

Precision Services

Creating a practical program

Benjamin Flansburg

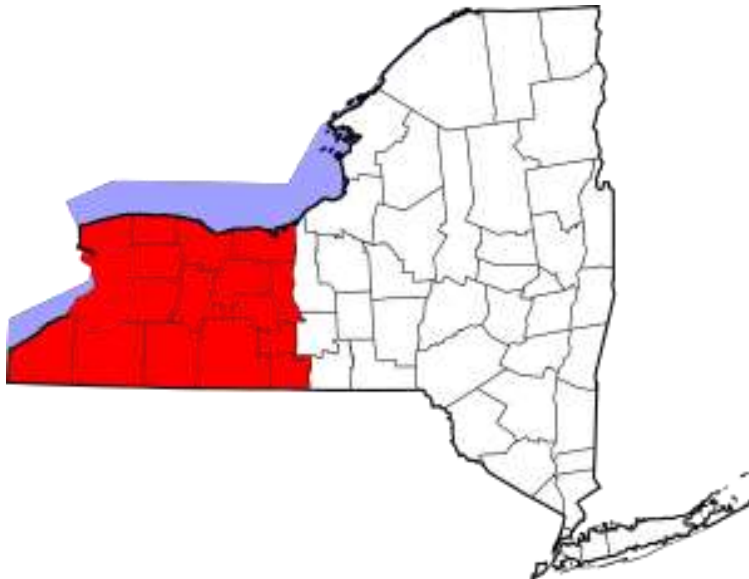
Owner- BCA Ag Technologies

Ben.Flansburg@bcagtech.com

585-356-2751

Background

- BCA Ag Technologies was founded in 2007
 - Located in Western New York
 - Family Owned company
 - 4 Full time employees, several part time



About Western New York

- Average Farm size is between 1,200 and 1,500 acres
- Wide variety of crops grown in our area

Corn

Vegetables

Soybeans

Dairy

Wheat

Vine Crops

Fruits

Services we provide

Soil Sampling

Precision Ag Hardware and Software Sales and Service

Seed Sales

Agronomy Services

Data Services

RTK Subscriptions

Aerial Imagery

The struggles of so many services.....

Customer expectations vs. delivered product
(That isn't part of the program)

Does the grower take the next step?
(I never did anything with the information)

Proving value of our services
(I don't think it really made me any money)

Yearly Retention
(I don't need this)

Let's think outside the box

How can we create a customizable program?

Maybe we do not need to try to sell so many services to so many different growers?

We came up with a plan to focus on a smaller set of customers, but creating a bigger program.

Revenue potential could become greater for us.

Creating a program

- We started by ranking and determining our customer base – how would we pick our candidates?
- Developed the A/B/C ranking system.
- Created criteria and analyzed common themes among operations for each group so we knew our focus.

The “A” Group

Tended to be a bit more progressive

Not always your biggest spender

Willing to try new things

Has room to “grow”

The “B” Group

Knows the value of having the data, is trying to do most of the management in house

Normally needs assistance in a few key areas

As their operation grows they will need more outside assistance

The “C” Group

Large enough to take care of most services in house

Has the latest technology but doesn't use it for management decisions

Relies heavily on other vendors they work with to provide services

(Seed, Chemical)

Picking our candidates

- The “A” group- Becomes our focus. This group would be open to the idea of a whole farm management program. There are services we can provide that will bring immediate benefits to their operations.
- The “B” group- This group will become our focus in a few years. Continue to work with them and provide the tools they need to make decisions on their own.
- The “C” group- Most likely will never become a focus for a whole farm management program. They will continue to do it in house or rely on other vendors.

Creating a program..

