

## Patience pays off for Powell Grain

❑ A decade of part-time farming has evolved into a full-time business that fuels Jess Powell's passion for ag

By Gary Brower, Editor

Just 18 years old and fresh out of high school, Jess Powell was earning a decent wage working at a western Pennsylvania steel mill, as were many of his buddies.

Many of them spent their hard-earned money on new trucks, Jet Skis, motorcycles or boats, but Jess wasn't interested in buying toys.

He was more concerned with building his future.

A few years earlier, while he was



Photo courtesy of Powell Grain Farms

**PATIENCE AND PERSEVERANCE:** Jess Powell began farming part-time as a high school student 15 years ago and slowly built his business while working full-time in a steel mill. Today, he and his wife, Danielle, own and operate Powell Grain Farms, a 3,500-acre cash crop operation based out of Mercer County, Pa.

still in high school, Jess had started working as a hired hand on the farm of Frank Brest and found the work to be both challenging and rewarding. After graduating from Commodore Perry High School in 1999, he was able to rent 30 acres of land and began farming in the evenings and weekends, using the money he was earning at the mill to fund the operation.

"It was doable, but it was tough. I wouldn't want to do it all over again. To start farming today would be so much tougher with land prices, land rent and machinery," said Jess, who is now 33. "When I started out, corn was \$1.80 a bushel and people were getting out of farming. People kind of tried to make fun of you and tried to put you down (for farming)."

They're not putting him down any longer. Powell was able to quit the

### Powell Grain Farms

**Owners:** Jess and Danielle Powell

**Location:** Greenville, Pa.

**Type of operation:** Cash crop operation growing corn, soybeans, wheat and hay

**Employees:** 3

**PGP customer since:** 2012

steel mill after a decade of part-time farming and dedicated himself to it full-time in 2008. The 30 acres he started with as a teenager has grown into a 3,500-acre operation known as Powell Grain Farms and Jess has two dedicated full-time employees who help him keep the farm running smoothly.

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# Service

*Service is at the heart of everything we at PGP do. The employees of PGP strive to provide superior customer service and quality products that enhance the profitability of our customers.*

## Plant efficiency optimized during fall shutdown

**By Eric Meeuwsen, General Manager**

We finished our fall shutdown week at PGP in the middle of September and we were able to finish several projects.

Shutting down the plant for a few days not only allows us to work on areas we know need our attention, it also gives us an opportunity to take a closer look at things we could not otherwise see when the plant is running at full speed.

That inspection revealed a few areas we feel need to be improved upon and we will tackle those projects during spring shutdown.

With shutdown behind us, we were able to turn our attention to harvest. It

### Plant update

takes a lot of grain to run the plant at peak efficiency and that means a lot of trucks coming in and out of our facility. Our focus always has been, and will continue to be, customer service. Our goal is to get the trucks, whether dropping off corn or loading ethanol or distillers, in and out as quickly as possible.

If there is anything we can do to make your experience with PGP more enjoyable, please feel free to let us know. We thank you for your business in 2013 and look forward to serving you in 2014.



PGP photo

**OPTIMAL OPERATION:** After the annual fall shutdown in September, the PGP plant is running efficiently as fall harvest continues.

## Weigh risk against reward when marketing new crop corn

**By Brian Kelly, Grain Merchandiser**

In June of 2012, a PGP customer contracted November 2012 corn at \$5.70 a bushel. In the spring of 2013, that same farmer contracted November 2013 corn at \$5.75. In both cases, he did it to ensure a profitable price for his corn.

At harvest last year, he wished he hadn't done it. This year, he wishes he had priced more – much more. While getting the highest price is always more memorable and enjoyable, the market will react and prices will correct. So, forward contracting a profit, not receiving a specific price, should always be your goal.

The 2013-14 crop year has started like a "typical" year. Prices are lowest at har-

### Corn update

vest. The Board of Trade has carry, meaning prices increase further out in 2014.

The USDA crop report released on Nov. 8 projected this year's corn crop to be just under 14 billion bushels. Many analysts expected the crop to be more than 14 billion bushel, so prices increased a little after the report.

Going into 2014, there are several factors that will affect corn prices. They include the final 2013 crop yield, export demand for U.S. corn, domestic use of corn for both feed and ethanol,

the South American corn crop, the anticipated acres to be planted in the spring and the weather's impact on the crops in South America this winter and in the U.S. next spring and summer. There will be opportunities for prices to increase and perhaps even decrease.

