what they're doing there, and we spent another week in China seeing how they're doing things there. So we got to learn a lot about the world and how we're doing business. We got to build some relationships. And very important, but as I come back here, I get to talk a lot to other farmers—and when you go over there you talk to a lot of farmers. And when you talk to farmers over there, they've seen the rest of the world; they've been everywhere else, and you can talk to them about different experiences. You come here, you're telling other farmers about the rest of the world; they haven't seen the rest of the world. That, to me, is one of the things we kind of lack in the ag world. We don't see the whole

world yet; we don't appreciate what goes on in different cultures and how to do business. My book, talking about *How to Do Business in China*—it's a different culture –it's a whole different way of doing business in China than it is anywhere else in the world, really.

DePue: Different-better, different-worse? Just different?

Hughes: Just different. Just different. And see, that's a good example. There's no such thing as different-better, different-worse; that's our mentality. I think actually, if you ask most farmers, they would say it's different-worse. Here's one example. If I want to do something, I have to file for a permit and pay a fee to the EPA or whatever to do things like that—you know, the classic example, and not to get too specific. You go over there, and they kind of do that all same thing, but it's kind of all under the table. (laughter) But it's the same thing. It really is. But that's what they grew up with. That's how they know how to do business, and they're comfortable with it over there. And when they're doing business over there, they know that. But that's just one example. That's what I'm saying: we view it as different-worse; they view it as just different.

But really, it goes deeper than that, and that's such a minor thing. When you go over there to do business with China, they're more interested in the relationship and knowing who they're—building that trust. And it comes back to that doing business under the table. Because if they trust you, they know they can trust you under the table or otherwise. If they don't trust you, they just don't do business with you. Here, we look at more the bottom line. We say, "Well, if the numbers make sense, we don't care if we trust you or not." And you can get burnt in the rest of the world with that attitude, and you can get burnt the way China is doing in the rest of the world. It's important to understand both sides.

DePue: Did you see the Chinese and the Filipinos, I guess, as being eager to establish closer business relationships with the United States?

Hughes: Oh, yes. Yeah. I mean, that was very obvious. Everybody wants to do better in this world, and everybody sees, the only way you get better is, it has to be a win-win. And they want to expand; they want to find ways that they can use more of our soybeans. Because that's one of the biggest accomplishments we have in the aquaculture world. We put a lot of demonstration plots in to show them if they adapt these things, they'll make more money. And we've identified, like, a handful of producers to do that, and other producers see that, and it's growing from there.

DePue: So American money being invested in China to establish demonstration plots?

Hughes: Right. We show them how they can use floating fish feed made from soybeans, for example, and how it saves them labor. They grow faster, they're

higher quality, and they ultimately make more money. And we've shown that to them, but until they actually see it, they're so tied to their traditional ways of doing things—which is just throw some manure out into a pond, let the algae grow up, and let the fish feed themselves—and to take two or three years to do what they can do with one year with a much cleaner, more sanitary environment. Until they actually see that, they won't accept it. So that's been very valuable. So they learn this, and once they can see it, they can see, "Oh, there's tremendous value here." And there's nothing bad about the dollar. It shows you where you should be investing your resources. And it's the same over there. When they make money, they're happy, and they know that's the area they need to pursue. And boy, you see that, big time in China and the Philippines, is they all want to get better, and they all want to have a better lifestyle, and they strive for success.

DePue: Well, before we get out in the field, one more question for you to kind of wrap things up. What do you see as the future of agriculture here in Illinois? Where do you see the trend lines headed?

Hughes: Well, I think the most obvious trend is going to be bigger. We see that, and that's what becomes very evident, is that the farms have gotten bigger and bigger and bigger every generation. My grandfather was a big farmer—and I mean, he was considered a big farmer—with 300 acres. That was a big farm back then. You know, 160 acres was the standard, and if you had double that, you were a big farmer. My father-in-law started this operation with 1,200 acres, and he was a big farmer. Connie and I took this over, and we were running it as 2,000 acres, 2,200 acres, and we were a big farmer five years ago, ten years ago. Today, we're just average again. And the big farmers are farming ten, twenty, forty thousand acres.

