



# FARM CREDIT VOICE BOOK

SHARING YOUR FARM CREDIT STORIES





## TABLE OF CONTENTS

1. Using this book	3
2. We are one Farm Credit	6
3. Defining who we are	8
4. Our guiding principles	17
5. Bringing your Farm Credit story to life	23
6. Sharing our stories with DC audiences	27
7. What to highlight and what to avoid	30
8. Responding to criticisms	34
9. Summary: Message Architecture	52

# 1. USING THIS BOOK



“Our expertise, knowledge, and ability to change with the times sets us apart. We really are the best at what we do”

Farm Credit Executive



## WHAT IS THIS BOOK?

In this important period of change, effectively telling the Farm Credit story remains critically important to retaining and expanding support among key stakeholders. This Voice Book will help us communicate more confidently with key stakeholders about the value Farm Credit brings to rural communities and agriculture across America. The Farm Credit Voice Book is designed to help you articulate the Farm Credit core narrative, show the impact of Farm Credit with positive and engaging stories, and effectively combat criticisms. It's a way to help you tell your story, in your own words.

Think of the Voice Book as a set of tools to help you talk about who we serve, how we serve, and why we serve – in a way that protects our GSE status and allows us to evolve for the future.

Each of our Farm Credit organizations is unique and serves its own community. For some of us, that means working with individual farmers and small communities, just like we have done for 100 years. For others, it means finding ways to support urban agriculture or rural infrastructure. But for all of us, our core mission is the same: to support the vibrancy of rural communities and agriculture across America.

### WHAT THIS IS

a set of tools to help you develop the narrative that explains our mission

### WHAT THIS ISN'T

a redefinition of our Farm Credit mission

We may have different routes to this mission, but everything we do is connected. All of our individual stories should come together in a single, powerful message. And that consistent message gives us the credibility and the freedom to extend the conversation to include local priorities as well as our own experiences. This Voice Book is specifically designed to help us all talk about our mission in ways that protect our freedom to operate and open up more opportunities to tell our amazing stories.



## HOW DO I USE IT?

This book is a high-level, shareable desk resource that we encourage you to keep on hand, for use in both verbal and written communications. It provides the starting point for all of your communications. It is designed to be a framework for communicating that individual organizations can build and expand on over time.

Read through it to understand how and why we arrived at the core narrative. Reference it any time you need to communicate about our mission and purpose. Use it as a guide for how to effectively respond to criticisms. Use it to develop the layers of stories and anecdotes that bring our core narrative to life in communities across America.

This book also includes a one-page Message Architecture which outlines our communication principles in a user-friendly format that can be quickly and easily referenced.

---

### How we got here

The recommendations are drawn from qualitative and quantitative research with Farm Credit executives, employees, directors, and DC policy makers. Messages were tested with rural community leaders and Farm Credit customers in Des Moines, Austin, Sacramento, and Raleigh, and in Washington, DC with Capitol Hill staffers, government employees, and others experienced in DC politics. They were then optimized based on insights and feedback from former elected officials and stakeholders within various Farm Credit partner organizations.

## 2. WE ARE ONE FARM CREDIT



“We need to remember that  
we are one and the same institution.”

Farm Credit Executive



We all know how important it is to keep rural America strong. And a strong Farm Credit is an important part of a healthy rural economy. But not everyone is aware of the value that we bring. Our critics have been working hard to define Farm Credit as no longer relevant and potentially even harmful. What's more, they could succeed if we don't do more to tell – and show – our stories of success and value.

Our story starts with a unified **narrative and message**. Our diversity, and the diversity of the rural communities and agriculture we support, is one of our greatest strengths. But it also has the potential to be a great weakness. When each of us defines Farm Credit as we see ourselves serving our markets, we leave the door open for our critics to take advantage of inconsistent and incomplete delivery of our message.

Our political strength and our ability to protect our GSE status depend upon our ability to deliver **a single, inclusive narrative**. We may be a network of about 80 independently owned and operated organizations across the U.S. and in Puerto Rico, but we are all in this together.

This is not about the success of any individual organization. It's about our ability to work together toward a common purpose. To start from the same foundation. To expand on that foundation with unique and positive stories, anecdotes, and experiences. And to show both our supporters and our critics that Farm Credit remains strong.

# 3. DEFINING WHO WE ARE





Our narrative starts with defining who we are – as Farm Credit, not as individual associations and banks. But what is that single, inclusive narrative? Farm Credit serves agriculture, which means providing financial support to farmers, ranchers, fishermen, loggers, and other agricultural professionals and cooperatives. We also serve rural communities and support rural infrastructure. This breadth of our service means a number of potential articulations could be used to define our core narrative:

POTENTIAL CORE NARRATIVE	WHY IT COULD WORK	WHY IT WON'T WORK
Farm Credit serves agriculture	<i>Fulfills your historic mission, it's how people see FCS today</i>	Doesn't capture the entire system – especially CoBank
Farm Credit serves infrastructure + rural America	<i>Provides a broader definition</i>	Needs a connection to agriculture
Different parts of the System serve different parts of agriculture and rural America	<i>Allows each bank and association to do what it does best</i>	Lacks a common, unifying message

These messages fall short because agriculture and rural communities go hand in hand. We know that agriculture can't thrive without healthy rural communities to sustain it. Both need to be represented in our core narrative.



# THE RIGHT ARTICULATION OF OUR CORE NARRATIVE

Our audiences understand the fundamental connection between rural communities and agriculture. But when we don't tell our story the right way, it can be hard for them to see the link between the farmers we are serving, and everyone and everything else we actually support. Even more, our critics capitalize on this disconnect, driving a wedge between these two intrinsically linked elements of who we are.

For these reasons, we have to tell a single Farm Credit story that ties all of our services, investments, and activities back to one credible, positive goal. Our strongest narrative is one that links agriculture and rural communities together – for **all of us**, not just individual associations or banks.

