Show-Me Missouri Agriculture

The road to Archie is like many in rural America. However, there’s something different about AGI SureTrack, formerly Intellifarms. Flip through the pages to read about AGI SureTrack in this fall’s issue.

Upcoming Events

**OCTOBER**
- 7-11: South Korea Buyers’ Mission
  - Food Service Products
- 13-19: Vietnam Buyers’ Mission
  - Value-Added Forest Products
- 21-25: Mexico Buyers’ Mission
  - Beef Cattle & Genetics
- 28-31: USDA Trade Mission to West Africa

**NOVEMBER**
- 6-8: USDA Trade Mission to Mexico
- 12-15: Southeast Asia Buyers’ Mission
  - Feed Ingredients
- 12-15: Ecuador Buyers’ Mission
  - Beef Cattle & Genetics

**JANUARY**
- 6-10: Trade Mission to Mexico

**FEBRUARY**
- 28-30: IPPE, Trade Show
  - Atlanta, Georgia

**MARCH**
- 16-20: Trade Mission: Vietnam & Myanmar
- 23-27: Mexico Buyers’ Mission
  - Beef Cattle & Genetics
- 24-26: VICTAM Asia
  - Bangkok, Thailand

MEXICO

An overview of trade with Missouri’s top export market.

**#1 DID YOU KNOW?**

**MISSOURI IS #1 IN BLACK WALNUT PRODUCTION**

**MISSOURI BLACK WALNUTS HARVESTED:**

APPROXIMATELY 25 MILLION POUNDS

**WHEN IS HARVEST?**

PEAK HARVEST IS OCTOBER–NOVEMBER
Manager’s Message

Fall is a busy season for all things food. There is something special about harvest time and the anticipation of good yields despite the challenging growing season our farmers faced this year. In addition to temperatures dropping and leaves changing, fall foods have made their appearance as we welcome the season of pumpkin bread, apple butter, beef chili and football games. It’s no wonder why it’s a favorite time of year for so many!

As we welcome this beautiful harvest season, we should also take some time to consider the struggle of those here and abroad that face food insecurity. Nearly 13 million kids in the U.S. are food insecure, including thousands of kids here in Missouri. Organizations such as Missouri Farmers Care have taken a stance to fill the gap of food insecurity by partnering with agribusinesses and non-profit organizations for the Drive to Feed Kids. The organization leverages existing food bank distribution networks to deliver kid-friendly meals to youth through backpack programs and in-school food pantries. In 2018 alone, Missouri agriculture donated 2,000 backpacks and raised over $165,000. This effort is one of many examples of individuals and organizations finding ways to feed MORE by raising awareness for our fellow neighbors that could use a helping hand.

It’s no secret that in order to feed the growing population, the world will lean on advancements in agriculture to do so. Companies such as AGI SureTrack, located in Archie, Missouri, are laser-focused on developing technologies that help farmers maximize farm resources and effectively manage inputs to enhance land stewardship efforts and increase the bottom line. Turn to page four to read a little bit about their story of how the need for technology and transparency has opened doors for this small-town company to change the farming landscape in rural Missouri and the Midwest.

You will notice we’ve added some new topics to the newsletter this quarter that we hope you find interesting and resourceful. There are several exciting trade activities underway, so please take a look at them listed on the front cover, or visit our website to learn how you can get involved. We wish our farmers a safe and bountiful harvest season, and hope you enjoy this issue!
Trade Analysis

TRADE STRENGTHS
Mexico and the U.S. have highly integrated economies and the proximity of Mexico to the U.S. allows cross cultural awareness and strong bilateral relationships.

TRADE WEAKNESSES
Mexico has 12 free trade agreements with 46 countries, which opens the door for competitors to enter the market with few to little tariff barriers.

TRADE OPPORTUNITIES
Mexican consumers recognize U.S. brands and labels and associate them with consistent quality and value.

TRADE BARRIERS
Mexican consumers are price sensitive and imported products are generally higher in price, potentially making U.S. products more expensive.

Country Spotlight: MEXICO

International

Business Relationships
Mexican business culture places a high priority on family and personal relationships. It is not uncommon to become familiar with not only the potential business partner, but also their families. Business meetings and negotiations may proceed slowly at first to allow the relationship to develop. It is important to leave a good impression as it can have a huge impact on business objectives.