I think that's the trend we're going to continue to see, and that's what's going to be the real obvious thing from the outside. People looking in are going to see that. What you're not going to see is on the inside, is how it's going to change, is that the farm is going to continue to become more of a business, and that's important. It always has been a business, and it is a business. But I think you're going to see a divide. You're going to see some of the hobby farms continue, the lifestyle farms continue, and those are going to be in existence, but the other end of it is going to be the bigger, more efficient operations are going to prevail, and again, they're going to focus on the equipment. They're going to have the investors for the land and build this big base to work on. What comes with that, though, is back to the downside of farmers not owning the land, which is this serfdom mentality—the feudal system of the medieval times where the king owned all the land, and then you became a serf. Being the tenant owner, you don't have quite the leverage you do as owning the land.

The land is pretty finite; there's only so much land. Ultimately, they're the ones that kind of—that's like the gold: those who have the gold kind of

make the rules? Well, the equipment? You can always make more equipment. Management? That's pretty finite. That's the only thing you have left to hold onto as a tenant farmer, and that's what's going to be their savior, but that's still replaceable as well.

DePue: It sounds like in your heart of hearts, you'd like to be that owner.

Hughes: Well, again, there's good and bad with all of it, and it's always a tradeoff. But that's what we have to be careful of. We've got a delicate balance going on here, and ultimately, the marketplace we live in right now today doesn't allow that. Yeah, ultimately, I wish I did own all the land, but the land values are overinflated to the point that you can't justify it. If they would come back to more like they were back in the sixties, before the first revolution, then it made sense. But they've gotten to the point where you've almost got to pick your path.

DePue: What's an acre of land around here cost, then?

Hughes: Oh, name your price today. I mean, at the peak of the eighties, right before the collapse, you know, we were at \$4,000 was the peak, and then it fell back to about \$2,000 an acre, and it floated in that 2,000 to 3,000 for a long time. Then just here recently, we had a piece of land—probably a little bit more out of the ordinary—it was like \$10,000 an acre. The going rate, I'd say, today is more like \$7,500 an acre. So we're talking about land that's double what we were at the peak of anything in the past. And that's the kind of money we're talking about.

It's hard to have that kind of capital tied up. When you're trying to own an asset you're trying to derive income from—that's your sole reason for owning that asset—it's hard to have that much money tied up in it. If you're trying to own an asset because you think it's an investment, it's going to appreciate—you're speculating on it—well, that's where it's at today. The people who own land today are kind of more speculative and more invested, and that's why they own the land. The equipment's more what I can own and make money from now.

DePue: Do you see these trends as a positive thing?

Hughes: Well, it's a bit disturbing, I would say. No, I wouldn't call it positive, but it's a reality with the government policies we have in place today and where things have been pushed from. It's what's happening. I would certainly like to see things going a different route. Because ultimately, the best care of the land is going to happen when you can have your individual farmers that can—and you know, that individual farmer could easily—with new technology, be this 40,000 acre guy. Today, that's not the case, but someday, that may be the case, and that's fine. But ultimately, when you have one person that can take care of this land and focus on it, you get a lot better results, I think, than when

you turn it into something that's just a routine and just a job for them.
(laughter)

DePue: Okay. Well, the next time we'll see you on film, we'll get to see the exciting stuff of actually harvesting the soybeans. But it's been great talking to you. It has been very enlightening for me, and I'm sure it will be for anybody who has the time to look at this. So thank you very much, Matt.

Hughes: Well, thank you.

(End of Audio File One; Audio File Two begins)

Interview with Matthew Hughes

AIS-V-L-2008-072

Interview # 2: October 22, 2008

Interviewer: Mark DePue

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DePue: This is Mark DePue. I'm again with Matt Hughes. We're standing in front a piece of machinery—a combine—and behind that, of course, is one of your soybean fields. Filming for the Abraham Lincoln Presidential Library, part of our series on agriculture. Spent a lot of time this morning talking to you about a lot of the different aspects, but now it's the important part, the part you wait for all year, the harvesting. But I want to start with you telling us a little bit about the piece of equipment we've got behind us here.

Hughes: Sure, yeah. This is our combine, and of course, we use this for both corn and soybeans; we put different heads on it. What you see right now, it's got the combine and in the back's a big machine there, and then on front of it, we have what we call a platform, and we use that to cut soybeans. It's got a sickle at the bottom that cuts the entire plant off, and the reel pulls it in and takes it through the combine. And what it does is, it threshes the soybean seeds out of the pods, puts them in a tank, and spits everything else—chops it up behind the machine.

