

The Case For The Independent



My brothers and I have been proud to carry on the tradition of independent seed suppliers. However, while we call ourselves “independents,” the reality is that none of us are truly independent in our business operations. So what does “independent” really mean?

The definition of “independent seedsman,”

for me, has evolved over time. When I was younger and more naïve, it meant that I was my own boss. I have learned over time that this really isn't true—we have always depended on good suppliers to succeed. Meeting customer needs is critical to our existence as well. These principles were just as true years ago as they are today. To me, “independent” means that we have the good fortune to do business with people of our choice and in a manner that reflects our personality and values.

What are the risks facing the independent seed model today? One of the greatest risks is that we get too comfortable with past success and fail to evolve. The agricultural marketplace is really amazing in its diversity of customers, vast product choices and pace of innovation. The information age and technology revolution have changed the way most people live, and this means changes for farming as well.

To expect past success to guarantee future performance is unrealistic. We must adapt, not only to meet changing customer needs, but to meet supplier needs as well. There is value to understanding how our suppliers function and what brings value to their organizations. Our risk is that the supplier fails to see the value we can provide.

In this business landscape, there is opportunity for the independent seed supplier. Our customers are faced with a bewildering array of new products and services. With rapid innovation in equipment, precision farming, seed treatments, crop chemistry and marketing options, relationships are critical. Farmers need people they know and can trust to help guide them through the maze. Our job is to figure out how each of us can be that trusted advisor. If we can fill that role, there will be a place in the operation for us.

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Why is trust so important? For many farmers, it is simply not possible to get the farming work done and to identify, test and evaluate the baffling array of seed and crop-related products available. A trusted advisor can provide the information that is critical to decision-making. Who better to provide unbiased information than a company offering products from multiple suppliers? Recommending a product because it is the best option rather than the only option can provide a huge boost to the advisor's credibility.

What about the short-term? While the tough seed corn production year is causing challenges, I see some upside potential. Many independent seedsmen are closer to the end-user of products and can identify and react to customer needs more quickly than national companies. For 2012 planting, the ability to react quickly may pay dividends in helping customers through a tight seed supply year. Local knowledge should lead to selling opportunity in the seed treatment and amendment categories as well. For example, with the issue of rootworm trait resistance looming, being able to supply multiple rootworm trait and treatment options for rotation will provide a point of differentiation for the independent supplier.

For me, being an independent seedsman has been a huge challenge and a rewarding opportunity all at the same time. Independence has allowed me to work with great customers, supplier representatives, staff and my own family. Despite the challenges, I wouldn't have it any other way.

Dave Hughes, President, Hughes Seed Farms Inc.
