

MY TAKE

By Don Zolman



How we lowered combine costs

Last year I was looking to upgrade one of our combines and decided to try a company called MachineryLink, which takes the concept of sharing machinery far beyond a typical partnership you might have with a neighbor. The company moves machines around the country, doubling or even tripling usage on a machine.

Let me first say, combines are one of my biggest gripes. A necessary evil that works for two months, yet ties up capital for 12. They are truly amazing machines, but the cool quarter of a million bucks they tie up while sitting in the shed is one of the unique problems of agriculture.

What other business ties up that much capital for something that works for you a sixth of the year?

MONSOON HARVEST

Not sure of what to expect with their service, I kept one of my machines "just in case." It came in handy as we suffered through a virtual monsoon harvest season.

Looking back on harvest, I can now give a good account of how this "experiment" worked for us.

First of all, MachineryLink got the machine to us when the company said it would. A truck delivers it, you go through a preliminary inspection, and within a day or two a company representative shows up for the formal inspection.

At that time, you point out anything you see that you don't want to be held responsible for later.

Next, you put the machine in the field. This is where the rubber meets the row, so to speak. This is where I thought things might break down in the system.

If a repair needed to be done, we were to call MachineryLink's 800

number to report the problem; the company would then contact the dealer that we designated. Sounds like a pain, right? Wrong. Other than a few problems with the GreenStar monitor and a few other minor hiccups, the machine worked flawlessly.

EXTENSIVE INSPECTION

MachineryLink puts its machines through an extensive inspection and runs the machine through its shop between each user. It's been thoroughly checked and serviced before it's delivered to your doorstep.

I've been told this by other dealers before, and most times they have done it, but I've also encountered machines that were checked by someone who was unqualified, or maybe they were serviced in an unlighted building at midnight. Well, these guys really do check them out.

All during our usage period, MachineryLink called us at least once a week to see how it was working. It was nice to know someone cared.

Afterward came the postharvest inspection. Having rented a machine before and experienced a dealer loading up my insurance policy for damages, I wasn't sure what to expect. I was pleasantly surprised with the professional and fair assessment of the machine postharvest.

What's my conclusion? My figures show I saved \$10,000, give or take a few bucks, over buying a machine. And I don't have that cool quarter million of capital tied up for the year.

But the true test of a program is whether you'd do it again. I'm signed up for '07. **ff**

Zolman is chief operating officer of a family corporation that includes 3,800 acres, grain elevators, warehousing and transportation businesses.

Never too early to stop weeds

How much damage can weeds do early in the season? Really? The short answer is a lot. They weaken your corn's stand and ultimately lower your yield. If you think that's old information, well, you better pay attention to this new research.



Recent studies prove that weeds start to rob yield before corn is even 2" tall. And by 4", yield loss can easily top 10%. So even if you spray for weeds that early you're too late. The damage is done.

The best way to stop weeds from hurting your crop is with a preemergence program featuring Lexar.[®] Why Lexar? Because studies show that it has the highest performance you can get. Instead of repackaging the same old ingredients, its advanced chemistry outperforms any other preemergence herbicide. And postemergence applications of glyphosate just don't compare.

One pass of Lexar can stop weeds before they ever see the light of day. Before they can steal the moisture and nutrients your corn needs to produce top yields.

It's simple. If you don't give weeds a chance you won't leave yield to chance. Nothing does both as well as Lexar.



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to help them achieve their intended goals.”

Those customers from other countries may have unique customs. Some massage their cattle; others feed them beer, or wait two years before slaughter. “These are things we might not do, but it’s none of my business,” says Mitchell. “We need to help them add value and figure out how to get paid for it.”

But that’s not always easy. In fact, it may be one of Mitchell’s greatest frustrations.

“You can add all the value you want through source ID, organic or non-organic, and many other techniques, but until you find someone willing to pay you for that effort you’re not getting anywhere,” he says. “There’s a constant search to define how we get paid, to define what that added value is worth.”

“It’s unfortunate that the industry is segmented between cow-calf producer, stocker, backgrounder, feedlot, packer, wholesale and retail,” he says. “They don’t trust each other.”

Part of the problem is geography. Most calves come from grassland areas, and most cattle are finished in the grain belt. Markets for finished cattle are mostly in the Northern and Western states.

“You wouldn’t build a packing plant in Kentucky because finishing cattle here is difficult due to rain, heat and humidity,” he explains.

New technology such as DNA mapping allows ACF to verify what they do. When cattle go in a chute, a technician scans their numbers and breeds; medical and genetic history pops up. “We can identify the cattle that will provide the most tender meat,” he says. “We have all this performance data in front of us to make good decisions about what to do with her.”

In fact, having more verifiable information about an animal is the first step in adding value. “I’ve sold a lot of cattle for more money because the buyer was willing to pay more if he could verify all the things we had done,” says Mitchell. “The

industry is headed toward verifying everything.”

INFORMATION CHALLENGES

But tracking information on a cattle operation is never simple. At ACF it’s compounded by the many kinds of cattle sold with various value-added characteristics. ACF has groups of commercial Angus heifers, both artificially and naturally bred, available for sale. They are calfhooed vaccinated, pelvic measured and reproductively

“There are more opportunities to get paid for value-added today than ever before.”

— *Harvey Mitchell,
Anderson Circle Farm
general manager*

scored with genetic and health history. Replacement heifers are sold for breeding programs.

The farm’s commercial Angus herd consists of 1,500 cows, each with its own electronic identification tag and two plastic ID tags. The need for data adds up quickly.

“We artificially inseminate many of our cows and use only high-quality Angus bulls with Expected Progeny Differences [EPD] and visual analysis in selecting the mating of the herd,” says Mitchell.

“We may breed large numbers of heifers to one or two bulls so the farmer buying these cattle know what genetic choices they are getting,” he adds. “If you’re remodeling your herd, you can make genetic selections that focus on the new consumer demand for branded products.”

Web Exclusive!

Go to Web Exclusives at www.FarmFutures.com to find out how Anderson Circle Farm uses performance benchmarks for cattle raised on pasture.

Custom feeding programs offer beef producers a location to grow and feed steers and heifers.

With 13 employees on site, the farm also offers professional management in their feed yard or background lots. The one thing they won’t do here is finish cattle.

BLACK IS BACK

If you can’t tell by now, we should make it clear: Mitchell’s value-added strategy revolves around Angus — nothing else. “It’s the best breed in the world,” he says. “They’re easy to market, and they fit well in the environment. Whether it’s marbling, tenderness or percent red meat, you have to choose Angus.”

Recently ACF re-entered the Angus seedstock business after dispersing in 2004. “Our focus is to buy the world’s best donor cows, and through embryo transfer, build a herd that produces what consumers and cattlemen want,” says Mitchell. “Using the latest EPD information plus DNA history, feed conversion studies and the great maternal characteristics of Angus cattle, we are focused on the future.” The farm will have an annual female and bull sale starting in the fall.

ACF has been reaching out to local buyers, and it’s more than just lip service. The farm builds customer loyalty by helping producers buy genetics with proven history specifically for their needs.

Mitchell and his team establish parameters for the kind of bulls they would buy, with a BSE (Breeding Soundness Evaluation) and a targeted EPD range. A state cost-share program pays half the cost of each bull up to \$1,500, and in doing so, helps customers learn more about genetics. “Farmers are much smarter about genetic selection today, more so than they ever have been,” he says.

It’s all part of the farm’s strategy to keep customers coming back — just like that Iowa feedlot owner did 20 years ago. As Mitchell himself concludes: “You want people to feel good about doing business with you.” 