



CASE STUDY

OVERVIEW

Country/Region:

Lemberg, Saskatchewan, Canada

Industry:

Grain and beef cattle

Customer Profile:

Clarke Farms is a third-generation, family-owned grain and beef cow/calf operation located in southeastern Saskatchewan near the town of Lemberg, about 120 km east of Regina. Clarke Farms covers 2500 acres and produces mostly canola, wheat and oats, and keep 100 beef cows. The Clarke family also own a small elevator in Lemberg, where they clean and custom-dry grain for local farmers.

Problem:

Finding a buyer for 5000 bushels of oat screenings when neighboring livestock farmers already farm their own feed grain.

Solution:

Owner Dennis Clarke used FarmLead to find a buyer outside his area who was in need of livestock feed.

Benefits:

- Sold hard-to-sell oat screenings for more than asking price
- Saved time and effort calling around to brokers

Clarke Farms

FarmLead finds a buyer for hard-to-sell oat screenings and gets more than asking price.

Clarke Farms

Clarke Farms is a 2500-acre, third-generation grain and dairy farm located in southeastern Saskatchewan, near the town of Lemberg, roughly 120 km east of Regina. Owned and operated by the Clarke father-and-son team, the farm produces mostly canola, wheat, and oats, though they have occasionally grown peas and barley as well. They also keep 100 beef cows and own a small grain elevator, where they clean and custom-dry grain for neighboring farmers.

In the area, it's predominantly grain land but some of the producers also have beef cattle operations like Clarke Farms. Crops include, canola, wheat, barley, peas, soybeans, oats, and flax, with some producers trying hemp and quinoa.

The area is also logistically fortunate for grain markets. The major companies already operate in the area, and this summer G3 will be in operation. All are within a hour from of Clarke Farms. There is also access to two oilseed processors 45 minutes away in Yorkton, SK (Louis Dreyfus and Richardson) and one oat miller (Grain Millers) as well. There is no shortage of opportunity for the Clarkes to market their grain locally.

Young Farmers Influencing Policy

At 33 years old, Dennis Clarke belongs to the new generation of Saskatchewan farmers. Despite being a third-generation farmer, Dennis is one of nine young farmers under 40 participating in the Agricultural Producers Association of Saskatchewan (APAS) Youth Leadership and Mentorship Program. APAS is a non-partisan, grassroots, producer-run organization that seeks to influence farm policy on behalf of Saskatchewan producers. Being a member of the youth mentorship program means Dennis can attend APAS board meetings, as well as other conferences such as the 2018 Canadian Federation of Agriculture (CFA) general meeting in Ottawa, where he and fellow members presented APAS issues to the broader agricultural community.

Being able to see firsthand what goes on at APAS and CFA meetings has opened his eyes to the impact that farmers' groups can

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have on government policy.

Business Objectives

Back at the farm, the overall business goal of the Clarke family, like everybody else, is to make the most money with the least stress.

At present, their big bills have to be paid in March, so they sell their grain early in the year to maintain cash flow. Dennis wants to get to the point where his cash flow is regular enough that he can hold back some of his crops until summer and wait for better prices.

Cleaning and custom-drying the neighboring farmers’ grain provides another revenue stream. One of the byproducts of cleaning oats is oat screenings, which were the first thing Dennis attempted to sell on FarmLead.

Oat Screenings

Oat screenings are often used as a blend in livestock feed. After cleaning a large number of his own oats because the thins were too high, Dennis was left with 5000 bushels of screenings on his hands, which was far more than he needed for his own cows. He set out to sell them; however, many phone calls to nearby farmers yielded no results. Most of the local farms that raise livestock also grow their own feed grain, and did not need the screenings. “I exhausted my efforts trying to market them locally,” he recalls.

Encountering FarmLead

Dennis was at an APAS meeting when he first heard FarmLead CEO, Brennan Turner, speak about FarmLead.

“When you hear Brennan talk, it’s pretty easy to get on board, because he’s from a farming background. His roots are on the farm, and a farmer can relate to another farmer. Farmers trust other farmers before they’ll trust someone from a corporate setting.”

An additional incentive to get on board was the \$25.00 charitable donation FarmLead was offering to support the APAS youth program for each new account registered.

Dennis downloaded the app and was keen to get selling. He says there was a learning curve (“You have to complete one sale before you understand how it all plays out.”). But the FarmLead rep was very helpful, calling Dennis up out of the blue just as he was exploring the app. The rep asked Dennis if he had any questions, and walked him through the process. After that, Dennis says, it was easy.

Finding a Buyer

Eager to get selling, Dennis posted his oat screenings on FarmLead for \$2.25 a bushel. After not having any luck with traditional methods, he was pleased to find there was quite a bit of interest in the screenings, and his post received a lot of traction.

Dennis eventually entered negotiations with one broker, who ended up offering him 25 cents a bushel more than he was asking. They were located over 120 miles away (or 200 kilometers) in Saskatoon. He sold the whole 5000 bushels for approximately \$12,500. “I was ecstatic about that, obviously!” he says. Dennis delivered the load himself.

The FarmLead Experience

Having watched his father and grandfather over the years, Dennis is well aware that times are changing. Back when his grandfather farmed their land, everyone had a relationship with the one grain elevator in every town, and that was where they sold their grain. “There was no thought of hauling grain yourself 300 kilometers,” Dennis says. “Now the world is so small as far as taking grain to market and finding other markets is concerned.”

“It’s really neat how the whole messaging and negotiation goes. You’re text messaging this guy—everybody knows how to do that. At first, it is secretive—it has to be—and then when the deal is done, you know exactly who you’re dealing with.”

His advice to all farmers, whether using FarmLead or dealing with grain buyers in a more traditional way, is that they know their product. “You have to educate yourself regarding prices, you have to know your own grain and exactly what you have, and you have to get it tested and keep samples.”

Dennis adds that there is peace of mind knowing that FarmLead vets the buyers carefully.

Saving Busy Farmers Time

Dennis says he doesn’t know what he would have done with those oat screenings if he hadn’t found FarmLead. “I guess I would have had to get on the horn and talk to brokers. I remember when I was younger, my dad was on the phone constantly. It’s time-consuming. It’s good to actually talk to these guys, but it’s time-consuming.”

Will he be using FarmLead again? “Absolutely. I truly believe that FarmLead is the future of grain marketing. It’s an awesome tool for busy farmers.”

“We all have time in the evenings that we don’t have during the day. If you can find contracts and do research outside of business hours, it makes you that much more efficient. I can now market grain from my couch!”

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