The Future of Precision Services

EVERYTHING OLD IS NEW AGAIN!

by Steve Cubbage
President
Record Harvest
steve@recordharvest.com

InfoAg  July 25th  St. Louis, MO
To Understand Where We’re at in Precision - let’s look back…
25 Years Ago

This Happened...
Since Then...
The Timeline

- 1992 - YM 2000 - first commercial yield monitor
- mid-90’s - VRT - Ag Chem and Rockwell Vision
- late-90’s/early 2000’s - EC becomes the magic bullet
- mid-2000’s - precision ag survives auto steer mania
- 2014 forward - drones, drones, drones…
- Today - Big, Big Data…
Yield Maps and Grid Soil Sampling (VRT)

The Meat and Potatoes of Precision Ag Services
These Two Have Been the Anchor of Precision Ag Services

• Grid Soil Sampling is where we got our start. It still makes up over 65 percent of our total revenue.

• General mapping is actually growing. Reasons to be explained later.

• Expanded services has been slow to grow. Limitations of current precision eco-system.
Technology has covered the farm
Where are the opportunities in precision ag services today?
Precision Ag’s current fixation
Its other fixation...
Which leads to this reactions from many of today’s agricultural producers.

Whether it is squirrels or magic bullets the typical agricultural producer is confused when it comes to what precision services he needs.
Let’s Deal with Reality
Anybody remember what the problem was here?

- They wanted 3 years worth of good yield data
- They targeted ‘elite” producers
- Had to lower the bar to 2 years because they couldn’t find enough growers who actually had data
The Harsh Reality and the Opportunity - Most Data Doesn’t Make It

Everest and the Amazon River was between the machine shed...
Where We Believe Precision Services Begins
Got to get to first base first

• With Precision Ag Data - You have to round first before you can make it home!

• Don’t expect to hit a home run with just one swing - there goes another squirrel!
We have evolved into what we now term the “precision accountant”

Producers want to run their farm - not software!
Producers want a precision house

Instead most just have a mess - we’re here to build that precision house
Before you go to the field

- Grower Name
- Farm Name
- Field Name
- GPS Field Boundary
- Standardized Variety Name
- Crop Protection Products
First Services Highlight: Monitor Prep
Why Is Monitor Prep Important?

- We don’t like sorting “dirty laundry” when it comes to precision.
- We build and maintain the template of - grower, farm, field and boundaries. Every display is set up the same.
- Creates a better glide path for “good data”. Proactive vs. Reactive.
Second Service Highlight: Buffet vs Bundle

Looking for a better way to sell precision ag services
Bundling the basics

Planting and Yield - Done Right
Al la carte precision doesn’t work

- Letting producers find their way when it comes to precision data is sort of like being in the desert without a Moses!

- If they pick and choose then resulting dataset becomes a precision patchwork quilt. Has as many holes as Swiss cheese.

- Bundles include mix of hardware savvy and basic data collection and organization.
Big Data Starts small
The Third Service Highlight:
Multi-year data service plans:

Rome wasn’t built in a day!
Why Multi-year plans

• Keeps producers on the precision wagon
• Builds precision foundation
• Essential in order to get to precision ag's second base
• Guaranteed cash flow for service provider
Old Services improved with New Tech: Ramping up the revenue and more efficient job of getting data from the field in the hands
Wireless Wave is Finally Here

Farmobile’s PUC device has bolstered our field data services and it may just be the beginning
How we’re using Farmobile - today and tomorrow

• First and foremost - Farmobile agronomic data is our data safety valve when things go wrong

• It lays the foundation for intersection of agronomic and machine reporting. How efficient is your operation? Real-time alerts? Wizard of Oz?

• Different approach with producers - good data will attract buyers.
What if...the producer was paid to collect “good” data

Farmobile beta program - $2 per acre for planting and yield data

Planting EFR

Harvest EFR
What we did

The program to jumpstart new and existing producers to be in a data program

• Charged producers between $1 and $1.50 to “take care of everything”

• Producer still retained 25 to 50 percent of initial revenue. All additional revenue was gravy to the grower.

• MOST IMPORTANT: Allowed monitor prep and other services - literally got paid to build a precision data foundation.
Farmobile Data Store Guarantee

What is it?

Farmobile will guarantee $1/acre for all harvest Electronic Field Records (EFRs)

Why are we offering a Guarantee?

Farmobile Data Store demand continues to outpace supply – we need EFRs!

How is the data collected?
Requires a Farmobile Standard Subscription

$750/connected combine

How do I (as an agent) participate?
Become a Farmobile Reseller
Deliver this offer to your farmers this fall

- Support@farmobile.com
- 844-337-2255
How Does This Technology Move the Needle?

• Real Target - Yield Data. It is instant. What that means is we are able to immediately “turn acres” for services like crop removal recommendations.

• Adds a level of service. We can be a real-time Mother Hen to make sure everything is working machine and precision-wise. No more end of season surprises.

• It does a better job of engaging the producer in the process. Evolution of real-time alerts - i.e. real-time planter singulation.
Program through ADM and General Mills to trace origins of commodity from field to mill. Paying $1.50 an acre to producer for this information.
Key Takeaways

• Bulk of our current services “doing the old things”. Field boundaries, GFF hierarchy, variety naming.

• Is industry waking up that this is important? This is where a majority of our growth is.

• Failure to address basic data will only create more of a log jam for higher end innovative services like N-models, variable-rate seeding, targeted fungicide treatments, etc.

• Free or freemium is not enough of incentive. If industry wants good data they’re going to have to pay for it.

• Growers are not going to do this themselves - they are willing to pay a “precision accountant”. That’s the opportunity here.
What I tell farmers on why this is important

Are you farming for a season or are you farming for a lifetime?
Why Now? You’ve got 40 Chances...
Where we’ve come from...