

**Name:** Erickson Farms  
**Location:** Tarkio, Missouri  
**Farming:** food-grade corn and soybeans

# From Field To Food

*This Missouri father and son partnership has implemented a vertical-integration program that extends all the way to the food processor.*



*With the help of Roger Auffenkam (right), who also manages the family-owned elevator, Dennis and Angelo Erickson grow approximately 6,500 acres of soybeans and white corn near Tarkio, Missouri.*

When Dennis and Angelo Erickson ship their corn to market, it's not quite as simple as trucking it to the nearest grain elevator or even to the ethanol plant located less than 20 miles from their Tarkio, Missouri, farm. Instead, it's either shipped by rail to California for use in tortillas or packaged in 50-pound bags, loaded in cargo containers and shipped directly to South Korea, where it's used for manufacturing snack foods.

It's certainly not an inexpensive process, but Dennis is convinced that he wouldn't be where he is today had he not developed a specialized market nearly 30 years ago. At the very least, he and Angelo probably wouldn't be farming nearly 6,500 acres of prime river-bottom ground.

"As farmers, I believe we have to figure out how to keep adding value to our products, if we're going to be in business in another 10, 20 or 30 years," Dennis relates, noting that he started farming on his own nearly 40 years ago. "I bought my first farm in 1971, when I was just out of high school."

Erickson was never content to take the traditional route, however. In fact, it was only a few years after he started selling corn directly to the tortilla manufacturers in California that he built his own grain elevator. He followed that a few years later with the necessary cleaning and processing equipment for grain export.

"Some people may think we're making a fortune, considering the premium we get paid for white corn and the fact we're selling directly to the manufacturer," he says. "But it takes a big investment, too. We've spent nearly a million dollars just on the processing equipment needed to meet the export market."

In addition to storage bins and facilities dedicated specifically to non-GMO (genetically modified organism) white corn, the Ericksons had to install special sorting and drying equipment, as well as a high-priced Satake color sorter. The latter is a specialized optical scanner equipped with 80 cameras that electronically checks for off-colored kernels, cracked kernels and any remaining foreign particles. Any rejected particles or kernels are blown aside with a puff of air. Their processing facility also includes two bagging machines that fill self-sealing paper bags with 25 kilograms (approximately 55 pounds) of clean corn. From there, the bags go into a warehouse until they're loaded in cargo containers.

"Everything we ship to Korea has to be certified non-GMO," Angelo adds. "If they find one kernel of GMO corn during testing, they can reject the whole load. And you can't tell the difference by looking at it.

"The moisture level is also critical for export corn," he adds. "It has to be below 13 percent moisture and we can't use heat to dry it. The manufacturer actually pops the corn to make an all-natural snack food, and if the kernels have stress cracks from being heat dried, they won't pop."

Even the stacks of bags require special handling equipment, explains Roger Auffenkam, who manages the elevator and assists in the farming operation. "You're not allowed to ship any wood overseas, so all the bags

have to be stacked on plastic sheets instead of pallets," he explains. "Of course, that requires a special attachment on the fork lift, which grabs the sheet, slides the stack onto metal plate and then pushes it back off as it is being stacked or moved."

On average, it takes around 800 bags to fill a 20-foot shipping container. Once loaded, the containers are hauled to Kansas City, where they're placed on a train destined to one of the nation's seaports. All total, it takes approximately 30 to 35 days for a shipment to reach South Korea from the time it leaves the Erickson's facility.

Although they handle all shipments to California on their own, Dennis says the family turns to Louis Dreyfus Commodities to handle the paperwork and politics involved with the export market.

Unfortunately, grain handling, processing and shipping aren't the only challenges that Dennis and Angelo face on an annual basis. Since between 50 and 75 percent of their crop is non-GMO corn destined for South Korea, they're also limited on herbicides. Plus, they have to ensure that they don't get cross-pollination from neighboring fields of yellow corn or their own GMO white corn varieties.

"We're fortunate in that we have big blocks of ground, including nearly 4,000 acres in one continuous area, that allows us to partially isolate the crop," Dennis relates. "You don't find many parts of the Midwest where you have corn rows up to two miles long."

"We're hoping that some of these countries will lift the restrictions and allow Bt corn or even the new Liberty Link white corn that Pioneer® just came out with," Angelo adds. "But until then, we're limited to about four herbicides that we can use on the non-GMO varieties. It just takes a lot more management."

