Illuminating The Progress Of Barnesville

Street Light

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The Faces Of Agriculture Continue To Change

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What was once a Rothsay Farmer's Coop Agronomy Center in Barnesville will still exist but will now be operated by Maple River Grain of Casselton. In the background is the Agassiz Valley Grain terminal which has been appraised for sale by Valley Ag Partners.

Farming is a challenging business on an individual basis. Nothing is ever equal and everything varies from farm to farm. Depending upon the experience, years in the farming business as well as accumulated equity in land and machinery means today's price structures can be a disaster on some farms while the same prices can produce a profit on a neighboring farm.

What sometimes gets forgotten in the farm economy is the effect that the down years can have on things around the farm but not actually a part of the farmer's grand plan when he does his planning for the coming year. Examples of that in 2019 were all of the folks who were impacted by the harvest and continue to be victims of the economy.

Many individuals plan their vacations around the beet harvest. They take time away from their day jobs to drive trucks or farm equipment during the sugarbeet harvest. The beet harvest provides them with a nice second income for a few weeks of work, This year that vacation time was wasted watching it rain or in a few cases, battling mud and wet field conditions.

Not feeling the impact yet but they soon will are the employees of the sugarbeet processing plants. The short crop means a short processing season. There will be a lot less days of employment this year, shorting some households by a lot of paychecks.

Just like individuals, the businesses that support the local farm economy struggle during these difficult times. Over the years there has been a gradual tightening of how far the ag dollar can be stretched. Feeling that pinch are local implement dealers and elevators. Businesses that have been around for as long as a century will not be serving farmers in the same format or at all in some cases.

Feeling the pinch particularly during this latest downtrend in farming are the local coop elevators. There will be significant changes in those support industries beginning with the 2020 crop year.

After a run that lasted 120 years, there will not be a local elevator serving farmers during spring work or buying their grain during fall harvest.

Two years ago the stockholders of the Rothsay Farmers Coop Elevator and Kragnes Farmers Elevator voted to merge their operations. They became Valley Ag Partners but it was not necessarily a marriage made in heaven.

While Rothsay Farmers Coop had a couple of down years, it was manageable losses. They also carried quite a bit of debt following the construction of a new $3.4 million dollar fertilizer plant in Barnesville. They maintained an elevator complex in Rothsay and an agronomy and fertilizer operation in Barnesville.

Kragnes Farmers Elevator, with offices in Dilworth and Sabin had been struggling. But it was hoped that the merger would bring old customers back. It didn't happen. Fiscal year 2018 showed a lot of red ink, more than anyone had anticipated. The crop year 2019 was promising to be even worse.

Farmers could not get into the fields so they needed less fertilizer and spreading services. Weather conditions during the growing season pointed to a short crop or no crop at all in some cases. At the best, grain would not be flowing across the elevator scales until late in the season or perhaps not until the corn was finally harvested sometime in the spring of 2020.

Valley Ag Partners, after only two years in business and numerous changes in personnel, had to make a move. The entire operation has been leased to Maple River Grain Company of Casselton on a five-year trial lease. A sale of the company to Maple River Grain could take place after the lease expires.

Rothsay Farmers Coop and Kragnes Farmers Elevator also each owned one-quarter of the huge Agassiz Valley Grain Terminal just a mile north of Barnesville. Their merger gave them a 50% ownership of AVG. The other shares were owned by the Fergus Fall Coop Elevator and Archer-Daniels-Midland.

The early years of AVG produced some significant dividends for the partners but those dividends dried up as the farm economy shrank and debt was acquired as necessary expansions were made at the plant.

Following an appraisal, Valley Ag Partners contemplated selling their 50 percent ownership in Agassiz Valley Grain. That sale is in progress now with Argyle Coop of Argyle, MN the likely new owners of half of the Barnesville grain handling terminal.

The changes at Valley Ag Partners continues a consolidation of services that has been ongoing for the past hundred years. Rothsay Farmers Coop, over the years, picked up the elevators at Lawndale and Carlisle. They also acquired the assets that remained of the Barnesville Farmers Elevator when BFE closed its doors back in the middle 1980s.

The changes at Valley Ag Partners are just a few of the changes that have been noted over the past year. During that time all of the assets of the Hawley Farmers Elevator were auctioned off. There were multiple portions of the business that were auctioned but in the end the Hawley Coop Elevator ceased to exist.

The Ashby Farmers Coop also folded leaving huge debt that will likely never be recovered. That was due to internal theft and embezzlement, not necessarily to the farm economy in general.

Things will also be different at the Pelican Rapids Farmers Coop during the coming year. At the end of their fiscal year in February of this year, the feed mill in Pelican Rapids was closed down. The elevator will continue to sell pre-mixed bagged feeds but will no longer do any custom grinding, mixing or deliveries.

This ends a tradition when that entity served local dairy farmers and turkey growers in the Pelican Rapids and Rothsay areas. There are likely just as many milk cows in the Pelican Rapids area as there ever were but they are all in huge herds now instead of in small herds on every farm. Turkey feed is now mostly ground and mixed right on the farm rather than having it ground and delivered.

Just about the only local farm coop that has not been hit by the

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Loading out a unit train of wheat, corn or soybeans is a common sight at the AVG terminal north of Barnesville. Each train that departs, and there are a lot of them, contains 110 to 115 rail cars. There are about 3,700 bushels of soybeans per car or about 425,000 bushels on each train with most of the product moving west. In an "average" year, there is aobut a train a week moving out of this region. That has not been the case yet this year with a lot of corn still standing out in the field.