



## Getting Fit for the Future: Farmer Expansion Plans

DTN Progressive  
Farmer Summit

December 2010



# My discussion points include:

- ▶ What motivates us to grow
- ▶ Support we have for growth
- ▶ Business tools we use
- ▶ Use of technology
- ▶ How we are growing
- ▶ Future growth strategies



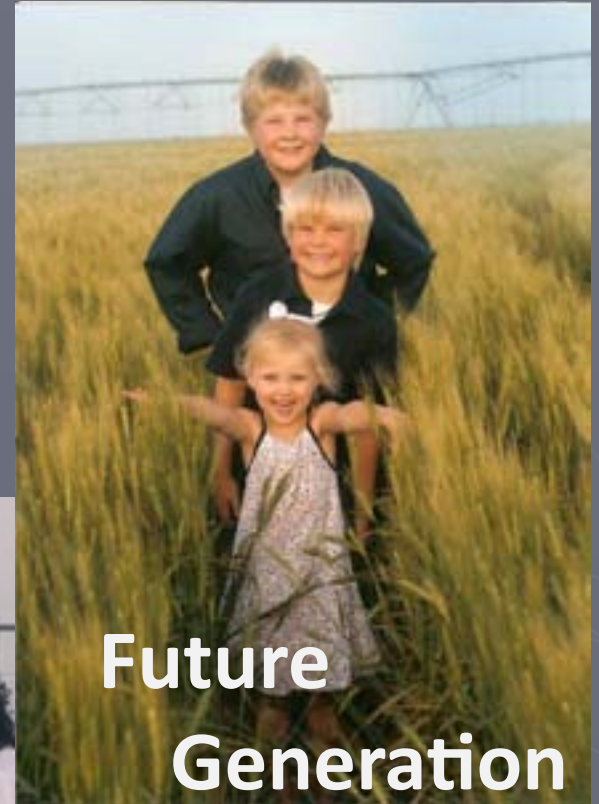
# About Us

- ▶ Located in Sunray, Texas in the Northern part of the Texas Panhandle
- ▶ Crop Production Farm:
  - Corn, Cotton, Seed Milo, Wheat, Soybeans, and Seed Canola
- ▶ Combined 2 individual farms into 1 in 2009 to create Lone Star Family Farms



# About Us

Founders



Future Generation



Partners



# What Motivates Us To Grow?

- ▶ I like doing it...it's fun! The satisfaction
- ▶ To stay competitive and to stay in business long-term
- ▶ New technology is driving us



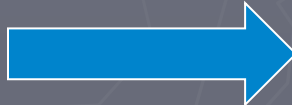
# Who has helped us grow?

## ► FamilyFarms

- An entity made up of a group of like-minded farmers that are all in the growth mode
- Provide us:
  - Training and Education
  - Technical support and service
- Assist us with implementation



# What business tools are we using to grow?

- ▶ Business Plan
- ▶ Employee Handbook
- ▶ SWOT Analysis
- ▶ Organization Handbook
- ▶ Emergency Action Plan
- ▶ Material Safety Data Sheets (MSDS)
- ▶ Clockspot (Online Time Tracking System) 
- ▶ Financial Management Programs (AgManager, RevManager)
- ▶ Weekly Management & Employee Meetings



# How are we using technology to grow?

- ▶ Converting Irrigation Wells to Electricity
- ▶ Pivot Monitoring
- ▶ Yield Maps
- ▶ Environmental Practices
- ▶ “Donkey” (See Picture)
- ▶ Website
  - (Marketing to Landowners, Custom Farming, Employment)





# How are we growing?

- ▶ Traditional Purchases
- ▶ Lease Purchases
- ▶ Traditional Rental Agreements



# What are our growth strategies?

- ▶ Structuring our business to be ready when land comes along
  - Financially
  - Organizationally
- ▶ Targeting farms with no successors
- ▶ Maintaining landowner and community relationships



# How has our business model allowed us to grow?

- ▶ Business objectives are broader than just self and operation
- ▶ A good foundation of management and employees
- ▶ Revised our structure to separate operations from assets
- ▶ Structured to bring employees into the partnership



# What are our future plans for growth?

- ▶ Continued strategic growth
- ▶ Add acres to continue to provide work for our employees



# How are we dealing with issues that have the potential to affect growth?

- ▶ Caring for the land we farm
  - Environmental Certification through Validus Ventures LLC
- ▶ Caring for wildlife
  - Wildlife Management Plan
- ▶ Becoming greener
  - Having Energy Audits conducted



# Conclusion



- ▶ We are committed to family, social responsibility, and a business approach to farming
- ▶ We have built our business structure to be competitive
- ▶ We constantly seek opportunities to grow our business
- ▶ We provide our employees with competitive wages, benefits and exceptional work environments



# Questions

