

**Dan Yegge is a financial consultant who strives to help farmers improve their bottom lines. Often, that requires reducing input costs.**

seed than chemicals at a distance.

"We are seeing \$25 to \$30 a bag difference for similar corn germplasm," he says.

Buying seed is where Maxwell, Iowa, farmer Kevin Kimberley cut his negotiating teeth 22 years ago.

"I was farming 450 acres then," says Kimberley. "I couldn't buy my inputs cheap because I couldn't buy enough volume. I had no negotiating power."

In order to be able to bargain from a position of strength instead of weakness, Kimberley approached three larger farmers with a proposal to pool their seed orders. Together, they farmed 7,000 acres. "That was huge then," says Kimberley.

### Size matters

"I offered to do all of the negotiation and all of the work," he explains. "I would set up the deals and then call everybody and tell them what we had worked out. I benefitted the most, but we all benefitted."

Three of the four original participants are still using their combined strength to negotiate for seed. (Although they order seed together, they are billed individually.)

"It gives us a lot of bargaining power because we usually buy a lot of product from one company," says Kimberley. "They know that all they have to do is come see us twice a year for negotiating. We tell them to keep their caps and coats, we just want the best price." **SF**

### Learn more

The Negotiating Edge is a consulting company that trains people how to negotiate. Their Web site has two reading lists of books about negotiation. One list has their six favorites. A second list has over 100 additional books that are more specific. Phone: **800/925-3343**  
Web: [negotiatingedge.com/](http://negotiatingedge.com/)



Photograph: Mike Holmberg

## Negotiation pays

**Size and information both play key roles in buying inputs at competitive prices**

**By Rich Fee**  
Crops and Soils Editor

**Y**ears of farming and working in agribusiness have convinced Dan Yegge that "everything is negotiable in the ag sector." If you agree, it might pay you to hone your negotiating skills. Regardless of individual style, Yegge says negotiation should be based on knowledge and honesty.

When he isn't farming, Yegge and several employees run Ag Performance, a financial consulting business based in Buffalo Center, Iowa (641/562-2370). His business is geared primarily toward helping farmers understand and manage their cash flow and balance sheets.

### Price discovery

Yegge is not in business to buy inputs for his clients. However, he does negotiate volume prices with suppliers and provide his clients with information about prices for inputs, especially agricultural chemicals.

"Farmers need to know what prices are available out there," he says. "I can tell them that. But farmers make the final decision on where they want to buy. I never push them, unless their cash flow is so pinched that they are not going to make money otherwise."

### Negotiate with knowledge

In some cases, Yegge's clients use that price information to negotiate a better price with a local supplier. "But price isn't everything," says Yegge. "Service is an issue along with price." Obviously, some growers need more help with scouting than others, and some require custom application.

Yegge says those growers who need service may not require the lowest price, but they still need a good price. "On chemicals, there is a dramatic price difference from one supplier to another," he says. Last year, Yegge received price quotes on generic glyphosate ranging from \$17 per gallon to \$25.

Yegge also tracks seed prices, although his clients are less apt to buy