Since most of the Ericksons' farm is located on either side of the Tarkio River, they also have to manage soil compaction on the rich bottomland soil — while sacrificing a field of corn to flooding every few years. That's one reason they use Challenger® track tractors for virtually all of their fieldwork and deep rip most of the field in the fall. There are times the tracks will go where wheel tractors simply couldn't tread.

Don't expect the Ericksons to accept status quo anywhere else, though. The father and son duo are already looking at additional opportunities, like building their own corn chip manufacturing facility or adding a grain shipping hub to their elevator, which was strategically located next to a rail line back in 1980.

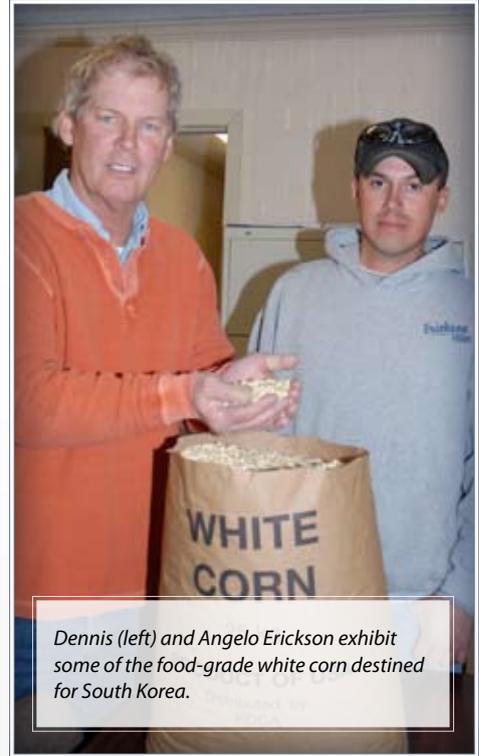
"The way I look at it, you have to be in a market that creates value," Dennis concludes. "It may require a substantial investment at times, but we're in this for the long haul." ■

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## Sold On Tracks



*Of the five Challenger tractors owned by Dennis and Angelo Erickson, only the Model 85E is more than 15 months old. The others include (from left), an MT755B, an MT755C, an MT445B wheel model with an ML74B loader and an MT845B.*



*Dennis (left) and Angelo Erickson exhibit some of the food-grade white corn destined for South Korea.*

**D**ennis Erickson has always been a firm believer in Challenger track tractors. In fact, he and his son, Angelo, just recently traded in two older Model 55 tractors with more than 4,000 hours each on the hourmeter for a pair of new MT755 models.

"Ironically, we've purchased four new Challenger tractors within about a 12-month period," Dennis relates, noting that the first one was a Model MT855B that he bought in March 2008. "Although we still have an older 85E, we were getting to the point we were short of horsepower on tillage, especially with the number of acres we've added."

The MT755B and MT755C that he and Angelo added in December were a little bit different story, though.

"Alan Scott, with Dean Machinery in Maryville (MO), actually called us to say they had a cancellation on a couple of Challenger row-crop track models," he explains, noting that he bought the "B" model, while Angelo bought the newer "C" model. "It was sort of a last-minute deal, which meant we ended up making the purchase on New Years Eve to get the tax deduction for 2008.

"It's just unbelievable the kind of service we got out of those 55 models," Angelo adds, insisting that Dean Machinery has been just

wonderful to work with as a dealer. "They were tough tractors; but after driving the MT755C this spring, I sure wouldn't want to go back to a 55. I love this tractor. The ride and reduced compaction have been exceptional."

Within the last year, the Ericksons have also added satellite guidance to two of the three new track tractors.

"I'm totally sold on that option," Dennis continues. "I'm starting to get a little arthritis in my hands, and the automatic steering makes all the difference in the world. Plus, nobody can make rows as straight as the tractor does on its own.

"The more time I spend in that MT755B, the more I like it," he adds. "And from what I've seen on Angelo's tractor, the MT755C is even more advanced."

This past March, however, Dennis made another transition by purchasing his first Challenger wheel tractor. The MT445B equipped with an ML74B loader, he says, was a gift to himself for working around the yard and handling supplies and material.

"When it comes to fieldwork, though, there's nothing like tracks," he concludes. "I'd put tracks on everything if I could." ■