DePue: Well, a question that us folks from the city always have to ask: how much did this cost you?

Hughes: (laughter) Well, you're looking at a pretty nice house right there—maybe a couple houses, depending on where you live. This is a medium-sized combine—they make two or three larger than this, and they make a couple smaller. But the combine itself, just what we call the separator, is about \$250,000. Then the head has to be bought separately, and that's about another \$45,000 .

DePue: So this head for soybeans is 45,000?

Hughes: Just the head, yeah.

DePue: And you have a head for corn as well, do you?

Hughes: Right, and then we'd have another head that we'd put on here—looks a little different—to pick corn, and that would be another 45,000, basically.

DePue: So we've got the combine and two heads—we're well over \$300,000

Hughes: Yeah, about \$350,000, with taxes and everything.

DePue: Well, let's talk a little bit about tax policy and depreciation and things like that. How quickly can you depreciate this piece of equipment?

Hughes: Not to get too specific, because taxes aren't my forte, but I know what I have to pay—depending on what other equipment we buy during the year—we can do an accelerated depreciation on some of this, so we could take upwards of \$100,000 right off the top as a part of an accelerated depreciation schedule. But otherwise we would set this up as basically five-year property and depreciate that on a five-year schedule.

DePue: Is that how often you end up trading out combines, is every five years?

Hughes: Typically three to five years is what we'd hope to keep a combine. We'll do that for varying reasons. If we need a larger one, we might do it quicker. If this combine would develop a problem with it, we might do it quicker. If it continues and is trouble-free, we might keep it longer. But we generally like to keep it about three years.

DePue: Are you always purchasing brand-new combines, then?

Hughes: Generally our practice has been to buy new or one-year-old machines. We look for the best value and try to figure out which one is going to make us the most money in the long run. We try to stay away from machines that are used because we don't have the mechanical abilities to maintain them on our own shop. A lot of farmers have that experience, and they'll have that around and

take advantage of that opportunity. But for us, we tend to operate a little bit newer equipment, and also at the same time be able to take advantage of some of the newer technologies that way.

DePue: What would be the typical life expectancy of a combine like this?

Hughes: Oh, a combine like that, if you take good care of it, it could last well beyond ten years. There's combines out here that have been running twenty-five, thirty years. It's all a matter of how much money you want to put in repairs and keep them running.

DePue: Well, the next question then deals with financing. With things going like they are right now, with the economy and the crunch, with Congress just passing a \$700 billion bail-out package and credit being very tight, tell us about what it takes to do that.

Hughes: Well, we have a lot of capital investment, like you said. This is one piece of equipment that's well over a quarter of a million dollars right there, and we have another piece of equipment I have to run alongside of it—that's another couple hundred thousand dollars. And we have other things around here. And then we get to the planting side. So yes, we do have a lot of capital, and we do have needs for financing. We usually work with local banks, and we have Farm Credit available, too, as needed, and things like that for agriculture. But credit for agriculture has been surprisingly forthcoming, and really in general, business credit is not hard to come by. As long as you have a sound business plan and a track record, you can get credit, and that's important. And that's what we have: we have a solid operation, and we've demonstrated we can earn income and repay our debts, so it's not hard. But we still end up having debt, paying interest on that debt, and still have to prove our financial condition with our lender every year. We work closely with him to make sure we're all on the same page there.

DePue: Okay. Let's ride.

Hughes: Great.

(pause in recording)

DePue: Matt, it's when we get up to the cab when you realize just how much technology has revolutionized your business. Tell us a little bit about what you've got in the cab.

Hughes: Well, basically a lot of monitors to help us know what's going on with the combine, know what's going on with the crop out here, and collect data so we can take it back to the office and analyze it later. I guess the first thing everybody catches their attention is our yield monitor. It gives us an on-the-go picture of what's being harvested out there, and what it looks like, and how it's yielding. It's also recording that data, and it's tied into GPS, [global

positioning system] so we know exactly where all the yield is coming from on that field. That's something we'll take back to the office this winter, and evaluate our fields, and look for problems in specific areas, and try to make decisions for the future. Right below that is our navigation system. It's our source of GPS, but it also helps us for fatigue purposes and also for productivity, but it's basically tied into a system that basically steers the combine when we're in soybeans, when we get going here. It helps us keep the head a little bit more efficient, and it also takes a lot of fatigue. As you'll see, it gets very dusty; it's kind of hard to see out here sometimes. It can kind of help avoid some problems in that area, and also, we're in this thing long hours during the day, and anything we can do to...

