

Role Play: Farm Mediation - “Silent” Sibling

Situation: Two siblings own a family farm 50 / 50. It was left to them after the death of their parents. In the three years since taking over the farm, one sibling has operated the farm while the other has remained a silent owner. In recognition of the extra value the operating sibling brings to the farm, the farms profits are split 80 / 20 (both siblings agree to this three years ago).

The “silent” sibling has decided not to be silent and longer. She wants to see the farm expand into non-traditional crops. The operating sibling resents this interference and has said no! The two are now in a heated disagreement and their personal relationship is suffering. A mediator has been selected to help.

Your Position:

- You are a successful mutual fund salesman and have no interest in running a farm.
- Family farms don't make money and you would sell the farm if it was up to you.
- You think the 80/20 revenue splitting arrangement you currently have may be too generous.
- If you are going to stay involved with the farm, then you want to see it run as a business. You have been doing some research and feel that the farm should branch into non-traditional crops. The market and prices for these crops are growing. A move into these crops would increase the farms value and future revenues. It would reduce cash flow in the short term but you see this as “short-term pain for long-term gain.” With the change, the farm may even evolve into a nice little retirement nest.
- You think your sibling is short sighted and lacks business skills.
- You love your sibling and do not want to see your relationship suffer.