

Minnesota Department of Agriculture

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Agriculture Businesses Need To Prepare for Year 2000

Challenges are nothing new to agriculture businesses, and we face another new challenge as the Year 2000 approaches: the Year 2000 (Y2K) "millenium bug." This new "bug" has the potential to affect many aspects of production agriculture and our food distribution systems.

The good news is that the Y2K bug doesn't attack crops. Our corn, soybeans and wheat are safe. The bad news is that it does attack computers and computer chips, meaning that anything that depends on a computer chip is at risk.

What might the Y2K bug attack? Computers, of course; but also control systems for refrigeration units and grain dryers, programmable thermostats, automated systems for food processing assembly lines, cash registers and scanners, and security and alarm systems. If you are a partner in either production agriculture or the delivery and distribution of food, you should be concerned.

Can we do anything to prevent it? Absolutely. This brochure answers some basic questions about the Y2K bug (starting with what it actually is), suggests steps you can take to protect your business and your clients, and provides a listing of resources for additional information and assistance.

The Y2K bug is a concern, but there's a lot we can do to minimize (even eliminate) the risk of an "epidemic" as we near the Year 2000. MDA is on schedule to be "Y2K ready," and we want you to be ready, too. Review this brochure, and, for additional information and assistance, refer to the resources listed on the back page.

Commissioner Gene Hugoson Minnesota Department of Agriculture

Steps MDA Has Taken To Be Y2K Ready

✓ Began addressing Y2K concerns in late 1996

Comprehensive plan in place since early 1997

Setting and meeting all intermediate goals for becoming Y2K ready

All needed upgrades and replacements for computer network completed

Focus shifting to "just-in-case" contingency planning

Is MDA ready for Y2K?

The Minnesota Department of Agriculture (MDA) has been working to address Y2K concerns since late 1996—long before most of us knew that this long-dormant "electronic bug" even existed. A comprehensive plan has been in place at MDA for more than two years, and the Department continues to meet intermediate goals for attaining Year 2000 readiness.

MDA's entire computer network is ready for the Year 2000. Computers that could not be upgraded have been replaced, and noncompliant software and lab instruments have also been replaced. All custom software applications have been evaluated and modified by a third-party vendor.

The Department's focus is shifting to formal contingency planning, which is designed to address potential power outages, system crashes or bad data. Being Y2K ready means being as ready as possible for the Year 2000, but, because we've never faced this challenge before, we need to be prepared for unanticipated problems. And we believe that we are.

The next question is whether your business is ready for Y2K.

Read on for answers to questions you should be asking, as well as a listing of places to go for additional information and assistance.

What is this Y2K thing all about?

Y2K stands for Year 2000. The Year 2000 bug (or millenium bug) was actually created decades agoalthough we didn't know it at the time. To save scarce (and expensive) data storage space in early computers, dates were recorded as two digits instead of four digits (56 instead of 1956, for example).

Years later, when conserving computer memory was no longer an issue, the standard had already been set, and dates continued to be represented by two digits. That space-saving technique hasn't been a problem—until now, as we approach the first day of the new millenium.

When the Year 2000 arrives, programs coded with two-digit years may interpret "00" to be 1900 instead of 2000. Such date miscalculations could result in malfunctions, inaccurate information, or even total shutdown of computers and other electronic equipment.

The goal of Y2K awareness efforts is to assure that computers and other electronic devices—from programmable thermostats to tractors to fax machines— are "Y2K ready," which means that the device can recognize and process a date after December 31, 1999.

As a business person, why should I be concerned?

If you are a partner in either production agriculture or the delivery and distribution of food, you should be concerned. Every sector of production agriculture and the food supply business depends on computer chips. From farm machinery to cash registers to food processing systems to refrigerator units, your business depends on programmable electronic equipment, computers and computer chips.



What kinds of things might be affected?

Any electronic equipment that depends on a computer or a computer chip is at risk. A few examples:

- Computers (hardware)
- Computer programs (software)
- Refrigeration units
- Automated systems for:
 - Heating and cooling
 - Food processing assembly lines
- Control systems for:
 - Programmable thermostats
 - Furnaces, hot water heaters
 - Grain dryers
- Security and alarm systems
- Cash registers and scanners
- Credit card readers
- Scales, other weighing equipment
- Telephone/fax systems
- Microwaves, televisions, VCRs

OK, you've got my attention. So how do I begin to "bug-proof" my business?

Here's how to get started:

Step 1: Take a walk around your place of business. Make a complete list of all computerized and automated equipment and systems.

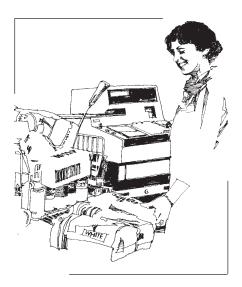
Step 2: Prioritize your list, focusing on "essentials" first. Which equipment or systems are critical to your day-to-day operations? Which systems could you get along without for a while? Get started on the most important systems first.

Step 3: Gather equipment information, vendor/dealer information and manufacturer information for each piece of equipment. (Check manuals, warranties and original receipts.) Secure addresses, phone and fax numbers, email addresses and web sites.

Step 4: Begin contacting appropriate dealers or manufacturers to find out whether your equipment is Y2K ready. Stop by your dealership, visit the manufacturer's web site, make a phone call or mail a letter.

