

**VALLEY** 

# pivotpoint™



**Get on Track with Valley®  
Floatation Options** page 3

SPRING 2007

IRRIGATION  
NEWS, TRENDS,  
PEOPLE AND  
PRODUCTS



**4** Conserve with  
Low Pressure  
Sprinklers



**5** The Many  
Benefits of  
Electric Drive  
Technology



**6** Corn Futures



## The Promise of Performance

**Value** – a word of profound meaning. Many say it, but without substance it's nothing more than an empty promise. Since 1954, Valley has carried a vision of value, which is at the core of all we do – how we build our structures, find solutions for our customers' challenges, fine-tune our engineering to gain efficiencies and look at ways to economically impact your bottom line. Valley's vision of value provides you with a promise of performance.

Throughout this year, it is my hope to illustrate just how these "Valley Values" guide our product development, dealer service and our ongoing commitment to your success. Our values are quite simple because they are what you expect, and more importantly, what you tell us you expect.

In 1998 and again in 2002, Valley commissioned a marketing research study asking pivot irrigation owners what were the most important product attributes. Chart 1.1 illustrates the research study results. By the way, the same study determined that first and foremost, the most critical decision criteria is fast and professional service and support from their local Valley dealer. Our promise of performance is ...

- **reliable mechanized components;**
- **durable, resilient structures;**
- **precise water application;**
- **easy-to-use controls;**
- **and responsive dealer service.**

The promise is what makes Valley who we are, both with our product and with our people. It is what led us to introduce the Valley 7000 series, delivering the industries only value performance choice to fit specific field and irrigation needs.

We are proud to be part of your operation and are committed to continue providing you with true, meaningful value – precision irrigation made easy.

Thank you!  
JIM BROWN

Vice President, Sales & Marketing

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**Special promotional offers valid only at participating Valley dealers in U.S. and Canada.**

## VALLEY DEALERS Success in Numbers



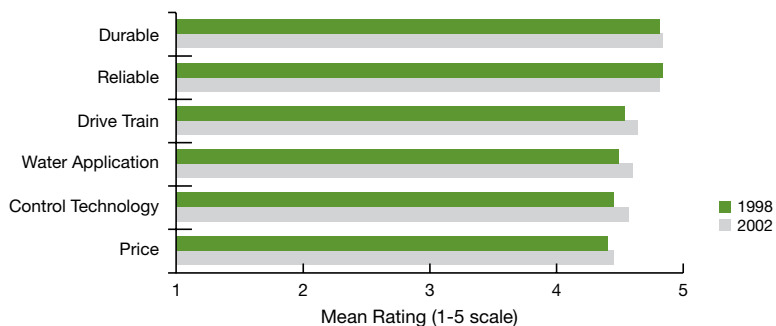
*Some say that numbers cannot measure success. Quite contraire mon fraire, we tend to believe that high numbers are cause for celebration. So, break out the party hats, as we would like to recognize and congratulate our latest Valley dealers who, from January to March, are making their mark by achieving over 25 years of success.*  
**Happy Anniversary!**

<b>Compton Irrigation</b> . . . . .	<b>40 years</b>
<b>Halane Farms, Inc.</b> . . . . .	<b>35 years</b>
<b>J.W. Kerns, Inc.</b> . . . . .	<b>34 years</b>
<b>Delta Irrigation</b> . . . . .	<b>34 years</b>
<b>Farmers Union Valley Irrigation</b> .	<b>33 years</b>
<b>Valmont Northwest</b> . . . . .	<b>32 years</b>
<b>BAS, Inc.</b> . . . . .	<b>32 years</b>
<b>Mid-Valley Irrigation</b> . . . . .	<b>30 years</b>
<b>Tri-County Irrigation, Inc.</b> . . . . .	<b>29 years</b>
<b>Leonard Water Services</b> . . . . .	<b>27 years</b>
<b>Mercier Farm</b> . . . . .	<b>26 years</b>
<b>Rogers Irrigation</b> . . . . .	<b>25 years</b>
<b>Western Sprinkler, Inc.</b> . . . . .	<b>25 years</b>

Chart 1.1

### Importance of Product-Related Factors

2002 vs. 1998





# Keep Your Pivots from Falling in the Same Old Rut



## IT'S ALL ABOUT TRACTION

Coaches rely on their equipment manager to outfit the team with an athletic shoe designed to increase traction and secure footing for a specific field surface or condition. The same may be said of your Valley dealer. After analyzing the soil type and terrain of a field, your Valley dealer will recommend the floatation option most effective in conquering the primary threat of the opposing field – ruts.