**Our audiences are open to hearing about how Farm Credit serves both rural communities and agriculture, so our core narrative must:**

✓ **Clearly show our audiences how everything we do is connected**

Each of our individual loans contributes to the sum total of our dedication to achieving our mission. The different elements of our System work together, so the message we deliver should reflect this.

✓ **Subtly suggest guardrails**

Our core narrative should define our scope so that it's credible without limiting our ability to fulfill our mission.



Our core narrative is designed to encompass the entire Farm Credit System and our mission:

Farm Credit supports rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow.

It can be broken down into three parts:



#### LANGUAGE MATTERS:



#### WHAT OUR “SUPPORT” MEANS TO OUR AUDIENCES

Underpinning the entire statement is the verb “**supports**,” which has been carefully chosen. “Supports” illustrates the role we play in helping rural communities and agriculture thrive. It’s inclusive enough that it shows what we do goes beyond just making loans. Our support can extend from providing loans and leases, to financing vital infrastructure and communication services, to offering financial advice and expertise to young and beginning farmers.



## DEFINING WHO WE SUPPORT

When we articulate who we serve the right way, we establish clarity of purpose. Of course, we want to explain who our customers are in a way that encompasses the diverse groups we support. But attempts to list off all these groups are exhausting, both for us and for our audiences. And on top of that, such “laundry lists” feed into critics’ claims that we’re overreaching: it starts to sound like we’re lending to just about everyone!

WHEN WE SAY	OUR AUDIENCES HEAR
Farm Credit serves farmers, ranchers, rural homeowners, aquatic producers, timber harvesters, agribusinesses, and agricultural and rural utility cooperatives...	<i>They’re trying to throw everybody into the mix. Sounds like they’ll lend to just about anyone!</i>

This doesn’t mean we have to put artificial limits on defining who we support. In fact, our audiences actually give us permission to go beyond agriculture. They just need to be able to see how the services and organizations we are funding relate back to agriculture in some way. By leading with rural communities in our core narrative, we help set up our entire mission and purpose while remaining grounded in our core responsibilities.

WHEN WE SAY	OUR AUDIENCES HEAR
Rural communities and agriculture	<i>There’s a lot more to rural America than just agriculture</i>

### LANGUAGE MATTERS:



#### WHY LEAD WITH RURAL COMMUNITIES?

Rural communities are foundational. We start with **rural communities** because our people and institutions are part of rural communities. Rural communities are the places where agriculture thrives. In order for the communities that support agriculture to flourish, they need the same access to resources, like vital infrastructure, that are available in other parts of America.



## DEFINING HOW WE SUPPORT

Research has shown that our audiences already believe in the need for Farm Credit. But we can get in trouble if people think we're exaggerating our role in the agricultural economy. The more we overstate our value, the more skeptical our audiences become. And if we make it seem like farmers couldn't do their jobs without us, then it sounds like we're trying to take credit for their work!

WHEN WE SAY	OUR AUDIENCES HEAR
With Farm Credit, American agriculture can operate and compete	<i>Why is Farm Credit the only way? Why is Farm Credit so crucial?</i>

People generally appreciate a more modest and plausible promise. Overstating our importance underwhelms our audiences. It's more effective to explain what we do in a clear and compelling way than it is to tell audiences how important we are.

That clear explanation starts with a simple commitment. Our customers agree that Farm Credit provides reliable and consistent credit, and we shouldn't run away from that. In fact, our reliability is the reason many of our customers come to Farm Credit in the first place. They know how important consistent credit is, how hard it can be to find, and how volatile the agriculture industry is. So telling audiences that we provide reliable and consistent credit is a credible and reassuring affirmation of our core mission.

### PLAUSIBILITY IS PARAMOUNT

Our communications must be credible; nothing else matters if our audiences don't trust us. That's why our audiences roll their eyes if we say things like, "With Farm Credit, American agriculture can operate and compete." To speak plausibly, we should remember to: acknowledge tradeoffs and flaws, allow room for other perspectives, and avoid extremes.





At the same time, when we think about audiences that don't know us as well, like DC insiders and some members of the financial community, we must stay grounded in Farm Credit's core purpose. When speaking with them, we can credibly share our value without painting Farm Credit as a silver bullet financing solution.

WHEN WE SAY	OUR AUDIENCES HEAR
Reliable and consistent credit and financial services	<i>The reliable source of credit over a consistent period is so important – it's about longevity &amp; relationships</i>

### LANGUAGE MATTERS:



#### RELIABLE AND CONSISTENT: WHY USE BOTH?

It may seem redundant to use both “reliable” and “consistent” credit in our core narrative sentence. But our audience wants to hear both! Alone, neither word provides a full sense of Farm Credit's value. Together, the two words help our audiences see how Farm Credit's historical success and present strength combine to make us a dependable partner.

#### SUPPORTING THE SAME WAY



Farm Credit is a complex network, and each institution within it serves its community in its own unique way. So when someone asks you how we serve, it is tempting to stay focused on your own local, specific experience. But when everyone answers this question with their own experience alone, it's hard for our audience to understand what exactly Farm Credit does as a whole. Instead, start any conversation by defining what we provide as “reliable and consistent credit and financial services.” This gives people a consistent and coherent description of what Farm Credit does. It's also broad enough that you still have room to personalize your message as the conversation continues.



## DEFINING WHY WE SUPPORT

When talking about what motivates us to do the work we do, it's tempting to point to our heritage and our long tradition of service to rural communities. And we're right to be proud of our history. But the sad truth is that our audience today just isn't interested in the past. Referring back to our founding in 1916 or to our track record of 100 years of service is met with shrugs. Our heritage can even work against us, playing into criticisms that Farm Credit is antiquated or in need of reform.

WHEN WE SAY	OUR AUDIENCES HEAR
Congress established the System in 1916	<i>Who cares about 1916, we should have evolved!</i>

When we talk about supporting the future of rural communities and agriculture, our audiences hear a positive promise. They want to know what we're doing today and what we're going to do tomorrow. Focusing on the present and future keeps us relevant. It tells them Farm Credit will continue to be there. It also says that we're prepared to meet change and evolve with the times.