Top Missouri Exports: 2018

In Thousands

- **CORN:** $259,247
- **SOYBEAN MEAL:** $181,159
- **WINE & BEER:** $133,412
- **SOYBEANS:** $98,254
- **DAIRY PRODUCTS:** $71,901

**GDP:** $1.151 TRILLION

**POPULATION:** 126 MILLION

**LANGUAGE:** SPANISH

**CAPITAL:** MEXICO CITY

**SOURCE:** USDA GATS 2018
The road to Archie is like many in rural America. It is two-laned, windy and potholed. It is sparse, lined with electrical towers and little else. It is wild and turbulent, with hills and dips and turns as tight as any man-made roller coaster. It is snake-thin and dormant, lying like a long sleeping serpent, hiding in fields of green. It is shoulderless and meager, put down for function, in place for those who need it.

I'm traveling down this road to visit a company I heard about at a conference.

The land alongside the road to Archie is like most in rural America. It hugs tight to the asphalt and is ever-changing as you cross it. It can be so dense and thick with corn, a kid could get lost. It can be so open, so uninterrupted, its only landmarks surface as a bale of hay or distant fence line. It is sprinkled with grain bins that look like castles and grain elevators that look like erector sets—modest hallmarks of an agrarian existence.

The conference was put on by our Governor and the topic was agriculture.

The towns you pass on the road to Archie are like most in rural America. They are identified by a water tower with a painted-on name. They are quiet and plain, decorated with the same standard signs for the Lion’s Club, the mill, a tired Cenex, and an old Tast-E-Freeze. They are desolate—home to a few front porches, an FFA chapter and a church in the square. They are flanked by croplands and cut by train tracks with rail cars headed elsewhere.

The speaker at the conference was named Todd Sears, and he’s an executive of a company.

The people driving on the road to Archie are like many in rural America. They are in trucks and tractors—up before the sun. Their windows are down and they are on the move—hauling hay, moving lumber and doing what needs to get done. They are blue collared and calloused, wearing worn-in jeans and sun bleached ball caps. They give a two-finger wave off the steering wheel as they pass, an acknowledgement of common being, a nod to shared work.

The company Todd oversees is an agricultural company.

The farms around the town of Archie look like most in rural America. They are longstanding and passed down from generation to generation. They are owned by families where Grandpa is President, and Dad is the GM. Work on the farm is consistent, but the weather less-so. There are years of plenty and years of prayer. The toil is the same, the returns are not. Year in and year out, inconsistency is the only constant.

The company Todd manages is also a technology company.

The farmers working the fields along the road to Archie are also like most in rural America. They work hard and are tired at the end of the day. Tired from days that are filled with labor and labor that is at the whims of the weather. Weather that brings flooding, only to be followed by drought. Weather that dictates pricing and pricing that dictates if there will be food on the table.

They are tired from the work and incentivized by faith alone. Faith that, despite unsure projections, it’ll all work out. They feel blessed and as a result, responsible. Blessed that they were chosen to work the land and responsible for the consequence of that blessing.

The company Todd runs is called AGI SureTrack, and it sits on Main Street in Archie.
The main street in Archie is silent. It’s old. It’s empty. There’s a post office with a flag and a barbershop with a pole. A tabby cat with a cicada, and a street lamp with vague utility.

The buildings are longstanding and timeworn with a few windowed storefronts that look like they did some business a hundred years ago. A sweeping fade blankets them in the same sun-bleached wash, a look only made possible with the passage of time. The buildings exist with questionable purpose, serving as reminders of a past we forgot to remember.

The employees at AGI SureTrack are like many in rural America. They show up each morning, ready to work, to provide for their kids, and contribute to something bigger along the way. At AGI SureTrack, that “something bigger” is creating agriculture technology. Technology developed to meet a need. A need to alleviate some worry.

It’s technology that helps farmers select their seed, manage their grain and market their harvest to maximize farm resources, enabling farmers to get more for their crop. It’s technology that makes it possible for farmers to sell quality product on their own terms when the price is right. This technology each bin. It’s technology that, according to David Dobson, a farmer out of Lexington, “allows me to start harvesting earlier and rest assured knowing that the grain will be kept in good condition and at optimal moisture. It allows me to get it done, and then leave it without worry.”

