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# Rethink your farm business

*Who needs to be concerned with crop yields?*



**Robert Savage,**  
Agronome, MBA, CEO  
Solutions affaires  
experts-conseils

No one in his right mind would dare sow grain corn in the Himalayas, at least not until some advanced technology tells him otherwise and then he wakes up one morning with Himalayan Sherpas harvesting meagre corn cobs in the middle of a blizzard. I'll admit it, this example is far-fetched, however, when I travel throughout Quebec and I see cornfields hanging on for dear life along the sides of hills and valleys, I wonder about it.

### Forget about crop heat units

One of the things we keep hearing when studying agronomics is that below 2,500 heat units, we should forget about sowing grain corn. If you look at a crop heat units map of Quebec, the first thing you'll realize is that there are amazingly few areas where heat units reach 2,500 and above. However, that data doesn't seem to prevent a large number of farm owners from sowing grain corn against all odds. Why should they? As long as they see some kind of corn plants pushing up from the ground, why bother about the yield when the farm stabilization insurance program is based on the number of hectares seeded instead of the number of tons produced?

### Forget about soil quality

Since yield is a financial problem for no one other than the government, why bother to be concerned about the quality of the soils in which you decide to sow your various crops? Of course, your crop adviser, who, by the way, is also your supplier of seeds, fertilizers and pesticides, might not be the best per-

son to encourage you to consider harvesting forage instead of crops.

On the other hand, should your land be suitable for the culture of grain corn, you might find that you are limited by the recommendations of your Agro-Environmental Fertilization Plan. As a matter of fact, those

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for whom crop yield is something tangible, calculable and profitable, tend to be seen as modern-day Robin Hoods (or Robin Crops), outlaws among crop producers and farm owners.

### Forget about costs

One of my many advantages of doing business throughout Quebec is to be able to observe some common undesirable practices, such as not knowing the cost of the crops produced on the farm. Since, in many cases, all expenses are pooled, with no

distinction between crop, dairy or beef productions, there is no way that the farm owner can know if he is losing money and, if so, where the leakage is occurring. When many farm owners are asked to improve their expense rate, one common reflex action is to reduce their costs instead of improving their crop

yields. Reducing costs, unquestionably, is good, but why would you be concerned about improving crop yields when a safety net is waiting for you?

### Welcome custom work!

Now, let us consider a real deal: custom work. Since most custom work suppliers would prefer to not lose you as one of their clients than to increase their prices, go for it. The only problem is that since they are not charging you the proper costs to cover the purchase, maintenance and usage of their machinery

and equipment, sooner or later they will go out of business, thus leaving you to find yet another reckless custom work supplier. Unlike commercial custom work services, agricultural custom work pricing is, more often than not, below the flat cost. Why so? It seems that what started as a hobby or a way to maximize the purchase of a new piece of equipment by accommodating one's neighbours, turned out to become a business of its own, but one without the business mind that should go with it. So, take advantage of it while it lasts. If, however, you are seriously considering establishing your own custom work business, start by sitting down with your calculator.

*Having worked for over 16 years for various financial organizations, Robert Savage, founder of Solutions affaires experts-conseils, has established an innovated approach to farm consulting services. With the help of a multidisciplinary team of experts, Solutions affaires experts-conseils can get your farm on its way to greater profitability by working with your existing resources and by having access to a network of professionals involved in agri-business.*

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