

REGIONAL NEWS

Growers Edge offers sophisticated web-based marketing tools

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What would you do if you had an Internet web page that gave you all of the bids for elevators located within 200 miles of your farm?

Would it change how you do business, or perhaps provide you with information you've wanted but weren't able to access before? Maybe you would find new quotes or basis information, or you could see how basis numbers change across the Corn Belt, giving you an edge in marketing and profitability.

For farmers looking for a website that organizes this type of marketing information and more, growers-edge.com offers web-based marketing tools.

The site is the brainchild of Craig Mouchka, born and raised in Iowa and the president of Growers Edge.

"There is a lot of information out there, and the purpose of growers-edge.com is to help farmers make sense of it all," said Mouchka. "Farmers need timely and relevant market, weather and profitability information from a source they can trust."

Many farmers who have registered and use growers-edge.com, realize an addi-

tional 20-40 cents per bushel when added to existing marketing strategies, he said. The site is free to farmers and is financed through advertising and fees.

Mouchka was raised in Newton, east of Des Moines. His uncle and grandfather were farmers, and he worked on their farms.

"My grandfather and uncle always stressed that it was tough to make money in agriculture," he said.

Although he had a real love for the farm, Mouchka earned a degree in political science and business at Drake University. Agriculture called to him though. As soon as he was out of college, he began working in ag lending and risk management.

He quickly learned that each farmer generally has two or three places where they sell grain. Across the Midwest, farmers are actually surrounded by hundreds of buying locations, he pointed out in a recent phone interview.

"With the risk management and lending experience, I realized there are major spokes of the financial wheel that farmers just seem to struggle to hold together in a way that makes sense," he said. "They may know one aspect, but not have a strong grasp on others. We bring growers a tool that 'de-mystifies' the puzzle and brings it all together."

Mouchka envisioned growers-edge.com as a website dedicated to putting farmers' profits first.

He put together a business plan, lined up private investment, and surrounded himself with agricultural and computer experts. Growers Edge, of West Des Moines, Iowa, was incorporated in 2007.

"I spent a few years with experienced programmers, a lot of pizza and a lot of late nights," he joked.

Growers-edge.com was tested by farmers in 2010, and was rolled out to U.S. farmers in 2011. About 10,000 farmers



Craig Mouchka, president of Growers Edge, dedicated to farmer profitability.

have registered with the site that requires phone numbers, address and information about farm bin capacity, for the programs to find the best cash bids. The site states that farmer information is not shared with advertisers or third parties.

"Growers Edge truly has the farmers' interest first," he said. "We're looking out for farmers' profits – so everything we do, everything we develop – we're keeping that goal in mind. How can we help the farmer make more money? How can we help them save money? How can we save them time, and keep their interests first?"

Using 2011 computer and Internet technology, Growers Edge features several key components.

The first item farmers will see is the "Profit Dashboard." After registering at growers-edge.com, farmers receive a password and access to their own Profit Dashboard. Their farm location is pin-

pointed, and Growers Edge pulls in every buying location within a 200-mile radius. The farmer can adjust trucking and storage costs and see the best cash prices or forward markets, as well as the best opportunities to sell grain on that day.

"We provide a summary of everything so if you are in a hurry, you can log into your website, look at the information, and get a quick view of everything you want to know," said Mouchka. "If you want to see more, if you want the details, you can click into the tab."

The farmer can "drill" down into more information on "CashMax" that calculates the best and most profitable spot and forward market cash bid on any given day. Farmers can also see new crop prices, historical basis information by location and a map of changing cash basis across the region.

Mouchka pointed out that farming is a relationship business, and local elevators are important to farmers. By seeing data from many locations, farmers can better negotiate with their grain buyers.

"If farmers want a better cash price, we tell them where to point their trucks for an average of 20-30 cents more per bushel. We provide them with the intelligence to make that possible," he said.

Twelve people, working in one of the Growers Edge offices, put together the cash price marketing information on a daily basis.

Similarly, farmers can use "Fuel Max" to find where the cheapest gas or diesel fuel prices are located.

Another tab takes farmers to "Profit Manager," that allows farmers to view how profitable their farming operation is at the moment.

Farmers can establish profit goals, edit input costs, record marketing transactions and track their profitability by crop and year. The numbers show farmers how they are doing in relation to their profit goals. The program also provides total revenue on sold bushels to date, displays value of unsold bushels and tracks profitability.

"Profit Analyzer" offers information, strategies and alerts to allow farmers to create, test and execute risk-marketing plans designed to increase profitability.

"This is a way to stress test a marketing plan and a risk management plan," he said. "With risk management, if you buy an insurance product that is part of the plan that has a 75 percent coverage level, and you're not pre-selling grain, that is money out the door.

"We're bringing a tool that can provide growers with a comfort level they never had before to understand these aspects of their operation to benefit from them."

Another tool is called "Risk Management," and it offers information on risk management to help farmers be more educated when talking to crop insurance agents.

"Quote Edge" offers updated marketing information on a 10-minute delay in a layout that updates as the markets move.

"Trading Edge" provides farmers with

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trading in the futures and options with \$7 commission per trade.

Farmers can also read ag news and daily market commentary from leading advisory firms, and check out the weather.

In addition, farmers can receive information through text messages or a smart phone browser to stay on top of the market.

“Farmers can’t always be in front of the computer, but they do have their phones,” Mouchka said. “Farmers can sign up for multiple text messages with

market commentary or weather. It’s free, and we provide lots of options to allow them to choose when they want text messages.”

When developing growers-edge.com, Mouchka held focus groups, conducted email and web-based surveys, and interacted with experts in farming, banking, grain merchandising and crop insurance. The site is continually updated, with new

products released on a regular timeframe to keep up with technology advances.

“The biggest thing is growers-edge.com is an unbiased source,” he said. “We’re not telling the farmer when to sell or who to sell to. We’re not giving them firm marketing advice or anything like that. We want the farmers to maintain their independence, and most of all, we’re free.” ✪

The screenshot shows the Growers Edge Profit Dashboard. At the top, there's a navigation menu with tabs: Home, Cash Flow, Markets, Weather, Profit Manager, Profit Analyzer, Risk Management, Trading Edge, and Overview. Below the navigation, there's a header with market data: S +1.78, Ethanol 2.650p -0.019, Nasdaq 2298.50 -17.00, and Soybeans 1372-. The main dashboard is divided into several sections:

- Your Favorite Markets (Edit):** A table listing various commodity markets with columns for Commodity, Price, Basis, and Date. Markets include Hankyag Renewables - Fairbank, IA; Innovative Ag Services - Oron, IA; Dunkerton Coop - Dunkerton, IA; Landmark Ag - Dunkerton, IA; East Central Iowa Coop - Jessup, IA; and Valfield - Sumner, IA.
- Profit Manager:** A section titled "How much profit are you making today?" with a dropdown for Commodity (Corn) and Year (2011). It displays metrics like Break Even (\$3.26), Avg Profit (loss) per Bushel to date (\$2.94), and Profit (loss) of Crop to date (\$52,890).
- Weather:** A section for Henderson, Iowa (51541) showing conditions: Sunny, Temperature 70°F, Feels like 71°F, Humidity 83%, Pressure 29.68 in. Hg, Wind 7 mph from Northwest. It also includes a Three Day Forecast for Tuesday, Wednesday, and Thursday.
- What's your Profit Goal?:** A section with a dropdown for Commodity (Corn) and Year (2011), showing Profit per Acre Goal (\$74.99) and Profit per Bushel Goal (\$0.45).

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Sample of Growers Edge Profit Dashboard webpage.