Polling our customers

Determining needs

Breaking down their needs by season

What was always common

Fertilizer Program

Nitrate Testing

Chemical Program

Soil Sampling

Hybrid Selection & Placement

Calibrations

Planting Rx

Subscriptions

Field Conditions reporting

In-Season Support

Planting Support

Scouting

Aerial Imagery

Data Management

Breaking it down

- Winter focus meetings
 - Fertilizer program
 - Chemical Program
 - Hybrid selection and placement
 - Planting Rx
- Takes about 8 weeks of prep work
- Bi-Weekly meetings
- Everyone has homework

Winter Focus Meetings

- **Hybrid Selection and Placement**
- Help analyze previous yields to help select appropriate hybrids. An unbiased approach must be taken to select hybrids that are most suited for specific farms, fields, soil types, and management practices. Hybrid selection should be based on previous yield data, hybrid yield trials, and sound economics. Contact with representatives from all seed companies must be maintained to deliver the most current and unbiased advice on hybrids. Scouting throughout the territory and communication amongst consultants will also provide a large database of knowledge on hybrids, common problems amongst varieties, and performance of hybrids.

Breaking it down

- Spring focus
 - Field Conditions
 - Planting support
 - Scouting
 - Calibrations
- About 4 weeks worth of work
- Technicians give us the most support

Spring Focus

- **Spring Operations Support**

- **Management Practices**

- Evaluate tillage practices, planting dates, soil conditions, and other conditions that might affect crop performance.

- **Field Conditions**

- Monitor soil and weather conditions to set up the crop for a successful growing season.

- **Planting Support**

- Logistic and labor support on as needed/available basis.

Breaking it down

- Summer Responsibilities
 - Scouting
 - Aerial Imagery
 - Tissue analysis
- About 8 weeks worth of work
- Tends to be our “slower” time of the year- more support
- Field work is aided by interns

Summer Responsibilities

- **Scouting**

- **Emergence**

- Determine plant vigor, seedling health, and planter issues.

- **Stand Evaluations**

- Stand counts, replant considerations.

- **Seedling to Early Vegetative Growth**

- Monitor plant disease, nutrient deficiencies, pest pressure, and other observations.

- **Tissue Analysis**

- In season tissue analysis for problem areas, test areas, product evaluation.

- **Nitrate Testing**

- Monitor soil nitrate levels and provide recommendations for nitrogen application.

- **Pest Management**

- Determine in season needs for pesticides based off of field scouting observations.

- **Aerial Imagery**

- Use UAV to capture real color, NIR, and NDVI images, as well as provide images for trial evaluation and scouting needs.

- **Late Season Hybrid Performance Checks**

- Notes on plant health, dry-down, ear formation, and grain quality. Notes will be used for hybrid selection the following year.

Breaking it down

- Fall Focus
 - Data Management
 - Nitrate testing
 - Soil Sampling
 - Calibrations
- About 4 weeks worth of work
- Several year end meetings before the holidays

Fall Focus

- **Harvest Operations Support**
 - Hybrid Maturity Monitoring
 - Track grain moisture to assist harvest operations.
 - Yield Monitor Calibration
 - Provide weigh wagon for calibration of equipment.
 - Stalk Nitrate Testing
 - Collect fall stalk nitrate tests to evaluate nitrogen program.
- **Season End Summary Report and Analysis**
 - Season-end precision crop reports help you track agronomic performance from year to year. Plus, online access puts planting and yield data at your fingertips.

Pricing the Program

- All portions of the program are customizable
- We already have price points for all services within the program
- Considerations as to when to apply discounts or combine services?

Pricing & Structure

- Winter focus meetings and preplanning

- Approximately \$3/acre

- Spring support

- Approximately \$5/acre

Total- \$20/acre

- Summer responsibilities

- Approximately \$4/acre

About 24-28 weeks/year

- Fall refocus

- Approximately \$8/acre

Suggestions & Considerations

- How many acres can you handle with your current staff?
 - 4,000 to 5,000 acres/employee seems to be our limit
- Create templates that can be applied across several customers
 - Explore outside systems to help simplify your job
- Keep it customizable- work with your customers
- Examine your customer list to determine who fits
- A minimum of a 3 year contract allows the program to generate results

How are we doing?

- A little over 5,000 acres enrolled
- Completing year 3 with our initial customers
 - Talks have begun with them about what to add for years 4-6
- Within the first 3 years, one customer has cut his fertilizer bill by over 80k per year, while maintaining 2% yield increase year over year
- Introduced new crop rotations to several customers, adding to their farm revenue through new markets
- Completely changed one grower's tillage practices, helping to alleviate his labor shortage without sacrificing yield

Questions?