We did a good job of solving the

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Pennsylvania Grain Processing, LLC

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## Powell: From 30 rented acres to 3,500-acre grain farm

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Jess, working side-by-side with his wife Danielle, farms about 1,900 acres of corn and 1,500 acres of soybeans on several parcels of land within about a half-hour drive of Greenville, Pa. They also grow some wheat and hay on smaller tracts. The Powells own 800 acres and rent the rest of the land from local owners. They also own a large parcel of land in Iowa, which is managed for them by a third party.

“About one-third of the (part-time) years, it was just plowing the money back into the business. But Danielle was on board. She believes in my dream,” Jess said. “We just slowly rented more land and then we bought some. Then I had the opportunity to buy the (Brest Farm) operation out (in 2008).”

Frank Brest died in 2005, but before he passed away, he and Jess had made an arrangement for Jess to take over as owner and keep the farm running. Three years later, Jess bought the farm from Frank’s widow and left the steel mill behind to



PGP photo by Brian Kelly

**DRIVEN:** Jess Powell is 33 years old with no family ties to agriculture, but over the last 15, through hard work and diligence, has become one of the leading corn and soybean producers in Mercer County, Pa.

begin his life as a full-time farmer before he was 30 years old.

While working alongside Frank for a decade, Jess said he learned many valuable lessons that he still puts into practice today. The most important thing Frank taught him was to always be prepared.

“He took the time out to show me the ropes of agriculture. I owe him a lot for that,” Jess said. “He taught me that an ounce of prevention is worth a pound of cure. Before harvest and every spring, go out and make sure the machines are

ready. Don’t do anything half (way). Make sure you are ready.

“To this day, that is the core of the operation. The preparation.”

It is a big reason Jess has built 300,000 bushel worth of grain storage and 70,000 gallons of liquid fertilizer storage at Powell Grain Farms. Each year, about three-quarters of his corn harvest goes into storage so he can take advantage of rallies in the market and sell corn when it is most advantageous, and he is assured of always having enough fertilizer when it is needed.

His preparation and meticulous attention to detail help Jess produce about 400,000 bushels of corn and 70,000 bushels of soybeans each year. Since 2010, most all of the corn has been going to Pennsylvania Grain Processing to be converted to ethanol and dry distillers grains. Jess has been bringing his crop to the plant in Clearfield since it opened and has been pleased with the changes since PGP took over in 2012.

“The plant has been a big presence in this area. I’m all for it,” Jess said. “There needs to be more time and effort put in to explain ethanol.”

For 15 years, Jess has been laser-focused and dedicated to his business, which meant putting off starting a family. But recently, he and Danielle were blessed by the birth of twin daughters, Sophie and Sydnie. The girls, in a sense, complete the picture and prove that dreams can still be realized.

“If you believe in yourself, you can make it work. If it runs in your veins, you can make it work,” Jess said. “It just takes time and patience, but you can make



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## DDGS remains viable, valuable part of livestock feed rations

**By Steve Blackburn, DDGS Merchandiser**

While corn prices have decreased recently, the protein market remains hot and DDGS prices have not fallen in proportion to the price of corn. DDGS remain a cost effective protein source for rations and demand is strong at the current price.

The final few months of a crop year are always a time of concern in the

### *Distillers update*

DDGS market because vomitoxins can increase with the last of the stored corn and the condition of the new crop is unknown. Fortunately, PGP's DDGS have remained below 3.0 ppm for vomitoxins through the fall and as we switched to new crop corn.

At PGP, we strive to produce a high quality product and deliver it in a timely manner. We appreciate your business and look forward to working with our farmer customers and feed mills in 2014.

### *DDGS Merchandising*

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## Corn: PGP can help build a marketing plan for your grain

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problem of high prices for corn by producing a 14 billion bushel crop. Will low prices be cured by reduced acres planted in South America and here next spring? Time will tell.

While prices are quite different from last year, now is the time to begin to develop your grain marketing program for your stored crop. One role of the

PGP corn originators is to help our customers get the best prices the market will provide. Have you priced any corn for delivery in 2014? What price do you need for profitable production?

### *Corn Merchandising*

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Is that price currently available? If so, you may want to sell some.

Next, you should establish some target prices. At PGP, there is no cost and you can cancel or change the price before the contract fills.

Please give us a call to see how we can help you capture any upswing in the market. As always, we enjoy and appreciate serving you.