Ruts form as pivots travel down the identical track numerous times. Field composition, soil type and terrain are the most common factors that impact the severity of rut formation in any given field.

Extensive research and in-field trials led by the Valley world-class team of engineers was the inspiration behind the design of several new drive unit floatation options – each customized to maximize performance and minimize downtime.

## SO THAT'S WHY IT'S CALLED A RUT

A stuck pivot can have a devastating impact to your bottom line: increased energy costs; wasted water, labor and repair expenses; pivot stress and loss of structural integrity; yield reductions; economic losses; and ultimately, frustration.

## PROVEN PERFORMANCE

When one of his pivots got stuck on a field comprised of a clay-type soil that tends to become very slippery when wet, Loran McIntyre, a producer from Caldwell, Idaho, estimates he lost 25 percent of his corn yield. After consulting with his local Valley dealer, McIntyre purchased a new machine outfitted with the Valley 3-Wheel Drive floatation option for a different field with the similar clay-type soil composition.

“The performance of the 3-Wheel Drive unit allowed me to put a pivot on a piece of ground that I didn’t think was possible before,” said McIntyre. “After two complete seasons, there’s been no downtime at all. I’m extremely happy with it.”

Doug McGillivray from Saskatchewan grows grass sod and other crops on heavy gumbo type soils that become slimy when saturated, then turn sticky when drying out. McGillivray’s solution to improved traction and reduced downtime on his 10-tower, 1,800-foot pivot was the Valley 4-Wheel Drive track option.

“After installing the 4-Wheel Drive track system the pivot does extremely well,” said McGillivray. “In the past I’ve had a lot of problems with the pivot getting stuck and have tried a number of different things to solve the problem. The 4-Wheel system has been trouble free and maintenance and service have been minimal.”

## Tips for Minimizing Ruts

- Choose the proper Valley<sup>®</sup> floatation option
- Check tire pressures at the beginning of the irrigation season to make sure they are correct
- Run the pivot dry for two or three rounds to pack the wheel track before irrigating
- Use boom back and direction sprays to keep water out of the wheel track
- Match the sprinkler design to the soil infiltration rate





# Conserve Energy. Reduce Expenses.

An increasing number of pivot owners from across the nation have recently become believers ... seems the federal and local governments along with power companies in the Northwestern part of the United States are ready to help.

The result of a federally-sponsored financial assistance initiative called the Environmental Quality Incentives Program (EQIP) along with local NRCS offices and increased awareness of new irrigation product innovations have farmers taking a closer look at ways to enhance the efficiency of older pivots. And the result?

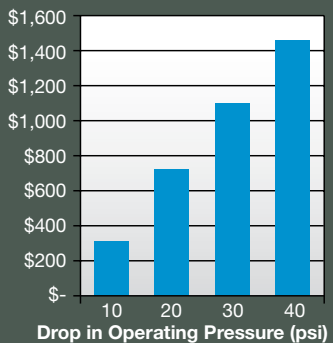
Literally hundreds of machines have received a customized makeover – resulting in immediate improvements in operational efficiencies and cost savings. In addition, since the conversions have proven these benefits real (versus just a cosmetic fix), the feds are pitching in. For example, EQIP may cover up to 75 percent of the costs for implementing conservation practices (e.g. sprinkler conversions) that improve application efficiency and reduce energy use.