WHEN WE SAY	OUR AUDIENCES HEAR
Today and tomorrow	<i>They're optimistic, and planning for the future of America – it's safeguarding the future</i>



## OUR CORE NARRATIVE, IN A PARAGRAPH

The basic elements of who, how, and why we support give us a strong way to start any conversation about Farm Credit. And they can be expanded when we have more time to share our story. The language below outlines our introductory paragraph. It's a great conversation opener. It aligns the entire System on the same page and paints a coherent, consistent picture of the way Farm Credit operates as a whole. Later in this Voice Book, we'll explain how to add on to this core message, enabling you to talk in more detail about your local situation.

Farm Credit supports rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow. Farm Credit's mission is to help these areas grow and thrive by financing vital infrastructure and communication services, and providing farmers with the capital they need to make their businesses successful. And because a steady flow of credit means more jobs and economic growth, Farm Credit is also helping invest in the vibrancy of communities throughout rural America.

## 4. OUR GUIDING PRINCIPLES



“Farming is about individuals – so you have to give the deal personality. Make it individual, put a face on it.”

Rural Influencer, Des Moines



**TO EFFECTIVELY COMMUNICATE ABOUT WHO WE SUPPORT, WHY WE SUPPORT, AND HOW WE SUPPORT, WE SHOULD KEEP IN MIND OUR THREE GUIDING COMMUNICATION PRINCIPLES:**



**POSITIVE**



**PURPOSE-DRIVEN**



**PERSONAL**





POSITIVE

## 1) POSITIVE

*“When the message doesn’t sink to the level of the people who are attacking them, I feel like they are taking the **moral high ground**, and that makes me feel more positive about Farm Credit.”*

Rural Influencer, Des Moines

The tone of our communications should be positive. Understandably, when we’re criticized, this can be difficult. We may feel like we’re starting from a defensive position.

When our communications are reactive – instead of proactive – they can easily become negative. **Negative** language makes us seem vulnerable and weak. It’s not a blame game. This is especially true when banks challenge our role. It’s much more productive to spend time talking about what we do well and less time talking about what others aren’t doing well. If we focus on arguing or directly disproving criticisms, our supportive audiences and our critics alike will just close their ears. We won’t win anyone over by shouting the loudest.

We should pivot toward **positive statements about our mission and our own Farm Credit experiences**. For example, rather than saying that Congress outlined our specific tax treatment to offset many restrictions placed upon the System in its charter, we should instead talk about how our tax treatment **enables us** to better serve our customers. Simple shifts in our tone can make a big difference.



## PURPOSE-DRIVEN

## 2) PURPOSE-DRIVEN

*“Effective organizations talk about having **a clear purpose** that keeps you focused on what you’re doing.”*

Rural Influencer, Sacramento

Our mission and purpose is our most valuable asset. **We support rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow.** It’s important to continually restate the words that define who we are as an organization.

In particular, our mission is an essential starting point when responding to critics. When we articulate a core narrative that encompasses who we support, why we support them, and how we do it, it becomes difficult for critics to find fault. And even if they do find it, it’s less likely to stick.

Purpose-driven communications help our audiences understand how each transaction, and how our GSE status, supports our mission. Even more, doing so subtly suggests guardrails about what we do without limiting our activities.



## PERSONAL

### 3) PERSONAL

*“I want to know that person knows me and I can rely on them.  
This is our **livelihood.**”*

Rural Influencer (farmer), Des Moines

The personal relationships that we develop with those we support underscore our commitment to our mission. Our service to rural communities and agriculture is our differentiator. Many of us have ties to agriculture, and our experiences help connect us to the people we support. Our messages should reflect the fact that we are a network of cooperatives – not a nameless, faceless corporation. We have local ties and local knowledge.

Our customers deeply value the personal relationships we develop with them. And sharing the good things that come out of these relationships goes a long way with our other audiences. We should proudly emphasize this by telling our stories and anecdotes. Explaining how what we do directly affects the people we support goes a long way toward reminding our audiences why Farm Credit is so important. We’ll go into more detail about how to best share your Farm Credit story in Chapter 5.

#### WE ARE A BORROWER-OWNED COOPERATIVE SYSTEM



Our cooperative structure is a great differentiator and it’s an opportunity for us to showcase the personal connections we have with the people we support. Being “owned by the people we support” is a very powerful message.

#### LANGUAGE MATTERS:



#### COOPERATIVE RETURNS

Audiences like us because of our cooperative structure – it is our differentiator and it exemplifies how we’re a personal organization. Our research showed that audiences gravitated toward the term “cooperative returns” as opposed to patronage. Customers understand the term “patronage,” but not all of our audiences will. So, we should consider using the term “cooperative returns” when discussing the profits that we return to our customers. It’s a great way of showing how our cooperative structure benefits the people that we support.



# COMMUNICATION PRINCIPLES SUMMARY



## POSITIVE

DON'T FIGHT FIRE  
WITH GASOLINE –  
TAKE THE MORAL  
HIGH GROUND  
AND FOCUS ON  
THE GOOD THINGS  
YOU'RE DOING



## PURPOSE-DRIVEN

OUR MISSION AND  
PURPOSE ARE OUR  
HOME BASE – LINK  
EVERYTHING BACK  
TO IT



## PERSONAL

FOCUS ON PEOPLE,  
FAMILIES, AND  
STORIES – SHOW  
HOW YOU HELP  
INDIVIDUALS  
THROUGHOUT  
RURAL AMERICA

## 5. BRINGING YOUR FARM CREDIT STORY TO LIFE





## WE DON'T ALWAYS SHARE OUR STORY...

*“Sometimes, we do a poor job of **telling the agriculture story** and reminding them where the paper on their desk comes from, where their cotton shirts come from.”*

Farm Credit Executive

## BUT WHEN WE DO, THE RESULTS ARE PRETTY SPECTACULAR...

*“People want to make sure that the next generation of their family is involved in the agricultural process. **Those are the stories about the difference we make,** how it’s not only about large producers, but also small producers. I’ve visited with producers that have said, ‘We wouldn’t be here without Farm Credit.’”*

Farm Credit Executive

*We’ve told a lot of people the story of Monogram Meats, from a small town in Minnesota. They now employ 350 people, which is more than the population of the town they’re in. We were able to provide the financing they needed. **Those are the stories that we want to tell.**”*

Farm Credit Executive

We have a recipe for effective communications, but how do we use this to bring our story to life? We know the formula (stick to the core narrative + communication principles), but we can’t just leave it at that. We have so many more great things to say!