DePue: You mean the computer is steering more than you are?

Hughes: Well, basically, when we're going straight through the field, there's a lot to watch here, and that's one less things we have to worry about. So yeah, this computer is steering, and we're watching other functions, and making sure the head's feeding right, and doing some other things, and what that entails. Down here is the monitor for the combine itself. It tells me if I've got any excess of losses going out—any losses that aren't being properly separated by the combine. It tells me how different functions on the combine are operating and my settings—I can make a lot of adjustments on the go right here—I could change it. Just about any feature on this combine can be done from sitting right here, and I don't have to get out. I can get them fine-tuned as I'm going through the field, and that's very important to us. This field we're going to harvest is being grown for seed, so quality is very important to us. So we can watch our tank back here and look for splits and things like that, but we can make adjustments to make sure we're getting high-quality seed in our tank and getting that job done. And then the only other little piece of equipment is a radio back here. We have an auger wagon that we'll catch on the go here, and so we can communicate and let everybody know what's going on.

DePue: Heated, air-conditioned—all the comforts of home?

Hughes: Oh yeah. The main thing is, it's airtight. We keep the dust out as much as we can. It still gets in, but... And then we're talking about a lot of window space. So yeah, air conditioning is a must.

DePue: I would assume you can also monitor exactly how full you are and when you need to unload?

Hughes: Yeah, absolutely. We have sensors in the tank that let us know when we get to 70 percent full, and then it lets us know when we are full, and that helps us. We can also see through the window how things are progressing there until it covers up the window.

DePue: Are you able to determine things like moisture content?

Hughes: Yeah. That gets back to the yield monitor. The yield monitor is not only estimating the weight, but it's also collecting the moisture—it runs through a moisture sensor. So we know, basically, exactly how much it's yielding at this given moment and what the moisture is in that area and how crops are going.

DePue: How long would you be operating in a typical day in the harvest season?

Hughes: Well, soybeans is a little bit of an abbreviated harvest day, usually, because we're very weather-dependent. The crop has to be dry. Like, if this was a drizzly day or even a foggy, overcast day, that would delay our harvest start. A day like today where it's very windy and the sun's been out all day, we can basically get started at nine o'clock, eight o'clock in the morning sometimes. Sometimes it's one o'clock in the afternoon before we can get started. And then the same thing happens at night; if we have a fog set in or a dew starts setting in at night, it'll shut us down after dark. So typically seven, maybe eight o'clock at night is starting to be about as long as we can run. But then you get a nice night when the wind's blowing and the humidity's low, we might run 'til midnight. But soybeans are very difficult. It's a lot different than running corn.

DePue: Okay, I think we're ready to see you harvest.

Hughes: Great. (engine starts)

DePue: Okay, we're watching just the beginning of this particular row. You've already made a pass on the other side. Explain to us what we're looking at here.

Hughes: We're just starting in on this field. We took the ends off that end, and now we're starting up the side here—starting to cut our soybeans. Basically right in front of you we've got a thirty-five foot platform, and we're usually harvesting about four and a half miles an hour when things are going right, so we're usually cutting about fifteen to twenty acres an hour.

DePue: How large is this field?

Hughes: This field that you're looking at is eighty acres of soybeans.

DePue: And how long is this particular pass?

Hughes: This is about a half-mile long. So it's about a half-mile long and about a quarter-mile wide.

DePue: Matt, I wanted you to tell us about how many times you're getting into the field here—when you plant in the spring, how many times you come in each year.

Hughes: Actually, the season starts right after we get done harvesting; we'll come in and fertilize for the next year's crop. So it's put some fertilizer down, and then next year...

DePue: Do you disc this as well?

Hughes: No, we wouldn't do any tillage on this in the fall at all. And we're a no-till operation anyway, but probably no one would really touch this too much. All we're going to do is just spread fertilizer on top of the ground, and it will lay there for next year's crop that way.

DePue: Because I'm looking right down this row, and I'm looking at corn stalks, and I would assume corn stalks were last year's crop.

