

Beyond Relief: Building Farm Resilience When Prices Are Low

The U.S. Department of Agriculture (USDA) periodically offers economic assistance programs to support farmers impacted by fluctuating commodity prices. While this type of relief can provide short-term stability, the larger challenge remains: how to build resilient operations that don't just survive market downturns but thrive despite them.

For farmers looking to maintain long-term profitability, government aid may be necessary during tough times, but it shouldn't be the only strategy. That's where Advanced Agrilytics comes in—by equipping farmers with the tools and insights they need to optimize inputs and secure sustainable yields, even amid challenging market conditions.

Understanding the Problem: Why Relief Alone Won't Keep Your Farm Profitable

Economic relief is critical to the industry when commodity prices stagnate, and input costs rise, but it's not a permanent solution. USDA's economic assistance payments aim to cover some of the losses farmers face. However, with corn and soybean prices remaining flat, farmers still face the challenge of making each acre profitable.

"Yield improvement and risk reduction are the real keys to overcoming these economic challenges," says Dr. Kess Berg, Chief Innovation Officer at Advanced Agrilytics. "The only way to withstand fluctuating markets is to proactively invest in building a resilient operation."

The reality is that when input costs rise faster than crop prices, even the most well-intentioned relief programs can't fully offset the gap. That's why it's crucial to take a long-term approach to agronomy—one that maximizes input efficiency and reduces variability across every acre.

Stop Guessing and Start Knowing: Building Agronomic Resilience

Instead of simply reacting to market pressures, Advanced Agrilytics empowers farmers to take control of their agronomic outcomes and build resilience and stability into their operations. The key lies in what Berg calls "agronomic fortification"—a proactive strategy that optimizes inputs, reduces variability, and enhances long-term soil health.

"When you're faced with rising input costs and stagnant prices, you can't afford to guess where your fertilizer or seed will yield the best return," Berg explains. "You need to know. Our sub-acre spatial ag intelligence identifies where to focus resources to maximize impact, so every dollar works harder."

By leveraging data-driven insights, farmers can make informed decisions about where to invest their limited input budget. For example, building and maintaining optimal phosphorus and potassium (P and K) levels over time not only boosts yield potential but also minimizes risk when cutting application rates becomes necessary.



From 'Just Good Enough' to Great: Practical Steps You Can Take Now

If your input strategy lacks precision and isn't a calculated investment—or if you're just continuing to do what you've always done—it's time to reassess your approach. You don't have to overhaul your entire operation overnight, but settling for 'just good enough' won't cut it when margins are this tight. Start with a few practical steps to get more out of what you're already doing. Here are some practical steps to start building resilience this season:

- 1. **Prioritize Input Efficiency:** Focus on maximizing the return from every input dollar by identifying which fields or zones are most responsive to specific nutrient applications.
- 2. **Leverage Spatial Data:** Use sub-acre data analysis to understand how soil variability and historical yields impact your input decisions.
- 3. **Maintain Soil Health:** Build and sustain optimal P and K levels to reduce input needs in lean years without sacrificing yield potential.
- 4. **Monitor Critical Levels:** Regularly track key nutrient levels and adjust your management practices to maintain balanced fertility.
- 5. **Invest in Long-Term Stability:** While it may be tempting to cut corners on agronomic investments, maintaining your operation's resilience should remain a priority—even in tough times.

It's Not Too Late: Building Resilience, One Acre at a Time

Farmers who have partnered with Advanced Agrilytics over the past decade have built resilient operations that weather market shifts and reduce the need for emergency relief.

"It's about taking advantage of good times to build agronomic strength that pays off when conditions get tough," Berg says. "Even if you haven't fortified your agronomic balance sheet in the past, it's never too late to start. Implementing small, strategic changes this growing season can help mitigate risks and position your operation for long-term success."

Don't just rely on short-term relief—build long-term resilience. <u>Contact Advanced Agrilytics</u> to learn how our precision agronomy solutions can help maximize your investment, optimize your inputs, and secure your farm's future—even in challenging economic conditions.