



Don't Overlook Legal Counsel When Addressing Agribusiness Financial Challenges

Scott A. Chernich
July 31, 2019
Lansing

If you owe money and you read this title your first thought is "Even if it would help, attorneys cost money which I don't have."

If you are owed money, your reaction to this title (with a roll of the eyes) is "I'm already not getting paid and you want me to spend more on an attorney."

A record-setting wet spring, fluctuating commodity prices, tariffs, and rising input costs are just a few of the pressing challenges for farmers and ag-related businesses. While the federal and state governments are being supportive of Michigan farmers as they face during this difficult time, providing disaster relief, crop insurance flexibility and loan programs, the reality is that many farms and agribusinesses are facing money troubles beyond the relief offered by these programs.

In many situations, Foster Swift's ag lawyers can help farm and agri-business address their challenges. Through the years, we have successfully assisted numerous financially distressed dairy farms, cash-crop operations and agribusinesses from both the debtor and creditor position. Although the course of action and the tools used varies upon the circumstances, our goal is to achieve the most financially positive outcome possible for our client. We are well-versed in:

- obtaining the appointment of receivers over the borrower's assets, and working with receivers to reach a positive result for the creditor.
- advising clients on such issues as lien priority, claims handling and adjudication, preferences, avoidance actions, lift of stay proceedings, and fraudulent conveyances.
- optimizing complex collection matters including efficiently obtaining judgments, conducting research regarding borrower's or debtor's assets, negotiating payment structures.

AUTHORS/ CONTRIBUTORS

Scott A. Chernich

PRACTICE AREAS

Agri-Business

Collections / Creditor - Debtor Rights

Finance, Real Estate & Bankruptcy Law



Our ag attorneys offer clients (businesses and individuals) a perspective that includes familiarity with common strategies for all sides and the ability to spot and resolve issues early in the process – enabling the best possible result.

While there are certain commonalities among those facing debtor and collector issues, we are compelled to remind you that each situation is unique. Don't assume your situation is identical to your neighboring farmer or business associate. It is in your best interest to seek legal counsel for your specific circumstances.

As you contemplate your next steps, we encourage you to:

- understand what you are signing before you sign.
- involve legal counsel early in the process. It is much less expensive to be proactive than reactive
- keep other trusted advisors in the know (banker, accountant, insurance agent, etc).
- communicate. Avoiding the problem and not returning calls or emails causes additional stress and often reduced other party's willingness to reach an amicable solution.

If you have questions about the money you owe or are owed, please call or email Scott Chernich at 517-371-8133 / schernich@fosterswift.com.