Hughes: Absolutely. This was a corn field last year. We picked the corn, and came in like in November last year, and they spread fertilizer on this, it sat over the winter, and then the following spring we came in. Our first trip would have been with the sprayer to kill the weeds that had grown up over the winter. And then we came in and planted right into the standing corn stalks, just like it looked over there. Then the beans would have grown up, got about six inches tall, and we would have come in and sprayed them again for weeds. Then they would have continued growing, and probably about the end of July, early August, we'd come in and possibly have to treat for insects or some fungus, and now we're into harvest. Soybean's a pretty simple crop, but you've just got to do things at certain times.

DePue: Simple in that it doesn't take as much loving care as corn?

Hughes: Well, a few less steps and a few less... It still takes a lot of management and knowing what to do at the right time, but they're still a pretty forgiving crop. There's a lot of things you can do to make a difference, and there's a lot of things you can do to a bean crop that will make up for your mistakes when you do make a mistake. (laughter)

DePue: One of the things I'm fascinated by is watching the yield go up and down over here on your monitor—sixty-five, sixty-six. So you can determine at any particular point in the field exactly what your yield is?

Hughes: Absolutely. Like I said, we kind of watch that, and we'll kind of learn and see trends as we're harvesting, and that'll kind of stick in our mind. But I really don't start to use that until maybe this winter; I'll take that into the office and really look at it.

DePue: In other words, you can get a read-out of exactly what happened?

Hughes: Yeah, all this information is being stored on a computer card, and then I take that back to the office, download it to my desktop computer, and I have software back there that will help me analyze it.

- DePue: I notice there's also a few weeds in here, as much as you'd like to hope that there are none.
- Hughes: Those are actually nothing. Those are immature soybeans that have just kind of cropped up over the years. But very little weeds out here.
- DePue: I have seen plenty of soybean fields, though, where you see cornstalks that are sticking way up. Does that cause a problem when you come to combine it?
- Hughes: The cornstalks?
- DePue: Yeah.
- Hughes: They can interfere with the cutting action a little bit. For the most part, you see, we're kind of harvesting with them. Some guys like to go across them, but we've found as long as we go with the row, they just fall over and really don't cause any trouble that way.
- DePue: I would think in the case of corn, you have no choice but to go with the rows.
- Hughes: Yeah. Corn is a whole different head, too. With the bean crop, you see, we're cutting it off right at the ground. We're taking the entire plant through the machine. With the corn plant we're just taking the individual rows and stripping the ear off of it. The only thing we take through the combine with the corn is the ear itself.
- DePue: What do you consider a good yield for this ground?
- Hughes: We always hope for sixty bushel beans. Sixty-bushel beans would be a good, average crop for us. Probably our long-term average on this farm would be about fifty-seven bushel.
- DePue: Well, so far, on this row at least, we've been operating between sixty and sixty-five. Okay, saying that, it just popped down to fifty-four, fifty-three.
- Hughes: (laughter) Well, and that's what you'll have. You'll have some areas out here that'll be really good, and then you'll have some draws that will bring it down. Keep in mind, too, that's kind of an instantaneous look. When we get to the end here, we'll see what the real average is, but that's a three-second look at what the yield is right now.
- DePue: The other thing that really surprises me is, on the opposite side of that hedge is a cornfield, and there's not a foot of space between the two.
- Hughes: Well, there's fifteen inches precisely.
- DePue: (laughter) Knew exactly.

Hughes: (laughter) Again, when we plant this—well, even without technology, we're going to plant right up. We don't want to leave a gap. It sounds a little greedy, and it's not. If we were to leave too much of a gap out there, all we're going to have is weeds growing. So we do try to make an effort to make sure there's some kind of growing crop there, to control the weeds there.

DePue: Now, here's another aspect. Out in front of us here is Connie with the auger wagon.

Hughes: Yep. She's waiting for me for two reasons. In a field this long and beans this good, it's probably about all we could do to make one round, so that helps us keep moving without having to run to the end all the time. The other thing is to keep the combine moving, because it takes time to set and dump. So we're going to dump without even stopping here, other than we're going to have to turn around.

DePue: Okay. I know one of the things that we had talked about previously—not today—but you also have a semi that you keep and use that for transporting your grain to market, but also once you get the auger wagon full, is that correct?

Hughes: Exactly. Every farm and every field is a little different arrangement, and we do things a little differently. But this particular field is for seed, and it's going to go in a bin that sits right here in the field, right on the other side of the drive. So all we have to do is, we're just going to pick it up with the auger wagon and drive it over and dump it right in. That wagon is just going to sit there and auger into the bin. Some other farms will have to haul it a distance. Then we'll start using trucks, or if we have to haul it the elevator for some reason, that's when we'll use our semi to get it to the elevator or to another bin site.

