Changing the Farmgate Conversation

Jeremy W. Wilson
Senior Vice President,
Field Data Solutions
Planting on June 3rd
Last field of Corn on June 4th
June 9th Exciting that end of Spring was near
Replanted 167 acres of Soybeans July 3rd then Driving Home......
Replanting of the 3rd time on July 11th
Conversation Today

• Bag of Seed
• Next piece of Technology
• Ton of Fertilizer
• New Software Tool
• Gallon of Chemical
Challenges on the Farm

• Inputs are high
• Grain prices marginal to low
• Late planted if planted
What are Growers Thinking About

• What planting population is necessary?
• What will my crop yield this year?
• Do I need more Nitrogen?
• Do I spray fungicide?
How are you helping the grower

• Are you selling to grower or talking with the grower?

• If you are selling to the grower, this is what they hear

“The nine most **terrifying** words in the English language are: I’m from the government and I’m here to help.”

—Ronald Reagan

@Heritage
Planting population

• Have you worked with the grower to verify optimum planting populations?

• Does ever Hybrid need the same population on all soil types?

• How does Variable rate seeding impact ROI?
Planting population
What will my yields be this year

• Imagery is a tool that will assist you through the growing season

• Let imagery help you start a new conversation with your Growers.

• Not the solution to solve all of your problems; It could help prevent surprises.
What will my yields be this year

<table>
<thead>
<tr>
<th>Location</th>
<th>Grower</th>
<th>Farm</th>
<th>Field</th>
<th>Area</th>
<th>Centroid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>Wilson</td>
<td>Mystic</td>
<td>W01-14</td>
<td>46.75 acres</td>
<td>35.057E00, 66.144W00</td>
</tr>
</tbody>
</table>

FieldAllytics

Normalized Difference Vegetation Index

Name: F2M NDVI 2019-06-25
Date: 2019-06-25

Name: F2M NDVI 2019-06-30
Date: 2019-06-30
What will my yields be this year - 2
What will my yields be this year?
Do I need more Nitrogen?

• Are you working with Growers to understand the optimum Nitrogen rates?

• Are you working with Growers to understand best timing for N applications?

• What is the ROI of In-Season applications of N?
Do I need more Nitrogen?
Do I need more Nitrogen?
Should I apply Fungicide

• Are you recommending to spray even acre?

• Have you asked the about hybrids planted to understand Fungicide response?

• Have you calculated the ROI of Fungicide
Should I apply Fungicide
## Overall Field ROI

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Acreage</td>
<td>48.6 ac</td>
</tr>
<tr>
<td>Average Yield</td>
<td>104.7 bu/ac</td>
</tr>
<tr>
<td>Commodity Price</td>
<td>$4.25</td>
</tr>
<tr>
<td>ROI</td>
<td>2.8 %</td>
</tr>
<tr>
<td>Production Efficiency</td>
<td>241.9 bu/$1,000</td>
</tr>
<tr>
<td>Acreage Opportunity Ratio</td>
<td>47 %</td>
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<tr>
<td>Working Capital Opportunity</td>
<td>$9,947.69</td>
</tr>
<tr>
<td>Land Cost</td>
<td>$100.00</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$21,032.80</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$21,624.45</td>
</tr>
<tr>
<td>Total Profit</td>
<td>$591.65</td>
</tr>
<tr>
<td>Profit</td>
<td>$12.18/ac</td>
</tr>
</tbody>
</table>

![Return on Investment Chart]


- **ROI %**
  - > 25: 41%
  - 25-20: 3%
  - 20-15: 4%
  - 15-10: 4%
  - 10-5: 3%
  - 5-0: 3%
  - 0-5: 3%
  - -5-0: 3%
  - -5-10: 3%
  - -10-15: 3%
  - -15-20: 3%
  - -20-25: 17%
  - < -25: 17%
Overall Field ROI

Expense Reduction Needed to Breakeven

Yield Increase Needed to Breakeven

New Plan_2 : 2019

$/ac

bu/ac

FieldAlytics

EFC • Systems

AGSOLVER
### Overall Field ROI

#### Breakeven Cash Rent ($/ac) w/ 5% Farmer Return

<table>
<thead>
<tr>
<th>Commodity Price ($/bu)</th>
<th>Yield (bu/ac)</th>
<th>79</th>
<th>87</th>
<th>96</th>
<th>105</th>
<th>113</th>
<th>122</th>
<th>131</th>
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</thead>
<tbody>
<tr>
<td>5.31</td>
<td></td>
<td>80.14</td>
<td>124.19</td>
<td>168.24</td>
<td>212.29</td>
<td>256.34</td>
<td>300.39</td>
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<td>4.96</td>
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<td>53.71</td>
<td>94.82</td>
<td>135.94</td>
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<td>218.16</td>
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<td>300.39</td>
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<tr>
<td>4.60</td>
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<td>27.28</td>
<td>65.46</td>
<td>103.63</td>
<td>141.81</td>
<td>179.99</td>
<td>218.16</td>
<td>256.34</td>
</tr>
<tr>
<td>4.25</td>
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<td>0.85</td>
<td>36.09</td>
<td>71.33</td>
<td>106.57</td>
<td>141.81</td>
<td>177.05</td>
<td>212.29</td>
</tr>
<tr>
<td>3.90</td>
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<td>-25.58</td>
<td>6.73</td>
<td>39.03</td>
<td>71.33</td>
<td>103.63</td>
<td>135.94</td>
<td>168.24</td>
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<tr>
<td>3.54</td>
<td></td>
<td>-52.01</td>
<td>-22.64</td>
<td>6.73</td>
<td>36.09</td>
<td>65.46</td>
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Crunch the Numbers

Financial Summary

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How do I start working a Grower on ROI

• AgSolver will work for Growers with no technology or Growers with all the technology

• More in season application data=improved ROI maps
One day Alice came
to a fork in the road
and saw a Cheshire
cat in a tree. "Which
road do I take?" she
asked. "Where do
you want to go?" was
his response. "I don't
know," Alice answered.
"Then," said the
cat, "it doesn't
matter."
Summary

• Do you sell to or talk with your Grower?

• Are you helping your grower collect “actionable” data? Will you ALWAYS win the price game?

• If you are not discussing field ROI with your grower...

• Someone will...
Join us in changing the farmgate conversation.

Email us at: change@efcsystems.com

Questions?

Empowering agribusiness with solutions to succeed.
Never Give Up!