That information is then logged and the characteristics of which are recorded and can be used to connect producer to processor, right off the farm.

“All doubt is eliminated with this system,” Dobson said. “All I have to do is pull up the information on my phone and I can see what’s going on with total clarity.”

Farmers can use SureTrack FARM™ to build the interface and communicate their acreage updates, linking product to buyer the way they want to—as the crow flies.

It’s technology that by tracing exact grain traits—whether they be starch, carbohydrate, or protein—can be matched and made available to buyers who are looking for them specifically. Through SureTrack FARM™ and SureTrack PRO™ technology, both producers and processors benefit. Processors source quality grain to detailed specifications at premium prices, and those prices enable producers to improve their revenue and profit margins.

“Enabling farmers to do what they do best—produce high quality crops while getting them the most out of the market—is a win every time,” Todd Sears said.

(Continued on page 10)
**Understand Your Target Market**

It is crucial when developing your export plan that you conduct international market research to determine the best foreign market for your business. After obtaining export statistics, you should begin screening potential markets and selecting the most promising markets.

*Consider some of the following questions to assess the market:*

- What are the trade barriers?
- Will your packaging design appeal to the market?
- Who are your competitors?
- How many potential customers are there?

**Build a Personal Connection**

Modern technology makes it possible to meet and sell online, but face-to-face connections are indispensable. Visiting the country of interest can help you to develop personal connections and gain first-hand experience. Trade shows are a great way to network in country with potential suppliers, partners and connect with business leaders in your industry. Be sure to select a trade show that fits with your companies marketing objectives and consider if your target audience will be in attendance.

**Adapt your Marketing Strategies**

You may need to modify your sales approach to match the expectations of potential customers. It can be helpful to prepare marketing material translated according to your market. Be aware of differences in local customs, values and languages. Marketing channels may differentiate between countries so you may need to adjust your media mix. Be sure to highlight the unique selling points of your product. Exporting presents many challenges but it also presents many opportunities and it is important to stay focused.

**Develop an Exporting Plan**

After analyzing the market research you can conclude where your marketing efforts would be most effective. Now is the time to develop an export plan. You should use the plan as a management tool and modify as experience is gained. Your export plan should include your product or service, pricing considerations, promotion platforms and financial capacity to name a few. Seeking advice from a reliable source such as a trade organization that can help explain the exporting process can be beneficial.
If you take a wide turn down a gravel road, family is where it all began.

In September of 2016, Andrea Powell received a life altering opportunity to become a Livestock Marketing Specialist for the Domestic and International Marketing Program at the Missouri Department of Agriculture. Up until accepting that role, Andrea knew little about international marketing but her love for agriculture drew her to the position.

Andrea grew up on small farm nestled in the rolling hills of Wooldridge, Missouri. She was raised working alongside her dad and grandpa on the family farm. They raised soybeans, cattle, hay, and her dad had a small construction business. Some of her fondest memories are of the times she spent working with her dad and grandpa. The daily chores on her family farm—along with being a member of her local 4-H club—sparked her curiosity at a young age. As she took on more responsibilities, her love for agriculture became an even more impactful part of her life when she started working part-time throughout school for a row crop farm outside of Boonville’s city limits. She immersed herself into every aspect of the operation including planting, harvesting, hauling grain and even mechanical work.

Andrea graduated from Boonville R-1 in 2009, but continued to showed cattle and hogs during college as a dedicated member of her local FFA chapter. One of her proudest moments was accepting her American FFA Degree during her first year of college at the University of Missouri-Columbia. She continued to be involved heavily in the ag sector and graduated in 2013 with a degree in Agriculture Education–Leadership with a minor in Animal Science.

Since accepting her role with MDA, Andrea has facilitated seven buyers’ missions resulting in $192,150 total sales for Missouri producers. These missions provide endless business expansion opportunities in global markets for Missouri producers to connect with international buyers. Andrea’s ability to work with a variety of global markets has granted her the ability to meet with international buyers from Panama, Mexico, Ecuador and Australia right here in her home state. Andrea truly has a passion for building relationships with Missouri producers and enjoys seeing the ways in which the success of a mission provides continued growth across Missouri’s cattle industry.

