



Noland Farms, Inc.

Blue Mound, IL

2011 Volume 1

Agriculture's Global Impact

by Grant Noland



Greetings from our family at Noland Farms! Now entering my third year engaged in production agriculture, I feel that one would currently be hard-pressed to identify a more exciting industry. Although I may be biased as a participant, the nation's recessionary period, commodity price volatility and the appreciation of land values have magnified the risks and opportunities associated with our business. Our family's enthusiasm

about the industry's upside potential has emphasized the importance of managing risk and identifying avenues that agriculture will travel. One focus of our business has been the dedication to continual learning. Through management, marketing, agronomic and mechanical workshops and programs, we are committed to incorporating new technologies and practices that will positively impact our bottom-line. This winter allowed for

us to attend programs in Chicago, Brazil, Louisville and Austin. The annual advancements in genetically-modified traits within seed, precision and guidance-based equipment technology and risk-management marketing strategies require a commitment to evaluating these new tools. The ability to expand one's network through interaction with global producers and suppliers provides lasting dividends for our family farm.

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Brazilian Adventure



This winter Dennis and Dani had the opportunity to travel to South America. In addition to the pictures and experiences, this trip provided an inside look at the world's emerging dominant player in the production of soybeans. A recent article in an agricultural publication quoted a gentleman on world agriculture... "Farmers everywhere only look at their neighbors; they don't look across the world. To be a key player, we felt you had to have a wider presence." The pursuit of this education led them three degrees south of the equator. Although the culture and climate varies substantially from central Illinois, the educational experience can be applied to our core business. The opportunity to learn factors impacting the profitability of a competitor provides a better understanding of global markets.

Due to the climate and weather patterns, most farms in Brazil are capable of growing three crops per year. Brazil's largest agricultural state, Mato Grosso, receives 80-90 inches of rain and ideal weather during the growing season (Central Illinois receives

roughly 30 inches). Until bulldozers cleared the small trees, this area consisted of just pasture for animals. Due to the Brazilians harvesting soybeans at higher moisture contents, the small trees now provide a fuel source to burn in the soybean dryers. Unlike the automated grain drying systems used by many American farmers and commercial facilities, Brazilians utilize cheap labor to monitor the grain dryers. The crop rotation primarily consists of corn, soybeans, cotton or wheat. Dennis described one soybean field in harvest with fertilizer application and cotton planting directly behind the combines... the planting window of opportunity is narrow, and logistical management of the individual operations is crucial. Harvested soybeans are loaded on trucks that can travel 1,600 miles to the port, and many drivers have hammocks beneath the truck, kitchenettes on back and pop-out awnings for shade. An interesting stop on the tour was the farm of Mato Grosso's former Governor and the world's largest soybean farmer...with nearly 100,000 acres

of soybeans. Although my aunt did claim Dennis took "200 pictures of soybeans," they did have the opportunity to cruise the Amazon, fish for piranhas, experience the local culture and cuisine, and tour the largest John Deere Dealer in the Southern hemisphere and the world's 2nd largest dam.

America's love affair with automobiles has led to our nation consuming roughly one-quarter of the world's annual oil production. This dependency on foreign reserves encouraged the development of domestic ethanol production, which elevated the food vs. fuel debate. With an abundance of arable land and sugar cane as a cheap feedstock, Brazil has been recognized as the world's first sustainable biofuels economy and the largest exporter of ethanol fuel. While in Mato Grosso, Dennis and Dani visited the country's third largest ethanol plant and witnessed local producers harvesting sugar cane.

With soybean yields competitive to those in the United States and thousands of new acres entering production annu-



ally, Brazil has the opportunity to greatly impact the global soybean market. As the population and income in developing countries rise, those individuals' first focus

is improving the diet of their family. Should you have questions or interest in additional stories, please call Dennis at 217.433.8947 or dennis@nolandfarms.com.

TEPAP in Austin

I traveled to Austin, Texas, in early January to attend The Executive Program for Agricultural Producers (TEPAP). The two-year program is administered by Texas A&M University and focuses on managing personnel, evaluating new market opportunities, negotiating mergers and acquisitions, adapting to regulatory and technology changes and provides tools to teach you to predict global market shifts or take advantage of niche opportunities. Although I did have a headache

from attempted knowledge consumption the morning of day 2, I left Texas energized about agriculture. The program's professors and presenters identified benchmarks and tools to evaluate our business' performance, and the fellow participants provided a valuable network of peers. I will return to Austin in January of 2012 to complete the program, and I anxiously anticipate the opportunity to gauge our progress towards implementing better business practices.

Although this winter provided opportunities to attend various workshops and programs, much time has been dedicated to finalizing our systems approach to the 2011 fertilizer application and biotech seed field trails. Through the reconfiguration of our spring fertilizer program, we anticipate increased efficiency and improved application...key aspects of success in our "busy season." With the historically early completion of the 2010 harvest and at the direction

of commodity futures market, roughly 90 percent of our grain has been delivered from our on-farm storage. Time typically allocated to summer grain hauling can now be applied to early implementation of the exciting summer projects to be explored. In our business, the only constant is change. We intend for our business partners to benefit from our commitment to analyze the latest technologies and apply those yielding the strongest returns.

Farmland Investment

The current farmland market has provided exciting opportunities for those with current land holdings and individuals interested in purchasing a farm. We are excited to discuss investment opportunities with you. Give us a call.

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Current operational updates and new pictures are available on our website.
www.nolandfarms.com

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Who We Are
About Our Family
2011 - Additional Small Photos