



## CASE STUDY

### OVERVIEW

**Country/Region:**

Raymond, Alberta, Canada

**Industry:**

Wholesale Grain Dealer

**Customer Profile:**

Established in 1959, R. K. Heggie Grain Ltd. is a family-owned wholesale grain dealer with five full-time employees, located in southern Alberta.

**Problem:**

As a wholesale dealer, R.K. Heggie is constantly looking for grain to re-sell to its feedlot customers but farmers often hold on to their grain to sell later on. Thus preventing R.K. Heggie from fulfilling the demand of feedlot customers where supply from farmers is short.

**Solution:**

Heggie grain merchandiser Wade Moss has used FarmLead on multiple occasions to find sellers in unique circumstances who want to do deals and keep his feedlot customers happy.

**Benefits:**

- Found sellers on 15+ occasions
- Ensured constant supply of grain for feedlot customers even when farmers were not selling
- Located specialty rye for distiller
- Expanded customer base and territory

## R. K. Heggie Grain Ltd.

*FarmLead helps grain broker find grain for feedlot customers when sellers are scarce.*

### *R.K. Heggie Grain, LTD.*

Established by Ron Heggie in 1959, R. K. Heggie Grain Ltd. is a family-owned wholesale grain dealer with five full-time employees, located in Wilson Siding, just north of Raymond, six miles south-east of Lethbridge, Alberta.

The region surrounding R.K. Heggie is replete with farms and feedlots. These farms produce a wide variety of grain including wheat, hemp, barley, beans, peas, and canola. Roughly 50 percent of the all the beef cattle in Canada is in Alberta—3.34 million head—many of them being fattened up in feedlots. Some of the numerous feedlots in the Lethbridge area are beginning to grow their own feed, but most still rely on the services of brokers like Heggie.

Wade Moss is one of three grain merchandisers at Heggie. Born and raised in southern Alberta, Wade began working in agriculture while in high school. Along the way he got his Class 1 license and started hauling grain for a trucking company in Lethbridge, eventually becoming the logistics manager there. In 2016 he came to R. K. Heggie. Wade knows owner Ron Heggie from way back—Ron was his baseball coach when he was eight.

Having worked in the agri-industry and logistics for most of his career, working at R.K. Heggie is Wade's first job buying and selling grain. "I like dealing with producers," he says. "You know what farmers are—they're honest, hard-working guys, good guys to get along with, to talk to.... Grain might not even come up some days; you're just wondering how they're doing."

In addition to local producers, Wade deals with farms as far away as Manitoba and Saskatchewan.

### *Business Objectives*

As for all businesses, strong relationships are a priority for R.K. Heggie, and of course, so is maximizing revenue. "If you're in business," Wade concedes, "and one of your objectives isn't to make money, you probably won't last long!"

But Heggie is also looking beyond today's bottom line. They will

*“We’re always looking for feed. We’ve always got a market, and we’re always looking for barley, wheat, and corn, and FarmLead is another tool to get our name out. You can just reach so many more people—without a lot of effort.”*

be offering crop insurance and hail insurance starting this spring, “doing it old-school” with actual human beings you can sit with and talk to. Heggie also has a close affiliation with Transmark Ltd. and offers transload and producer car services as well.

“We’re pretty easygoing and open to new ideas, and we realize that things are changing—fast. Is there going to be a big feed industry in southern Alberta ten years from now? Maybe not, so we always look for any avenue to make revenue and grow.”

### *Feeding the Feedlots*

The Heggie offices are located only a 20-minute drive away from “Feedlot Alley,” an intense concentration of feedlots just northwest of Lethbridge, home to over two million cattle and nearly 200 000 hogs. Not surprisingly, feedlots form the majority of Heggie Grain’s customers.

A major challenge of Wade’s job is catering to their insatiable appetite, even when grain producers aren’t selling.

There have been times when he’s pleaded with farmers to sell him their grain, but they have en masse decided not to sell until spring. Trends suggest that late spring can be a good time to sell feed grain, but often a producer can miss out on good pricing in January, February, and March due to the cold weather and increase in feeding. It can be difficult to find sellers when he really needs the grain.

It was in just such a situation that Wade turned to FarmLead, and he did find a farmer who was ready to sell his barley. “This is the guy who

isn’t thinking about what everyone else is doing. He’s posted his grain on FarmLead, and he wants to do a deal. He wants Christmas money or has to pay for his kid’s second semester at college, whatever.” So Wade got his barley and kept the feedlots happy.

“You can find someone on FarmLead who doesn’t fit the mold, and who isn’t following the same path as most of the guys in the same area that you’re going to phone that day.”

### *Building the Book*

In addition to maximizing Heggie’s revenue, a personal career goal of Wade’s is to build up his own customer base.

“I’m pretty new at this, but if you talk to brokers, they all have a ‘book,’” which is basically a list of their own contacts and clients. Seeing the importance of building his own customer base, Wade looked for ways to do that. A Google search for tools that could help him was actually what led him to FarmLead in the first place.

“FarmLead offers you a number of benefits—you’re finding new contacts, you’re finding grain, and you’re getting your name out there.”

Through FarmLead, Wade recently did a deal for 1300 tonnes of corn out of Melita, Manitoba—a little outside his usual radius, and now a new source. You do a deal like that, “and then that seller tells a few neighbours about you, and suddenly you’re networking without networking, and really expanding the territory where you do business.”

## Clients With Unique Needs

On another occasion, Wade needed to fulfill two contracts he had made to supply rye to a local distiller who wanted grain with a specific aroma. For consistency in their own product, the distiller needed a thousand tonnes of rye from the same producer, and from the same lot. It turned out that this was not so easy to find.

Wade signed the contracts a year ahead of time, but as the deadline approached, he had still not sourced the right product. He went on FarmLead and posted an offer.

Fortunately, he got the response he needed, and once he did, the deal happened quickly. “That was a good one for me,” he chuckles. “I was pretty stressed over those contracts.” Both times (one contract was for May, the other for September) he had what he needed within a week of posting.

## Benefits of Using FarmLead

Since discovering FarmLead, Wade has used it for more than 15 successful transactions, a couple of which have been large-volume—he was able to purchase around 2600 tonnes of grains in two deals alone. “I’ve made some pretty big trades on there.

There aren’t too many producers that you can just call up and buy 30 loads of grain from in one shot.”

“It’s a really good tool for that, to go online, see what grain is available, and put out offers. Because there are days when you feel like a telemarketer, when you’re getting guys that don’t really want to chit chat, and you’re just pounding the phone.”

According to Wade, FarmLead doesn’t work like that. “It’s not time-consuming and you don’t have to be focused on it all day long to make a trade.” Referring to FarmLead’s new Price Discovery feature, he points out, “It’s also helpful for seeing what kind of prices people are looking for. It’s a good tool to know where to start negotiating.”

Heggie’s clients have a relentless need for feed grain. As brokers, Wade says, “we’re speculating, and we’re always looking for feed. We’ve always got a market and we’re always looking for barley, wheat, and corn, and it’s just another tool to get our name out. You can just reach so many more people—without a lot of effort.”

The best thing about FarmLead? “It’s like having another employee, another person pounding the phone looking for grain, without having to pay them. It doesn’t get much better than that, does it?”

## Contact Us

Address:

### Canada

240 Bank St Unit 500,  
Ottawa, ON  
K2P 1X4

### USA

100 S State Street  
Chicago, Illinois  
60603

### Toll-Free:

1.855.332.7653

### Find out more:

[FarmLead.com](http://FarmLead.com)  
[GrainTests.com](http://GrainTests.com)

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