We support rural communities and agriculture in amazing ways each and every day. We support the lifeblood of America. We might not even realize the magnitude of all that we do. We should take a step back and consider the tangible results of our hard work and dedication.



When we share meaningful stories with our audiences, they can have a tremendous impact on how we're perceived – and how people remember us. Personal stories can be inherently interesting, if we find the right hook. Keeping in mind the below questions can help us identify ways to talk about the people who are benefiting from our transactions:

- **Linking to rural communities to support our mission**
  - Does the transaction generate jobs?
  - Does it provide necessary infrastructure?
  - Does it add vibrancy by making the community a better place to live?
  
- **Linking to agriculture to support our mission**
  - How has the farmer's business grown and changed since you started to support it?
  - How does this farmer's production help feed the immediate community, or even those around the world?
  
- **Painting a picture to make our role tangible**
  - What compelling facts and figures can you share?
  - Which examples quantify our role?
  
- **Demonstrating our important value**
  - If we weren't there to make the loan, what effect would that have had on the farmer? On agriculture? On the community?
  - How did our agriculture experience and expertise make us particularly well-suited to be the lender?
  - How did we go above-and-beyond to provide services to our customer?

**WATCH OUT!** We can tell compelling stories about how well we support farmers because we're "the best for the job." We are experts, dedicated to rural America and agriculture. We don't want to be perceived as a lender of last resort.



Once you've considered these questions and have begun to develop your story, spend some time thinking about the audience that you'll be delivering it to and how it will be received:

- Is this story broadly applicable?
- Stories are shared again and again – does this story pose a risk of getting distorted or misinterpreted in the process?
- Can this story be explained, by you and by others, clearly and concisely?
- Does this story have emotional appeal and the facts to support the feeling it inspires?
- Does this story promote one organization at the expense of other organizations in the System?
- Does this story both arm supporters with the right information and mitigate risk with detractors?



## 6. SHARING YOUR STORY WITH DC AUDIENCES



“Anecdotes are the lifeblood of politics, so use examples. Examples will stick in my mind.”

Former Elected Official



*“The best thing I can do is bring a box of apples from producers to Washington. We need to give our Senator **some reason to remember us** differently from a banker.”*

Farm Credit Executive

Effectively sharing our Farm Credit story with DC audiences – both in Washington and at home – is especially important. Naturally, many of our conversations inside the Beltway involve defending our mission and purpose because critics are confronting legislators with anti-Farm Credit misinformation.

The good news is that when we go to Washington, there’s a real opportunity for education. We have a chance to show legislators how we help Americans and how we serve a unique and vital role.





When we leave DC, we've only been successful if our stories stick. Will they remember us? A great way to make our mark is by getting personal and telling a specific story that:

1. Highlights our mission and purpose
2. Paints a picture of what we do

Below are a few thought-starters that can be further developed based on your unique role in the Farm Credit System.

- Our employees support their customers by frequently texting them to check in, answer questions, and provide updates.
- Many of our employees are also farmers themselves, spending anywhere from 3-4 hours a day to 3-4 days a week on the farm.
- Our employees do more than just make loans. They have been proactive about reaching out to customers and providing the financial services/guidance to ensure customers can survive through Avian Flu, the floods of 1994, to the drought in California.
- Each Farm Credit institution has unique programs to assist young and beginning farmers. Employees are deeply involved in these programs. Some have been with customers from when they first received 4-H scholarships to when they filled out the paperwork for their first loan.

For more information on sharing our story with DC audiences, please reach out to the Farm Credit Council.

## 7. WHAT TO HIGHLIGHT AND WHAT TO AVOID





When we stick to our narrative and keep our communication principles in mind, we can be confident that we're on the right track. So, with supportive audiences, we can expand the framework by adding details about the benefits that we bring.

## ELEVATING OUR CORE MESSAGE



These supporting messages work because they're all **benefit-oriented** and they adhere to our communication principles. Couching what we do with terms like "helps" and "encourages" shows that we're part of something bigger. We're not the only solution. These messages are positive, align with our purpose, and can be personalized by adding further context. For example:

- Fifty years ago, we made a loan to an Iowa farmer which provided the capital he needed to purchase chicken coops. Today, we're helping his son carry on the family business, which now has become a successful poultry operation.
- Farm Credit provided the necessary capital for a strawberry farmer to market his products at local grocery stores, and expand his business by shipping them around the world.



# AVOIDING POTENTIAL MISSTEPS

On the other hand, there are words and phrases that ultimately distract and detract from what we’re trying to say. Understanding WHY some language does more harm than good for our reputation goes a long way in ensuring our audiences actually hear the messages we intend to deliver.

WHEN WE ALSO TALK ABOUT	OUR AUDIENCES THINK	BECAUSE
Maintaining food security	<i>Really?? You’re keeping food on our tables?</i>	When we say we “ <b>maintain food security</b> ,” we’re overstating our role. We do a lot of good for rural communities and food production, but we’re one piece of the puzzle.
Congress, Congressional mandate	<i>Nothing that comes from Congress can be any good</i>	When we mention <b>Congress</b> , we polarize our audiences. We shift focus away from the good we do and fuel a discussion about whether someone agrees or disagrees with Congress.
Corporations, agribusiness, industry	<i>Sounds too much like big business</i>	We need to continue to present a balanced picture of modern agriculture as involving both large and small farming operations, all served by Farm Credit. Keeping this in mind, we should recognize that <b>corporate</b> language can be viewed negatively by some.
The 2008-09 financial crisis	<i>Why are we still talking about this?</i>	Audiences want to hear about how we’re going to thrive in the future. They tune out when we talk about <b>the past</b> . And when we use negative language, their perception of us becomes negative as well.



