

# Ag Trends and the Implications to Consultants and their Grower Customers

Bob Trogele

FOCUS  
ON THE **FUTURE**



LACA - 2016

**Survival of the Fittest:**

**“Not the Strongest Species Survive but those who Adapt”**

*Charles Darwin*



**FOCUS  
ON THE FUTURE**

**AMVAC**

# Key Ag Industry Trends and the Anticipated Market Outcomes for Agriculture



The Context Network

FOCUS  
ON THE **FUTURE**

**AMVAC**



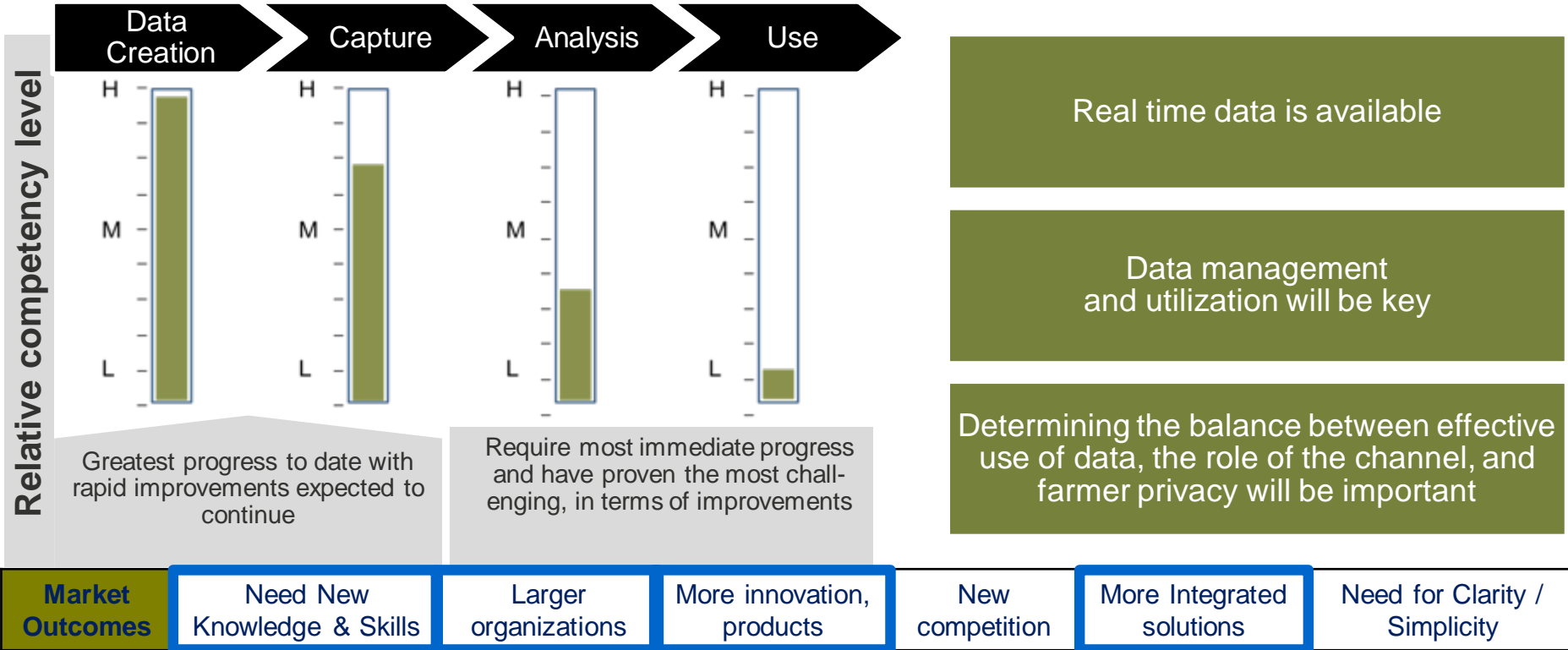
# 2016 Outlook - USA Key Crops

	2015	2016	▲ %	Main Drivers
Corn	90	?	Flat to up	Corn profitability/inventory
Soy Beans	83	?	Flat to down	2 <sup>nd</sup> Largest crop after 2013/14 Brazil SIU / planting up
Cotton	8.7	?	Up	China = one year inventory/prices
Fruits & Veg.	Flat	Flat	Flat	CA drought/little inflation/TPP
Potatoes	Flat	Down	Down	Potato prices
Wheat	57	?	down	Stocks in use at 32%
Rice	3	?	Flat to up	Stocks in use/rice price

USDA / Brock Report

# Precision & Decision Ag SIMPAS will “Enable” Application!

## RAPID INFORMATION DISSEMINATION:



Greatest progress to date with rapid improvements expected to continue

Require most immediate progress and have proven the most challenging, in terms of improvements

The Context Network



FOCUS ON THE FUTURE



# Critical Success Factors for Ag Distribution & Consultants in the U.S.

**HELP CUSTOMERS DETERMINE THE ECONOMICALLY OPTIMAL PRODUCT MIX** for their best production results

**HELP GROWERS MANAGE INFORMATION** (precision ag, other data management services)

**BUILD VALUE ADDED STRATEGIES** for regulatory compliance, sustainability, new technology trialing, etc.

## OTHER CRITICAL SUCCESS FACTORS

Commitment to innovative CP

Expert on precision

Competitive fertilizer prices; positive placement expert

Broad service options

Grower segmentation

Specialty & micros, seed treatments

*The Context Network*

FOCUS ON THE FUTURE

AMVAC

7

# Implication: Decide & Plan your Business Model & Key Success Factors!

1. Customer Focus: Which Business Model? Grower Retention & Growth! Making your customer globally competitive?
2. Regulatory: How do we manage? LACA! Industry Association!!
3. Cost Control: Global Headwinds! Bank Financing! Farm Bill!
4. Talent Management: Which Business Model?
5. Technology: Which Business Model? What Technology?
6. Alliances: Which suppliers understand/promote my Business Model?
7. Mid-term Sustainability: Who's/ Who? How do we manage 1-6?
  - a) Business Strategy & Planning: Service level by customer type (ABC)
  - b) Supplier Selection: Seek differentiated customized solutions
  - c) Data management by Farm: Service solution and product choice/offering





# THANK YOU!



## We Want your Business

FOCUS  
ON THE **FUTURE**

Bob Trogele  
215-694-5573



BobT@Amvac-Chemical.com  
<http://www.amvac-chemical.com>