

Upcoming Purchases for the 2019 Growing Season.

As a grower, you may be asking, "Isn't it really too early to be talking seed? The crop is still standing for this season, how would a person know what to do for crop inputs for next year this early?" Those are good questions, but let's take a look at the facts about purchasing your inputs early:

Largest discounts available by historical data

1) Seed, Fertilizer and Chemicals, typically have the largest discounts for early order in that sequence. But what if you do not have any money right now? A good option to consider is financing your inputs using a company such as John Deere Financial, Rabo Financing, or other financing companies. Many times the interest rates are lower than in the spring or even 0%. Also, in some cases, the max cash discounts still apply to financed products. The great thing is that once an order is placed on a financing plan you can still decide later to change your order, adjust the quantity, or even cancel the order completely and there is no penalty.

2) By the time harvest season is over, more discounts have dropped off and by December, potentially, 8% of the discounts have been lost with some companies. Do the math and this can add up very quickly. For example this can potentially add up to \$1000 on only 50 bags of seed corn in a hurry. Financing also is available on the chemicals and fertilizer. Work with your supplier and find out what is available and what the options are. Sometimes there are programs that can give you additional discounts if you finance certain chemical and seed combinations together.

In addition to the benefits of getting discounts for purchasing early, there are other added benefits as well. The "hot" seed varieties tend to sell out first and are sometimes sold out as early as October due to high demand from the southern states. Also, remember that all hot varieties do not come in the same color of bag. Maybe you always buy a new car or pick-up from the same salesman and from the same manufacturer. That might be alright, but have you really done your due diligence and making sure you are getting exactly what you want for a fair price? We all understand that buying the cheapest usually does not reflect into higher returns; especially with the new challenge of weed resistance and maintaining high yields to maintain profitably.

My father had a sign he was quite proud of. "Every third salesman gets shot and the second salesman just left." Though it seems be humorous, I always had a problem with that. What if that third salesman had an idea or a product that would make you a very large return on your investment? Or maybe he just stopped to tell your cattle were out in the middle of the road and the information you learned saved a cow's life or maybe the neighbor's kids, who was driving too fast coming home from school. Maybe he/she was scouting your fields and spotted something of interest to you.

We all understand that it is too early to know what your yields are for this year, but remember "Nobody makes plans to fail, but don't be the business that fails to plan."

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