Andrea now resides in Prairie Home, Missouri with her husband, David and their dog, Otis.
“I always appreciate the Department of Ag for going out of their way to bring potential buyers to my farm,” Craig Jonhson, owner of St. Clair Beefmaster Cattle in El Dorado Springs, Missouri said.

Our program is proud to support our producers that represent our diverse selection of cattle breeds by bringing in opportunities for them to meet buyers from all over the globe. Our staff collaborated with the Illinois Department of Agriculture to host nine cattle producers from Mexico to promote Missouri and Illinois cattle genetics. The mission kicked off on May 21 and ended on May 25, 2018.

The buyers’ primary interests included finding new genetics to implement into their herds and identifying reproductive management tools to enhance their operations. Genetics of interest included Red Angus, Black Angus, Hereford, Charolais, Brangus and Beefmaster. MDA staff worked with David Hobbs, Journal Manager of the American–International Charolais Association, to help organize farm stops in Missouri.

The mission kicked off in Springfield with tours of five Missouri cattle operations. The delegation also toured three cattle operations and a semen collection facility in Illinois. On the last morning of the mission, the vice president of an export logistics company presented information on the exportation of live breeding cattle, semen and embryos. Preliminary results indicated a total of $13,100 in actual sales of live cattle and semen as a result of the mission.

Due to the success of the May Mexico Buyers’ Mission, the Department hosted a second Mexico Buyers’ Mission Showcasing Missouri and Illinois Cattle Genetics in July.

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“Andrea Powell did an excellent job coordinating all the rancher’s schedules.”
-Paul and Rhonda Wallen, Wallen Prairie Ranch

As a result of the mission, Missouri live cattle and genetics sales totaled over $190,000, and the success of the mission built valuable relationships at each and every stop along the way. Our team looks forward to supporting Missouri producers with more opportunities for building working relationships with countries like Mexico in the future.
Can CBD and/or hemp extracts be used in animal foods such as pet food, livestock feed and poultry feed?

Animal and pet foods ingredients must be approved by the American Association of Feed Control Officials (AAFCO). According to the AAFCO, hemp has not been approved for use as an ingredient for animal or pet foods. Visit AAFCO.org to review the most recent document released May 1, 2019.

Where can I meet legitimate foreign buyers of agriculture products?

Trade Shows

Industry exhibitions are offered within every sector of the agriculture industry. They can serve as a great opportunity to meet prospective buyers. Our team of marketing specialists can provide you with a list of shows for you to consider, or you can join a Department-led delegation at one of the many trade shows we sponsor throughout the year. Have a new suggestion for a trade show we haven’t covered yet? Contact our team today, we are always accepting new ideas for how we can improve your experience with our team!

Buyers’ Missions

These are coordinated visits where we invite vetted foreign buyers to visit Missouri for the purpose of procuring agricultural products. This is another great way to meet vetted foreign buyers from a variety of agriculture sectors. Our team hosted seven buyers missions to Missouri in 2018. To learn more about these events, please contact one of our industry specialized marketing specialists today.
It’s technology that brings tools and transparency to the market, giving young farmers the capability to produce without as much upfront capital and risk. AGI SureTrack won’t even charge for the equipment or hardware. They won’t even ask for a down payment of any kind until December 1.

It’s technology that, according to John Deere Company is, “changing the agricultural landscape the way Ford Motor Company did the automobile industry.” It’s technology that, by driving revenue back to the farm, is drastically changing rural America.

But when you ask Todd what motivates him to do what he does, it’s not really about all that. For Todd, it’s about his grandpa, who worked all day as a farmer and all evening as a janitor–just to stay afloat. It’s about lessening the worry he saw on his face. It’s about the memory of his voice saying, “a man wrapped up in himself makes an awfully small package.”

For Todd, it’s about more. It’s about the farms beside the road. It’s about the towns in between. It’s about the people in the thick of it. It’s about the interplay between it all that makes everything possible. For Todd, it’s about protecting the road to Archie, and everything you pass along the way.