## 8. RESPONDING TO CRITICISMS





There are plenty of Farm Credit supporters. Many people understand the value we bring to America and see the need for a strong Farm Credit. That's why it's so important for us to, first and foremost, focus on sharing our positive stories. That being said, we do have persistent critics as well – and their attacks are both creative and professional. When we need to, it's important that we also are able to effectively defend against these criticisms. For example, one prominent DC-based critic describes us as “a sprawling government program that puts the American taxpayer at risk while neglecting the farmers it was created to serve.” We are most often criticized for:

- Competing unfairly with banks and having a preferential tax structure
- Not serving our “mission” as the banks like to define it in terms of serving young, beginning, and small farmers
- Engaging in similar entity transactions
- Being a government-sponsored enterprise

Our critics decontextualize our role, using scare-tactics to misrepresent us to our audiences.

WHEN CRITICS ONLY SAY	OUR AUDIENCES THINK
Farm Credit is a GSE and received a government bailout in 1987	<i>You're getting advantages that you don't need! And...how much did that bailout cost?</i>
Farm Credit uses its preferential tax status to poach loans from community banks	<i>A big government organization is hurting small businesses</i>
Farm Credit makes loans to build golf courses and luxury homes	<i>So then why are you called Farm Credit?</i>
Farm Credit is decreasing its loan volume to small, young, and beginning farmers	<i>If they're not lending to farmers who need it most, then who are they lending to instead?</i>



## CAN WE OVERCOME THE CRITICISMS?

Our critics aren't going to go away. But, we can minimize the effectiveness of their arguments when we understand WHAT the criticisms are, and more importantly, HOW to respond to them. WHEN we choose to respond is also very important. We only need to engage in discussion about our criticisms when prompted. We can effectively express the value Farm Credit brings through our positive stories, rather than actively bring up and respond to criticisms.

When our audiences *do* hear criticisms against us, our GSE status and our tax structure are what stand out the most. Words like “Fannie and Freddie,” “bailouts,” and “taxpayer-funding” signal government spending and taxpayer burden, which naturally make people uneasy. But our research showed that the criticisms that linger the most are the ones that highlight similar entity and infrastructure lending transactions. They have the potential to attract concern and they require more explanation.

*“Farm Credit is designed to provide this credit and they’re a GSE so with that, they get this favorable treatment. It’s just when the **mission creep** starts happening, that’s when people start getting upset.”*

Policy Maker Proxy, DC

When faced with criticisms, it can be all too easy for us to join the food fight and launch back against the bankers, the critics, and the reporters.

Despite these criticisms, we’ve found that audiences are very open to hearing our story when they can understand the link between what we do and how it benefits rural communities and agriculture.

The good news is that we can apply our core narrative and communication principles to our responses. They are the tent poles for overcoming criticisms and putting our best foot forward. Adhering to them can help us transform attacks into opportunities. We can focus our communications on the tremendous value that Farm Credit does bring to rural communities and agriculture. What follows is a guide for responding to criticisms. It includes a one-line quick response that encapsulates the message, a detailed response for when you have more time and space, and tips for how you can expand upon this foundation according to your own role within Farm Credit and your organization’s priorities.



## CRITICISM #1

Farm Credit is making and participating in loans that don't directly involve agriculture

When we heard this, we used to say:

*Some institutions also provide loans, leases, export financing and other financial services to agribusinesses and rural power, water and communications providers nationwide...*

This may be accurate, but when our audiences see such an extensive list, our mission and purpose becomes diluted. Trying to encompass all types of transactions in an attempt to defend what we do ends up sounding vague. And a laundry list of transactions leads to questions and skepticism.

### WHAT IS A SIMILAR ENTITY TRANSACTION?

Farm Credit is authorized to participate in loans to "similar entities" – parties not directly eligible for Farm Credit loans, but with operations "functionally similar" to the activities of eligible borrowers. For example, Farm Credit can directly lend to a value-added food processing firm owned by a farmer or a farmer cooperative, but can only participate in a loan made by a commercial bank to a non-farmer owned food processing operation.



Other attempts at defending these loans fall flat with our audiences too:

WHEN WE SAY	OUR AUDIENCES HEAR
Similar entity transactions are a small but vital part of our portfolio	<i>If it's a small part, then why are you doing it at all?</i>
We need to do a better job at explaining these loans	<i>True! But sounds like you're making excuses</i>
We can only hold less than 50% of one of these credits...no more than 15% of this business on the books...	<i>Too much information!</i>

The good news is that our audiences generally see the value in these loans when properly explained. However, if communicated the wrong way, there's real potential for backlash.

With similar entity transactions in particular, we need to remember that when it comes to our reputation, we are one Farm Credit. Not all of our associations make similar entity loans. But some do. For that reason alone, we need to all be on the same page. We need to tell the same Farm Credit story.



*“Verizon [failed the smell test] and in my own view, you can’t defend that.”*  
– Farm Credit Executive

VS.

*“Without the Verizons of the world that make infrastructure available, that would limit what we do through agriculture.”*  
– Farm Credit Executive

If we're not on the same page internally, how can we tell a positive story to external audiences?



To ensure that our audiences see the value in these transactions, we need to show how they actually connect and work together. When it comes to similar entity transactions and non-agricultural loans, ask yourself these questions before deciding whether to engage in it:

1. Does the transaction support farmers?
2. Does the transaction benefit rural America?
3. Does the transaction foster rural communities?
4. Does the transaction create jobs in rural areas?

When we're able to provide meaningful answers to them, we can solidify support. We don't have to answer all of these questions for every transaction, but the more we can answer, the less ground critics have to stand on.