DePue: How many bushels can you store on your farm, on your property?

Hughes: We can hold most of our bean crop, which is about, oh, roughly 60,000 bushel, and then about half of our corn crop, which is about 100,000—about 200,000 bushel, I guess.

DePue: In terms of acreage, how much do you have, and how much of that 2,200 acres do you have in soybeans versus corn?

Hughes: This year, we're pretty close to fifty-fifty—54 percent corn and 45 percent beans. So we're about 1,150 acres of corn and 1,050 acres of beans.

DePue: We're about ready, I think, to actually observe the auger in action here—not too far away from that. What's the capacity that this combine can hold?

Hughes: This combine can hold about—oh, about 280 bushels, and that auger wagon right there can hold about 1,100 bushels. So that auger wagon can hold a

semi-load. It takes about five tank loads to fill that auger wagon. We just filled up, and the tank was completely full, and now I'm going to empty it out.
(pause)

DePue: It is impressive to see it from this side of the operation, and you realize just how bountiful this land is. Are you going to have to dry this particular soybean field?

Hughes: Dry it?

DePue: Is that the moisture content it needs to be?

Hughes: Yeah, these beans right now are right at 13 percent, and that's perfect—that's exactly where we want them. We'll start cutting beans when they're about maybe 14.5 percent moisture and put them in a bin and run just a little bit of air through them. It doesn't take much to dry beans. But once they're down to 13 percent, no problem at all, and they'll be fine. It's a little different than corn there again, too.

DePue: How long would you be able to store soybeans once they're in the right condition?

Hughes: Once soybeans are dry and in a bin, I've seen people keep them for three years if they need to. These are all being grown for seed, so they'll be hauled out this winter and taken to the plant and put in a bag and sold to other farmers. But we would typically sell all our beans sometime during the next year, because we have cash flow demands, and that's the purpose we grow them for.

DePue: We had talked about this a little bit earlier, but I wanted to go back to it. You say these beans were being grown for seed. Can you explain exactly what you mean by that?

Hughes: We try to add a little value everywhere we grow beans, and one of our added values is growing seed for a company like Pioneer or Monsanto. So basically they give us parent seed to plant and take care of for them, and we grow it. Then in turn, they'll come pick it up and take it to a plant, and then they'll bag it and sell it to other farmers to plant for commercial soybean production next year.

DePue: I know that you do a little bit of genetic modification. Can you talk about the implications of that?

Hughes: Well, these are Roundup Ready soybeans, so yes, they are genetically modified. They've been pretty much accepted throughout the world. And so they...

DePue: Modified to be pest resistant?

Hughes: Modified to be resistant to herbicide—to specifically Roundup herbicide. And that's one of the reasons you see it's so clean out here, because Roundup's pretty much a very effective, broad spectrum herbicide. We'll keep all the weed pressure down that way, versus some of our older technology, which is more specific and has developed a lot of resistance problems to over the years.

DePue: And there's no problems in marketing that?

Hughes: When it was first introduced there was some issues, but through the years – Roundup technology has been on the market now for twenty years—losing track of my days here—and it's been accepted now and it's been proven, so there's not been too big of an issue. Now, we also do grow some non-GMO [genetically modified organisms] soybeans that is on some other farms. Also looking for a premium there. And there's a market there, where if we could keep them pure and keep the Roundup out of them, they're actually giving us a premium for those.

DePue: What's the reason for that?

Hughes: Well, there's a few buyers out there that still prefer non-GMO soybeans. A lot of it, like Europe and Japan, have markets that prefer those for (unintelligible) or for some infant diets and things like that—for infant soy milk. It's a marketing issue. But people are willing to pay a premium for it. It takes us a little extra work, and it's a little harder to grow, but...

DePue: How do you avoid contamination, if you will, if that's the right term?

Hughes: We have the same issues growing Roundup seed. When we grow this seed, it has to be pure; we can't contaminate it with other varieties. So we take time and effort—it takes a couple of hours between varieties to... We have to take the machine apart to some extent. We have different doors that come off, and then we use a lot of air, blow seed away, blow it out, run the combine a lot, and blow the tanks out. And then when we start a field, we'll actually purge—run some crop through it, auger that out, and keep that separate –before we actually start our actual saving what we're going to put in the bin.

