



# The Cross Slot® Drill Down

CROSS SLOT NORTH AMERICAN NEWS AUGUST 2014

## Cross Slot – The World Leader in No-Till Technology

### Ag Innovations Show Case – St Louis, Missouri

Cross Slot recently presented at the 2014 Ag Innovations Showcase in St Louis Missouri.

This is a forum that enables technologies like Cross Slot to engage with a wide range of agricultural parties including seed and chemical companies, machinery companies, finance and investment companies.

The showcase began in 2009 and is held on the campus of the Donald Danforth Plant Science Centre which is located next to Monsanto's campus in St Louis.

The key theme for our presentation revolved around the role of companion technologies

(seed technologies, pesticide, herbicide, fungicides) and management systems adopted by farmers of recent years.

Without doubt many of these companion technologies have significantly improved, yet if we look at USDA reported average

USA wheat yields we have not seen a significant improvement from the 45 bu/acre range over the last 15 years.

So why would this be the case when we have the benefit of these improved companion technologies.

At Cross Slot we would suggest that the below ground management of our farming

systems has not equaled that of the 'at-ground' or 'above-ground' management.

The benefits of improved seeds, pesticides, herbicides, fungicides have been compromised from declining soil & organic matter, declining soil biology, poor soil structure and poor water retention.

We would also argue that inferior seed placement has also added to this dilemma.

For a copy of the full presentation please go to the following link: <http://www.agshowcase.com/agenda/presenting-companies/2014/baker-no-tillage-usa>

## FAQ Updates

*Cross Slot has updated the Frequently Asked Questions on the website.*

*Ask us any additional questions you have.*

*We will respond to you directly and add them to the FAQ page.*

### Annual Cross Slot Conference & Tour 2014 – A Great Success!

With over 1,400 miles of travel – mixing farm tours, research stations and a visit to an opencast coal mine as highlights.

There was a good mix of old, experienced Cross Slot owners and new Cross Slot owners. The opportunity to share experiences was welcomed by all involved.

The coal mine visit highlighted the scale of this business and how this keeps costs down to produce and retail electricity at around 6.7 cents a kilowatt hour (very cheap compared to some wind at well over 20 cents).

More importantly one farmer felt that the 300 ton

capacity dump truck would make a great seed cart and the 42,000 gallon capacity water truck would make a great spray unit!

Below are some of the tour attendees at the monument which marks the 'Geographical Center of North America' in Rugby North Dakota.



Cross Slot® – Delivering and Creating Value!





## As Grain Prices Drop Around Your Ankles...

You might recall that in our February newsletter Doug Bergman of RCM Asset Management wrote a piece on Risk Management.

I asked Doug to write this, not to fill in a space, but because of concern that many farmers take a “deer in the headlights” approach to risk managing their income side of the balance sheet.

Since then grain prices have tumbled and fuel, freight and fertilizer costs have held up, thus significantly squeezing farm incomes.

Back in mid-May wheat future prices were around \$7.25 a bushel and corn around the \$5.20 mark. How many wished they would have acquired some protection at those levels.

In hindsight everyone who had not, forward sold...

Discussions with people like Doug Bergman and others and a simple understanding of risk management would have helped protect incomes and margins.

Before people get on the phone and abuse me for inviting farmers to speculate, I have some graphics that show exactly how a risk management program would have helped.

I have in another life spent more than 25 years managing commodity and financial risk so do have an idea what I am talking about.

For those interested in learning a bit more about some basic risk management techniques, I have some material available that is simple to read and understand, and implement.

A winter project maybe... If you would like copies, email me on [porter@crossslot.com](mailto:porter@crossslot.com)

## “Stronger US Dollar To Make Cross Slot a Bit Cheaper...”

Some good news for potential Cross Slot purchasers... After years of an overvalued currency (making an investment in Cross Slot more than it needed be) the New Zealand dollar is finally starting to weaken. It is already down from its high of around 0.8836 on 9 July 2014 and has been as low as 0.7911 as at 24 September, a fall of nearly 10.5%.”

## Farming Will Be Around After the Oil Has Gone

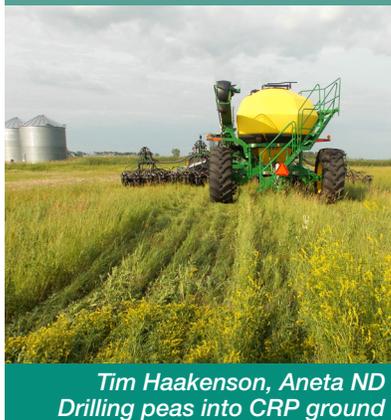
It recently came to my attention in North and South Dakota that farmers are being forced to pay excessively to get freight cars to move grain.

One example cited by an elevator manager near Bismarck, ND was that last year a freight car was costing around \$300 whilst this year he has had to pay up to \$3,300 per car. Another farmer believes this is adding up to a \$1.00 bushel cost to moving his corn. Further margin squeezing if you only receive \$3.50 a bushel for your corn.

Good economics in play you might say – as grain is now competing for oil space on the rail lines... but note – farming will be around long after the oil has gone!

Another message worth pursuing from a cynical point of view... Why is the current regime blocking the Keystone oil pipeline? Who owns the rail business? Who benefits from not having a pipeline? Who pays?

Farmers – maybe you need to get your lobbyists pushing your cause a bit better!



Tim Haakenson, Aneta ND  
Drilling peas into CRP ground



Peas perfectly placed at the desired depth

Contact your nearest Cross Slot representative:

**Baker No-Tillage USA Limited**

**CEO**

**Gavin Porter:**  
Pullman, WA  
1 888 663 7773 Toll Free  
[porter@crossslot.com](mailto:porter@crossslot.com)

**SALES & SERVICE**

**Kevin Larson**  
Willow City, ND  
701 871 1398  
[larson@crossslot.com](mailto:larson@crossslot.com)

**Storror Implements**  
Iola, KS  
620 365 5692

[robert@storrorimplement.com](mailto:robert@storrorimplement.com)

**Cliff Merchant**  
Falher, Alberta, Canada  
1 780 837 6502  
[merchant@crossslot.com](mailto:merchant@crossslot.com)

**Murray Abel**  
Lacombe, Alberta, Canada  
1 403 872 0612  
[abel@crossslot.com](mailto:abel@crossslot.com)

**Jim Cole**  
Lacombe, Alberta, Canada  
1 403 896 2586  
[cole@crossslot.com](mailto:cole@crossslot.com)

**PARTS SALES**

**Derek Fuhlbohm**  
Agpro, Lewiston, ID  
1800 492 2212  
[derek@agproinc.com](mailto:derek@agproinc.com)

**Second Hand Drill for Sale**

For more info, contact **Gavin Porter**