One way to keep track of everything is to list each piece of equipment on a large (4 x 6) notecard.

Add equipment information and contact information as you find it, and use the same card to keep track of dates and responses to contacts you make. Or set up a simple computer program to help keep track of your equipment and your contacts.



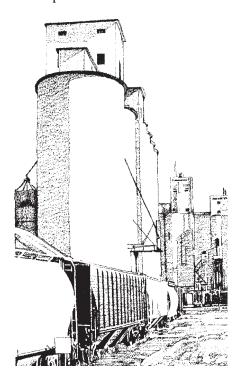
What about dealers and vendors I depend on?

As a partner in production agriculture, food processing or food distribution, you are part of a complex and interdependent supply chain. You depend on those who provide **you** with goods and services, and there are those, in turn, who depend on **you** to provide **them** with goods and services.

While you inventory your own operation for Y2K readiness, you also need to contact the dealers, vendors and distributors you work with on a regular basis to determine whether **they** will be Y2K ready.

Can they assure you that deliveries will be on time, that inventories will be maintained, and that yearend (and new-year) accounting functions will be able to handle your purchases, orders and payments? Ask them to confirm their assurances in writing.

It is recommended that you keep written records of transactions and payments as the Year 2000 approaches, to help protect you in case a vendor/dealer system is compromised.



What will it cost me to become Y2K ready?

Costs will vary from business to business. Expenses could range from software upgrades to equipment testing and repair. In some cases, replacing noncompliant equipment or systems may be necessary.

When should I get started?

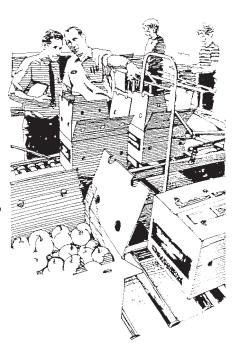
Time is running out, so it's important to start as soon as possible. Taking inventory of your business will take some time, and it will take more time to contact manufacturers and get responses, secure replacement software, have equipment tested (and perhaps repaired), and, if necessary, replace equipment that cannot be made Y2K compliant.

By getting started now, you can begin preparing your equipment and systems to continue to function in the Year 2000.

This sounds like a lot of work. What if I do nothing?

Doing nothing would be a risky choice. Every business has some automated or computerized equipment. Ignoring the potential impacts of the Y2K bug could result in serious equipment or system malfunctions that could compromise—even shut down—portions of your business.

Being prepared ahead of time can help minimize the potential for having to deal with a crisis—like malfunctioning refrigeration systems or delivery schedules—that could put your business (and the businesses of those who depend on you) at risk.



Do I need to prepare for a crisis on January 1, 2000?

Y2K best practices suggest having contingency plans in place to address potential unanticipated problems. If part of your operation shuts down temporarily, do you have a backup plan? If your vendors cannot deliver for a few days, how will you manage?

It's time to do some serious planning for the "what if's" that could occur. The bottom line: Hope for the best—and plan for the worst.

Where can I go for more information?

This brochure is intended to provide you with a basic overview of concerns and approaches related to the Y2K issue. The resources listed on the back of this brochure—both phone contacts and online assistance—are available to provide more detailed help with your Y2K planning.

Y2K: Online assistance

Many web sites provide Y2K information, check-lists and troubleshooting suggestions. Many manufacturers post information about the Y2K compliance of their products on their own web sites. If you don't have a computer, call your local library. Most libraries provide internet access.

Minnesota Department of Agriculture www.mda.state.mn.us/DOCS/COMM/y2kpiece.htm

Y2K and Agriculture: Time To Act www.cfbmc.com/y2k/english

President's Council on Year 2000 Food Supply Working Group www.usda.gov/aphis/FSWG

USDA Farm Service Agency Year 2000 www.fsa.usda.gov/time

University of Minnesota Extension Service www.extension.umn.edu/extension/y2k.html

State of Minnesota Year 2000 Project Office www.state.mn.us/ebranch/admin/ipo/2000/2000.html

Minnesota Division of Emergency Management www.dps.state.mn.us/emermgt/y2k/index.html

Small Business Administration www.sba.gov/y2k

Minnesota Y2K Information and Referral www.y2k.state.mn.us

League of Minnesota Cities www.lmnc.org

Minnesota Office of Technology www.ot.state.mn.us

Y2K: What You Should Know www.redcross.org/disaster/safety/y2k.html

USDA-CSREES Y2K Community Outreach Site www.reeusda.gov/y2k

Y2K: Phone numbers

Minnesota Department of Agriculture 651-297-1597 (Karen Whiting) or email to karen.whiting@state.mn.us

President's Council on Year 2000 Conversion 1-888-USA-4-Y2K (toll-free)

Minnesota Year 2000 Information and Referral Line 651-282-2000 (Twin Cities Metro Area) 1-877-925-4189 (toll-free for Greater Minnesota) TTY 651-282-5599

University of Minnesota Extension Service Contact your local county Extension office, or call 612-625-8776 (Bill Bomash), or email to wbomash@extension.umn.edu

INFO-U system (audio scripts #258 and #259)612-624-2200 (Twin Cities Metro Area)1-800-525-8636 (Greater Minnesota)



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