

Client Spotlight - Farmers Edge

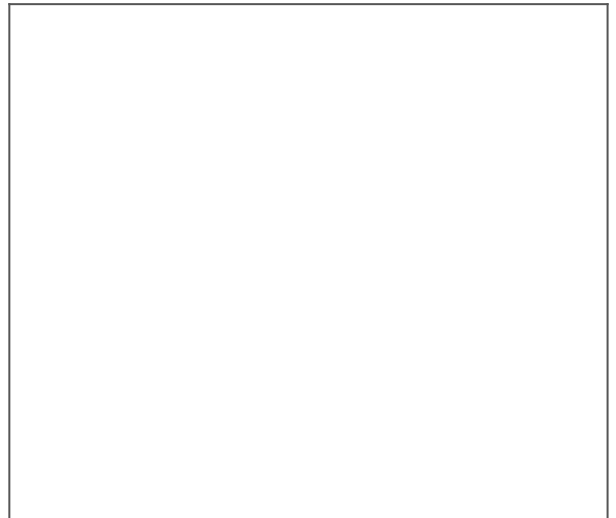
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The Convergence of Technology & Agriculture

INTERVIEW WITH: Wade Barnes, President and CEO of Farmers Edge

In 2005, Wade Barnes (President and CEO of Farmers Edge) and Curtis MacKinnon (Vice President, Research and Development) were working together at a crop inputs dealership in rural Manitoba. Wade recalls the 2005 crop season and the genesis of a new business idea. Wade says, "I was thinking back to a previous agriculture experience in 1996, in the very early days of precision agriculture. I was working at an agri-retailer that was using grid sampling (a type of soil sampling), but the technology didn't work very well." Although no business was generated out of this experience, Wade's interest in precision agriculture continued to grow. Eight years passed, and in 2004, Wade was again exposed to precision agriculture techniques, this time using satellite images to map sugar beet fields in North Dakota. Wade says, "The rapidly advancing satellite technology really interested me. The creative juices were starting to flow in my mind and the entrepreneurial pull began to become irresistible."

A short while later, Wade and Curtis brought the (satellite) technology into Manitoba and tried it out with 6-7 growers on about 5000 acres. The results showed that yield could be increased while at the same time reducing fertilizer inputs. The next year, the program doubled. Wade recalls that some agri-retailers did not warmly embrace a technology and a



program that reduced sales of farm supplies, namely fertilizer.

From 2005 to 2011, the precision agriculture program and the satellite technology increased across Western Canada to the point where one million acres were farmed under the program. Wade says, "The critical success factors to achieving exponential growth were to measure and show growers that this technology was an investment that showed a true return, and the technology made economic sense." In the early years, variable rate fertilizer and precision agriculture were viewed as a fad, but now there is widespread acceptance. In more recent years, many farmers bought equipment that had the necessary technology for precision agriculture, including variable rate fertilizer; however, most farmers did not utilize the technology.

Now the technology has expanded into other crop inputs beyond fertilizer. Variable rate technology is currently being used for seed and crop protection products, such as fungicides for the prevention of plant diseases.

Farmers Edge has evolved since the early days of the company. The focus has shifted from it being primarily an agronomy company, to it becoming more of a technology-based company that helps producers with farm management services. Wade adds, "Farms are growing very quickly and there is a need for technology to help with efficiency." For example, Farmers Edge is now using technology to manage the largest high oleic (specialty oil) canola and sunflower program in Eastern Europe. In recent years, Farmers Edge has also developed a crop surveillance program that allows large corporate farms to manage their landholdings, including crop monitoring, yield analysis and data management.

In 2012, Farmers Edge signed an agreement with Viterra for Farmers Edge to be Viterra's exclusive precision agriculture service provider globally. Wade says, "We are pleased to be partnering with an industry leader like Viterra. This agreement will bring innovative services to farm customers to maximize economic and environmental efficiency in crop production."

Going forward, Farmers Edge is now also involved with agricultural investment firms to help them with their due diligence in farm management, operations and land assessment. Farmers Edge recently signed an agreement with the largest agricultural investment group in Russia, and it expects this part of the business to grow. There will be increased demand for professional expertise in emerging markets. Wade adds, "Farmers Edge is now being viewed as a leader in this field due to their technology, expertise and strategic connections."

The long-term vision of Farmers Edge is to be the largest farm management and precision agriculture technology company in the world. Wade adds, "Agriculture is the next big industry, and there will be a huge demand for the services we provide, as well as accurate and timely farm data."

The philosophy of Farmers Edge going forward is to help growers become more efficient,

because the more efficient they are, the more profitable they will be. If farming is more efficient and more profitable, it will be more sustainable. Wade mentions, "If we can help to make improvements in these areas, one of Farmers Edge's hopes is that more young people will become interested in pursuing this noble profession, which is currently being run by a rapidly aging population." Stability and expertise in food production is critical to Canada's sovereignty and long-term success.

In less than ten years, Wade Barnes, Curtis MacKinnon, and the dedicated team at Farmers Edge grew an idea into a program spanning over one million acres across Western Canada, while expanding the company's international presence into Russia. TDS and Acumen Corporate Development are honoured to call Farmers Edge a client and congratulate Farmers Edge on its success.

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