### KEEPING THE FARM IN FARM CREDIT

Naturally, discussing traditional farm loans with our audiences is pretty easy; after all, "farm" is in our name. However, it's that very same thing that makes critics gravitate toward our rural infrastructure transactions. One Iowa Rural Influencer told us, "Farm is in their name, so when you go beyond that I can see how there would be a feeding frenzy." This is why it's so important that our communications make it clear that **EVERYTHING** we do reinforces our mission and purpose. For Farm Credit to thrive, we need to show that we support both rural communities and agriculture, separately and together.



# WHY IS FINDING THE LINK TO RURAL COMMUNITIES AND AGRICULTURE SO IMPORTANT?

Our audiences told us – loud and clear – why the link is so important:

*“I just keep finding myself resonating with the mission of Farm Credit. And anytime they are able to take a message and link it back to their mission, I’m able to connect with that more than anything else. More than the technical tax jargon, more than the return attacks back at the bank.”*

Rural Influencer, Des Moines

The research asked our audiences which of the following potential transactions they thought were **unacceptable** for Farm Credit to be making:

	total (n=99)
Funding a home loan for a Chicago-based executive who wants to build a <b>weekend lake house getaway</b> providing a valuable influx of capital to the area.	97%
Financing money for a commercial venture, like a <b>car wash</b> , in a rural area so that more facilities are available to those who live there.	73%
Providing a line of credit to a popular Southern-themed <b>restaurant chain</b> that has many locations in rural areas because it creates jobs and supports communities.	73%
Funding a <b>hunting club</b> in western Pennsylvania because it helps encourage tourism and further investment in the area.	66%
Financing a <b>golf course</b> in South Carolina, which attracts visitors to an area whose economy was otherwise stagnated by a decrease in tobacco crop production.	61%
Participating in a loan with a <b>major internet provider</b> , because it is essential for farmers to have access to high speed internet.	14%
Participating in a loan for a <b>telephone company</b> that mainly serves rural areas and smaller companies.	14%
Financing the construction of <b>new power lines</b> in rural communities so that farmers can power their farms and their homes.	7%



By and large, the transactions deemed most unacceptable were the ones that didn't make a personal connection to rural communities and agriculture.

Our audiences can connect rural infrastructure transactions – for power lines, telecom, and high speed internet – to our mission because they understand the value. They recognize that farmers need infrastructure to efficiently run their businesses. When audiences can't visualize that link, they become wary.



*“Did Farm Credit make the transaction because of smartphones and smart technology to help the farmer be competitive? **Is it linked back to the farmer?**”*

Rural Influencer, Des Moines

With that in mind, **in a line**, we instead say:

***Our mission is to support rural communities and agriculture.***




*When we have more time*, instead we say:

*Rural communities and agriculture are at the heart of what we do. With each loan we make, we're committed to showing how it supports **our purpose**. Whether it's helping a company find the capital to invest in a small rural town's electrical infrastructure, or **modern cellular technology and high speed internet**, our loans help support **rural communities**, and in turn, the agriculture that lives alongside them. Infrastructure and community loans help **fulfill our purpose** because they help these rural communities grow and thrive by **creating new jobs and encouraging long-term investment**. On top of this, these loans help us better support smaller borrowers because they help to diversify our portfolio. They strengthen Farm Credit, making us the reliable source of credit and financial services that rural communities need, today and tomorrow. **Our mission** is to support rural communities and agriculture, and making these loans and providing financial services enables us to do so.*

**TIP:** Your organization may focus more on agriculture and less on infrastructure, but remember that we are ONE Farm Credit. When responding to similar entity criticisms, our unified message is especially important.



## This message...

-  • Emphasizes that our mission is to support rural communities and agriculture and connects back to it throughout.
-  • Focuses on how our rural infrastructure transactions benefit rural communities, helping our audiences see the value Farm Credit provides.
-  • Uses specifics, like high speed internet and modern cellular technology, to show that these transactions have a real impact on peoples' lives throughout rural America.





## WHAT IF WE CAN'T FIND A LINK?

Taken out of context, similar entity loans with less obvious links to rural communities and agriculture might not play so well. So, when the link isn't as clear, the best conversations we can have are ones that show how **portfolio diversification** benefits all of Farm Credit. This isn't a silver bullet solution, but it makes intuitive sense and shows how we're better able to fulfill our mission by diversifying risk.

## WORKING THROUGH THE HARD CASES

Even when a loan appears to be unacceptable, we can still use our consistent narrative and messages to show how it actually benefits rural communities or agriculture. Let's use the potential car wash loan as an example. 73% of those we polled found it unacceptable. People weren't able to understand *how* it **connected** to agriculture and how it helped farmers. Furthermore, being labeled a "commercial venture" – which signaled big business – didn't help.

But that's not the whole story. If we can show how this loan actually provides benefits to people or communities, we can turn those perceptions around. In this case, we can ask:

- Was the loan made to a directly eligible farmer to help diversify his or her own income stream?
- Will the wash make it easier for farmers and others in the community to clean their trucks and other equipment?
- Can we point to other community benefits, like job creation?

Our research showed that simply asking – and answering – these questions can make more transactions more acceptable to our audiences.

There will always be hard cases, but we should be making every effort to show how they tie back to our mission and purpose. And to show skeptics that we are paying attention to the intent and impact of every Farm Credit loan.



## CRITICISM #2

### Farm Credit competes unfairly with banks and has a preferential tax structure

When we heard this, we used to say:

*Farm Credit pays taxes – due to our history and the efficiencies we have created for farmers over the years, we simply pay taxes differently than some other financial institutions.*

*Subchapter S commercial banks generated far more untaxed income than Farm Credit in 2013.*

Positive language is especially important when responding to this criticism. Yes, commercial banks and their supporters are some of our fiercest critics, but we need to take the high ground. While we understand our nuanced relationship with banks, our audiences might not. So, when we fire back at critics, our audiences are left thinking that we don't have a positive story to tell. And language that emphasizes our differences – how we're "not like them" and how we "don't do that" – does more harm than good. In fact, sometimes it can leave our audiences feeling like we receive special treatment.