## Lower Your Operating Pressures For Big Savings

Potential Savings per 1000 Hours of Operation with Diesel



Potential Savings per 1000 Hours of Operation with Electricity



Based on 850 gpm, 80% pump efficiency, \$2.50/gallon diesel fuel or \$0.07/kW-hr electricity. Savings will also vary on how well the pump and engine fit the lower operating pressure.

## Unawareness versus Reluctance

“In the beginning there’s no doubt that learning of the cost share program was probably the primary factor that led to the increased number of conversions we did here in Florida,” admits James Williams, Tri-County Irrigation, Live Oak, Fla.

Williams feels it was more a situation of farmers being unaware of the new technology rather than reluctance to embrace it. “Updating an older pivot with a customized low pressure sprinkler package may result in immediate energy savings and improve application efficiencies, all of which have a direct impact on the bottom line.”

The state of Florida allocated cost share funds to implement a two-year pilot project to compare and evaluate the efficiencies and application uniformity of high- versus low-pressure technology.

“The pilot project validated two key research findings that indicated increased water efficiency and more uniform applications could be realized with the new low pressure technology,” Williams affirmed. “Just simply changing nozzles and drops may require less pressure to pump and that lowers energy costs. (See charts at left.) “The project convinced farmers that converting was a no-brainer.” For more information on the federally-sponsored program, go to <http://www.nrcs.usda.gov/program/>

Whether you are looking at a new pivot or upgrading an existing unit, you can rely on the design expertise and product knowledge of your local Valley Dealer. They can assist you in customizing the low-pressure sprinkler system or on conversion options that best meet your specific water application needs.

Promotions of **SAVINGS**

## FREE Valley® Pressure Gauge

Stop in today to see your local Valley dealer for a quote on a new Valley designed sprinkler package and receive a FREE Valley pressure gauge – ensuring proper operating pressures for your center pivots.

Limited time offer. Valid through March 31, 2007 at participating Valley dealers.





# Improve Efficiency. Convert from Oil Hydraulic to Electric Drive.

There's a reason why 95 percent of the world's center pivots in operation are electric drive machines. If you currently operate an oil hydraulic pivot, it may be time to take another look at the advantages of electric drive technology and convert with Valley.

For starters, electricity is the most convenient and economical form of energy. Electric drive center pivots require approximately 75 percent less energy (depending on speed) to move the machine around the field. The oil hydraulic pumping unit must provide a constant 1750-1800 psi operating pressure at all times, no matter what speed. Electric drive machines provide power only when needed, thus reducing the overall energy costs.

## Electric Drive Technology Benefits

- Requires approximately 75 percent less energy to operate
- Water application rate and direction of travel can be adjusted right where you need control – from the pivot point
- Easy adjustment for water application amounts for precise watering
- Reduced labor and service costs
- Wider range of speed capability provides the flexibility to apply a small amount of water and run fast to accommodate field operations
- Remote monitoring and control options available for operator convenience and labor savings
- Booster pumps easily added to electric drives for effective end gun operation in energy saving, low pressure sprinkler applications

Valley dealers often explain that it's common to hear why oil hydraulic owners become frustrated – it's the inability to accurately control the amount of water being applied. Ricky Smith, manager of Valley Ag Electric in Olton, Texas, recently converted an older T-L oil hydraulic system to electric drive technology for just that reason.

"I recently bought a tract of land that had an older T-L oil hydraulic model on it," explained Case Vanderlei, a long time customer of Smith who operates 14 other pivots (all electric drive) on 3,000 acres near Amherst in West Texas. "I was frustrated because it wasn't accurately applying a constant amount of water. Ricky suggested converting it to an electric drive unit and now it works like a charm. I also now operate it from my Valley Pro2 control panel and BaseStation, which makes it a lot more convenient and it can better regulate the precise amount of water I want to apply."