DePue: Well, it looks like we're about at the end of this pass. That should be enough film for us, and then we can talk a little bit about your auger wagon as well. Anything else you'd like to add while we're finishing up?

Hughes: Nope, as you can see, that's what we'll do next. She's stopped and waited. We'll make a round, and she'll catch us on the next pass.

DePue: Okay. (pause) It's all very much a team operation, isn't it?

Hughes: It takes at least two people: you've got to have somebody to harvest it and somebody to haul it away. The soybean crop only making sixty bushels—we are covering a bigger swath—but with corn, you're talking about a crop that's

making 200 bushels an acre. It comes in a lot faster, and it takes more people to haul that away. Soybeans, we can get by with two people, sometimes three if we have to haul it very far. Corn, we will need at least another additional person on top of that.

DePue: Well, thank you for the education, Matt. I think we've got just a few more minutes with you, but it's been fun to ride along with an expert, somebody who's at the pinnacle of your field.

Hughes: (laughter) Wow. That's pretty corny.

DePue: I'm sorry. It's probably going to be hard to live down when other people see this, too.

Hughes: Yeah. (laughter)

DePue: Thanks, Matt.

(pause in recording)

DePue: Matt, could you tell us about the equipment behind you here?

Hughes: This is our auger wagon and our tractor. The tractor in front we use for just about every field operation; the auger wagon is specifically for harvest time basically. Basically this is our tool—probably just about almost as important as that combine—because if that combine is sitting still, we're not getting anything done, and it costs a lot of money to have it sitting still. So this helps keep it moving and accumulates the grain in a large enough quantity to bring it out to the road and fill a truck or whatever we'll hauling away with at the time.

Hughes: Does the depreciation cycle on this work the same way?

DePue: Yeah, basically. Most of our equipment is on that five-year depreciation. This cart that you're looking at right here, again, it's one of the larger carts on the market. It holds just a little bit over a semi-load, and it costs brand new about \$40,000 with the way it's set up there. Then you have to put a tractor on the front of that, and again, that's kind of our main tractor. We use it for planting and all the field operations in between, through harvest. And there's about \$200,000 sitting in the tractor alone.

Hughes: This adds up very quickly. I'm sure...

DePue: Yeah, a quarter million here and a quarter million there, yeah. (laughter)

Hughes: And maintenance isn't cheap either, is it?

DePue: No.

Hughes: So tell us a little bit about the cost production side of this. What does it take to actually make a profit here?

DePue: Well, especially here of late, everybody's seeing the prices go up on the grain side, and certainly what we've been selling has become a lot more valuable. Unfortunately, when we make more money on that side, then it makes more demand for the products it takes to make that higher, so that means our fertilizer costs went up, our seed costs went up, and everything along with it. So our profit margin really didn't change too much. We had a short windfall in there when we make a little bit more than usual. In order to cover our family living needs and our overhead costs and things like that, we need to be making, at minimum, \$50 an acre net. But our goal is always about \$100 to \$150 net, and that gives us enough to cover—after we've paid all our input cost, that's our net—to cover the rest of our overhead and family living expenses, to put our kids through college and things like that.

Hughes: When gas went to \$4 a gallon—and I assume most of this is run off of diesel, which is even more expensive right now, it's come down a little bit from that—but did that really put you in a squeeze?

Hughes: Oh yes. Our major inputs are basically seed, which when you're buying seed that was produced from high-price seed, that means that price went up. Then fertilizers are all derived from petroleum, and those prices went up; they've quadrupled in the last five years. And then you have chemicals, which are derived from petroleum products; they've doubled in the last few years. And then finally got fuel costs, and they've skyrocketed like you said. So yeah, when you add it all up, we went from a crop... Soybeans is a little lower input crop. When you're talking about corn, we have more inputs: we use more nitrogen, the seed costs are more, fertility is more and such. Those costs have really escalated.

Soybeans are a little less intensive, but even so, their costs have doubled. We went from a crop that used to cost us inputs—the basic inputs used to cost us maybe \$50 to \$75 an acre; now we're up closer to \$150, \$200 an acre, and for a crop that's worth more now. But the same token, that's what's happened. It's worth more, and it costs us more to raise. Then you've got to take the overhead costs out of all that—all this equipment to cover all that and the depreciation side, all the other utilities we have to run besides the field operations.