#### TAXES ON SHORT-TERM LOANS, TAXES ON INTERMEDIATE-TERM LOANS, SUBCHAPTER S, BLAH, BLAH, BLAH



We may be particularly prone to using "inside baseball" language when trying to explain how we're taxed. But just because we understand it, doesn't mean our audiences will. When we mention **Subchapter S** or explain how the loans we make are taxed differently according to their term, most of our audiences tune out. They lose interest. Generally, they simply want to know that **we pay taxes**. When we confidently say that, how exactly we pay them becomes less important.

When our audiences **do** want to hear more particulars about our taxation, we should be clear and straightforward in our communication. And, of course, we should maintain a positive tone, explaining what makes us unique without undercutting the banks.



Instead, let's focus on our mission and focus on what we do, not on what we don't do.

**In a line**, instead we say:

*Our tax status makes us far more capable and secure in pursuing our mission.*

**When we have more time**, instead we say:

*The Farm Credit System was created with **one special mission** – to support **rural communities** and agriculture with reliable, consistent credit and financial services, today and tomorrow.*

**TIP:** This is a great opportunity for you to share the successful stories from farmers that you support. Get inspired at [farmcredit.com/producingexcellence](http://farmcredit.com/producingexcellence)

*We have **specific tax provisions which enable us to better serve this purpose**. Our associations pay taxes and our **borrower-owners** pay taxes on the dividends they receive from the profits Farm Credit earns. This cooperative structure helps to ensure that we can deliver on our mission and commitment to rural communities and agriculture. Our **tax status enables us to provide** competitive rates so farmers can sustain and grow their businesses. And it enables us to invest in rural areas that have a need for capital.*

*We are a unique organization with **vital tools** that make us far more **capable and secure in pursuing our mission**, today and tomorrow.*

This message...



- Links back to our mission from the start.



- Explains the positive things that our mission enables us to do. Our mission helps, rather than hinders, us.



- Emphasizes our borrower-owners and the competitive rates that our mission enables us to provide. It shows how we help individuals throughout rural America.



## CRITICISM #3

Farm Credit is losing sight of its mission to serve young, beginning, and small farmers

When we heard this, we used to say:

*We finance the best to finance the rest.*

This pithy phrase creates an unnecessary divide. It's negative because it emphasizes that YBS loans are less lucrative. It reminds our audiences of trickle-down economics. And it doesn't help explain our mission.

### HELPING BECAUSE WE WANT TO, NOT BECAUSE WE HAVE TO



When we say things like, “Every Farm Credit institution must have programs in place to serve the needs of young, beginning, and small farmers,” we make our commitment to these customers seem forced and contrived. We support these farmers because we understand that they are **vital to the success of agriculture**, so our messaging should reflect that. A simple change in tone can make a big difference.



In a line, instead we say:

*We finance both ends of the spectrum and everyone in between.*

When we have more time, instead we say:

Our **mission** is to ensure that agriculture remains strong, both today and tomorrow. And to fulfill that mission, our support for farmers extends across the spectrum, **from small, young and beginning farmers to established farmers, and everyone in between.**

**TIP:** This message can be especially powerful in DC. Showing a Congressperson or staff member how Farm Credit serves his/her constituency can have meaningful impact.

Support for agriculture must look forward to the next generation. After all, today's young and beginning farmers will be the backbone of tomorrow's rural communities. **Just like previous generations of farmers** worked hard to be successful today.

That's why Farm Credit institutions made over 59,000 loans to young farmers and over 74,000 loans to beginning farmers in 2014. And it's why we are actively involved in organizations like 4-H and FFA.

At Farm Credit, we're making investments in the future of young farmers, and the success of **everyone who supports rural American communities and agriculture.**

### This message works because it...



• Links back to our mission at the outset.



• Reasserts a positive mission to support "both ends of the spectrum, and everyone in between," rather than dismissing YBS as not a core part of what we were designed to do. We serve farmers who are small and large, young and old.



• References the generations of American farmers that we've supported, which shows our staying-power and asserts that we are an important part of rural communities and agriculture.



**TIP:** Expand your response by making it more personal. Our audiences WANT to hear more about how we help YBS farmers:

- **Farming is a family business:** We can paint a picture by telling personal stories, like sharing examples of funding small farmers in the past who expanded their farms to become today's large farmers.
- **Service matters:** Our continued involvement with national organizations like 4-H and FFA gives us credibility, makes for compelling stories, and is a great example of our true dedication to serving rural communities and agriculture.
- **Farming is modern:** We should show that agriculture is more than a field and a plow. Farming is modern and so are we. We can share stories of how we support high-tech farming, urban farming, and organic farming.





## CRITICISM #4

### Farm Credit is a government-sponsored enterprise and GSEs are bad

Our GSE status gives us strength, but also leaves us open to criticism. When people hear government sponsorship, their first thought isn't necessarily a good one.

When we heard these criticisms, we used to say:

*Although Farm Credit shares GSE status with Fannie and Freddie, Farm Credit is a different kind of GSE.*

Again, this language is negative and reactionary. We start from the defensive when we respond by comparing ourselves to others.

Our GSE status helps enable us to serve rural communities and agriculture. But, GSE is a trigger word that gets audiences thinking about, well, the government. And people have A LOT to say about the government. So when our audiences hear words like "government-mandated," "Congress," or "bailout," they react negatively. In that type of climate, it certainly doesn't serve us well to bring up Fannie and Freddie. And if we try to show we're not like them by talking about our regulator, that just signals wasted taxpayer dollars and more layers of bureaucracy.

### GSE status: the elephant in the room

Given the negative feelings that the term GSE invokes, should we just avoid the term altogether? With most audiences, mentioning our GSE status will do more harm than good. Our audiences are able to understand what we do without us directly mentioning our government-sponsorship. For this reason, we can respond to criticisms about our GSE status in ways that don't directly defend it. It's better to talk about our organizational strength, for today and tomorrow.

In the nation's capital, we can more openly discuss our status – and when we do, we should emphasize the benefits that it brings to our customers.