DePue: One advantage of being a tenant instead of an owner, though, is you don't have to pay the taxes on the land.

Hughes: Well, that's true. I don't pay taxes on the land, but I pay taxes on my income, I pay taxes on some of the permanent—like I own some dryers and things on there—so that adds cost. In some case, even with our crop share agreements,

we pay privilege rents to help the landowner offset some of those taxes, too, so we're still sharing in one form or another.

DePue: What's this land being taxed at per acre?

Hughes: We are about—going to talk a little out of school because I'm not real up on it—I think we're around \$25 an acre for most of the agricultural land around here—ballpark.

DePue: Well, in the background, we're watching Connie turn the combine around, I would guess to make another pass.

Hughes: She's going to take the ends off the other row.

DePue: Taking the ends off.

Hughes: Yeah.

DePue: When we were out there, you couldn't help but notice it's a little bit dusty.

Hughes: (laughter) A little bit.

DePue: Back at the end of the cab, but I would assume back in the olden days, they didn't have that advantage.

Hughes: Well, you know, way back, in probably my great-grandfather's day, it was all hand harvested; they would go out and cut it by hand. Well, soybeans weren't even really introduced into this country back when my great-grandfather was around, so they didn't have to deal with the soybean crop. But soybeans are definitely a much more dirty, dusty crop to harvest than corn. When they first started harvesting soybeans, it was all done with either pull-behind combines that were pulled behind an open-cab tractor, or the first combines were open stations—didn't have a cab or windshield or nothing—and they were right there in the dust. So yeah, it's definitely a much better arrangement we have today. (laughter)

DePue: A lot healthier being in that cab.

Hughes: Yes, yeah. You know, the same token, my grandfather, when he was harvesting maybe 100 acres of soybeans, and he would do that for a few days and that was it. But we're harvesting ten, twenty times what he harvested, and we're doing it for longer hours now. The reason we could do that is because of the work environment we've created there. And you just can't—that dust... A lot of the older generations developed a lot of health problems because of that, so we can't survive like that either.

- DePue: Well, you talked about the older generation, so let's talk about the next generation. Giving you the opportunity to pass on some wisdom to somebody who might be considering doing the same kind of thing.
- Hughes: Well, who knows what this farm will look like. I talked about going from open stations to a cab. I imagine the next combine won't have a cab because there won't be anybody sitting in it, I'm sure. The next generation is probably going to be farming from my office up there, and that's going to bring a whole new dynamic to it. That could open the world for anybody that wants to farm. But you know, farming has always been a great lifestyle, and it's always been a great way to live, but it's a business, and you have to know how to run a business to make it profitable, and to feed your family is what it boils down to. So it's not something you should just enter into lightly, but if you've got the right skill set, it's like any other occupation—it could be right for you.
- DePue: Are you optimistic about the future for farming in Illinois?
- Hughes: Yeah, I'm very optimistic about farming. It's was the lifeblood of this country; it made this country what it is, and it's the one thing we can never get rid of entirely. It's changed dramatically over the years. It's always been said, The economy goes the way of agriculture: when agriculture is good, the economy will follow, and everyone will come along. And that's true. When times are tough, the agriculture is usually a good place to be, and when times are good, agriculture usually is always there, too. So there's always good and bad, and you kind of weather through it, but you always end up in a pretty good position. It's a good lifestyle, but it's not for everybody, and it's something that's becoming more about financing and money than it ever was before. But it still gets down to you're working with plants and growing them in the soil.
- DePue: So it takes somebody who's got a degree in ag economics, and all of the technology, and knows a lot about the machinery, and knows a lot about some of these classic subjects of agriculture to make it all work.
- Hughes: Oh, absolutely. Getting back to I talked about when I started working in marketing research. One of the things we could quickly figure out in market research is you can teach people statistics—it's not easy, but you can teach them statistics—but there's something about growing up on a farm. It's hard to instill what that's actually all about. And the same thing about agriculture here. There's a lot of things you can learn in a book, but until you actually experience it there are things you can't know any other way than to do it firsthand. But learn your economics, and learn your management skills and things like that; that's what's invaluable in college. Then the rest of it's just on-the-job learning.

DePue: It's been a real privilege and a pleasure for me to be out here with you today, and to talk about agriculture firsthand with somebody who's been doing it for your entire life. So thank you very much, Matt.

Hughes: Oh, thank you.

(end of interview)