When it makes sense to mention our GSE status, in a line, we instead say:

*Our GSE status makes us strong, for today and tomorrow.*

With all audiences, when we have more time, we instead say:

*Farming is a nationally crucial, yet volatile industry – a drought could halt a season’s corn production and an insect could destroy a farmer’s entire crop. Because farming is so important and has so many uncontrollable variables, Farm Credit was created to provide reliable and consistent credit and financial services to rural communities and agriculture, today and tomorrow.*

**TIP:** Here’s a great spot for you to talk more about your own organization.

**TIP:** Expand this with examples of how you helped farmers during tough times.

*Since we were founded, we have grown in a smart, steady, and consistent manner. We are a streamlined, efficient organization with about **80 institutions**, and operate without taxpayer support. In fact, today the Farm Credit System has over \$47 billion in capital. Our financial strength served us well throughout the 2008-09 financial crisis and enabled us to continue to support our customers when they needed us most.*

*Today, the Farm Credit System is stronger than ever.*

### This message works because it...



• Links our government sponsorship to our mission; it’s an intrinsic part of who we are.



• Emphasizes that the government created Farm Credit to fulfill a specific and very necessary role, without overemphasizing it.



• Personalizes Farm Credit by referencing that we’re a network of smaller institutions, not a nameless, faceless corporation. We’re made up of regional banks that reflect the areas they serve.



• Emphasizes the positive (we remained strong, even in the tough times), rather than talking about all of the failures during the financial crisis.



- Is **plainspoken**. Forthright and clear language goes a long way with audiences, which is why we simply tell them that we operate without taxpayer support. We don't need to go into all of the details of how it works: that bold statement says it all.

**Note:** This message does NOT include "GSE" or "government-sponsored." The root behind GSE criticisms is that we're unnecessary and antiquated: why do they need government support? In this message, we're able to prove our value and show that we're not dependent upon anyone else...without bringing up the target on our backs!

## CRITICISM RESPONSE SUMMARY

WHEN CRITICS ONLY SAY	OUR AUDIENCES USED TO THINK	NOW WE TELL THEM
Farm Credit is a GSE and received a government bailout in 1987	<i>You're getting advantages that you don't need! And...how much did that bailout cost?</i>	<b>Our GSE status makes us strong, for today and tomorrow.</b>
Farm Credit uses its preferential tax status to poach loans from community banks	<i>A big government organization is hurting small businesses.</i>	<b>Our tax status makes us far more capable and secure in pursuing our mission.</b>
Farm Credit makes loans to build golf courses and luxury homes	<i>So then why are you called Farm Credit?</i>	<b>Our mission is to serve rural communities and agriculture.</b>
Farm Credit is decreasing its loan volume to small, young, and beginning farmers	<i>If they're not lending to farmers who need it most, then who are they lending to instead?</i>	<b>We finance both ends of the spectrum and everyone in between.</b>

## 9. SUMMARY: MESSAGE ARCHITECTURE



What follows is our *Message Architecture*, which includes our core narrative statement, our communication principles, and guides for responding to key criticisms.

# THE FARM CREDIT SYSTEM NARRATIVE

## CORE MESSAGE

Farm Credit supports rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow.

## GUIDING PRINCIPLES

**POSITIVE:** Defensive and negative language makes you seem vulnerable and weak. Pivot toward positive statements about you and your mission.

**PURPOSE-DRIVEN:** Continually restate your mission and purpose (all of it!). Show how each loan, and your special status, support your mission.

**PERSONAL:** You have local ties and local knowledge, show it! Explaining how what you're doing affects **me** (e.g. the farmer) goes a long way.

## BRINGING OUR STORY TO LIFE

First and foremost, we should be sharing our positive stories with audiences. As we develop stories to share, 1) link what we do to supporting rural communities and agriculture, 2) paint a picture to make our role tangible, 3) demonstrate our important value by showcasing our experience and expertise.

## OUR POSITIVE STORIES ARE THE BEST WAY TO BRING FARM CREDIT TO LIFE. BUT WHEN WE DO NEED TO RESPOND TO CRITICISMS OUR CORE MESSAGE AND PRINCIPLES CAN ALSO GUIDE OUR ANSWERS.

## CRITICISM

Farm Credit's loans to similar entities are outside of its mission.

Farm Credit's GSE status put the gov't on the hook for a bailout in 1987 and it could happen again.

Farm Credit doesn't pay its fair share of taxes.

Farm Credit unfairly competes with banks.

Farm Credit doesn't fulfill its mandate to lend to small, young, and beginning farmers.

## CORE RESPONSES

Our mission is to support rural communities and agriculture, and making these loans enables us to do so.

Our GSE status makes us strong, for today and tomorrow.

We have specific tax provisions which enable us to better serve our mission.

We are a unique organization with vital tools that make us more capable and secure in pursuing our mission.

We finance both ends of the spectrum and everyone in between.

## DOs

- + Link each loan back to how it benefits communities and agriculture
- + Talk about the benefits of diversifying your portfolio

- + Save "GSE" references for when it really matters
- + Show that you remained strong over time
- + Personalize FC: it's not a faceless entity

- + Show benefits: tax structure enables you to provide competitive rates to farmers and to support rural areas
- + Reaffirm that how you're taxed reflects your mission

- + Explain the benefits your mission provides so you can support rural communities and agriculture
- + Show how you partner with banks (without overselling)

- + Reaffirm your dedication to the full range of rural communities and the agriculture they support
- + Shift to a positive conversation about how you DO help YBS

## DON'Ts

- x Explain the intricacies of similar entity lending
- x Focus on how these loans are a small part of your overall portfolio

- x Say GSE when you don't have to
- x Talk about regulations
- x Make comparisons to Fannie & Freddie
- x Talk about Congress or the past

- x Get into tax jargon
- x Call out banks
- x Connote special treatment
- x Be vague or flippanant

- x Emphasize differences between you and banks
- x Blame the banks
- x Talk about the 'burdens' of restrictions that come with GSE status

- x Evade this weak criticism with evasive, exaggerated responses
- x Say you finance big deals so that you can finance YBS
- x Talk about quotas



 FARM CREDIT