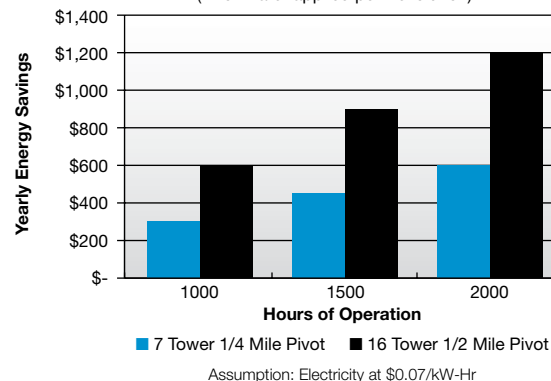
Smith says that accurately controlling the amount of water applied by oil hydraulic systems is difficult because of several variables the unit will encounter as it moves through the field. "An oil hydraulic unit may speed up and slow down depending on temperature, terrain and oil flow," Smith explains. "Electric drive units are more precise and also save on operational costs, where oil hydraulic systems require constant monitoring and can develop leaks, in which case they tend to be more of a continuous service issue."

Smith verifies that the conversion process was easy. "This was an older unit and the assistance we got from Valley to implement the conversion went just as planned," he said. "The base beams matched up perfectly and the tower box went on exactly like it was supposed to. We had no problem whatsoever making the conversion happen. It was simple to do."

## Electric Drive Pivots Cost Less to Operate

The pumping unit that drives an oil hydraulic system requires a consistent operating pressure of 1750 – 1800 psi, regardless of speed. Electric drive technology is designed to provide power only when needed, thus reducing overall energy costs.

**Yearly Energy Savings to run Electric vs. Oil Hydraulic Center Pivot**  
(1" of Water applied per Revolution)



Up to **\$200** Cash Rebate/  
Tower Converted

Rebate amount dependent on options selected. Offer valid through March 31, 2007. Contact your local participating Valley dealer.

# Corn Futures

Rich Pottorff, vice president, chief economist, Doane Agricultural Services



RICH POTTORFF ANALYZES DEVELOPMENTS IN U.S. AND WORLD AGRICULTURE AND DEVELOPS FORECASTS, BRINGING PRODUCERS INSIGHTFUL COMMENTARY ABOUT THE AG ECONOMY. FROM A FARM IN EASTERN COLORADO, RICH BRINGS HIS 20 YEARS OF EXPERIENCE TO DOANE, RECEIVING HIS B.S. AND M.S. DEGREES IN AGRICULTURAL ECONOMICS FROM COLORADO STATE UNIVERSITY.

Corn prices have posted strong gains recently, soaring above the \$3 per bushel level. Over the years we have seen big rallies in corn prices, but they usually pass fairly quickly and prices fall back to more “normal” levels. This current improvement in corn prices and profits may prove to be more sustainable than the previous episodes because the factors behind the rally are different this time around.

Most of the past price spikes have been the result of weather related poor yields. The poor crop in 1983 sent average corn prices to near \$3.30, but prices fell by about 70 cents per bushel the next year. The spike in prices in 1988 was muted by high stock levels, but corn prices still got to more than \$2.50. Prices got back to \$3.30 in 1995/96, triggered by another low yield, but the price was down to \$2.70 the following year. Essentially all of these high price events were triggered by low yields and the problem was solved the next year when yields rebounded.

The current run up in prices, however, is caused by soaring demand. The 2006 yield will actually be the second highest on record, but the season average price may rival the previous highs. Although the yield-caused price spikes are reversed when yields recover, there are few signs the demand side causes of this price strength will ease any time soon.

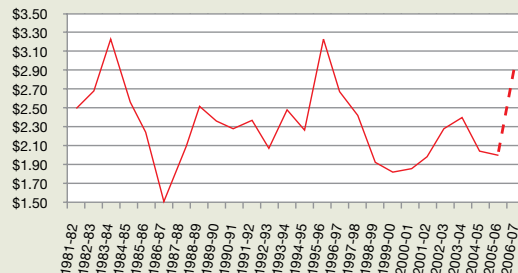
Corn demand will total about 11.9 billion bushels this year and about 12.5 to 12.6 billion bushels next year. Even with very good yields, it takes about 88 million acres of corn planted to produce as much corn as we will use next year. That is almost 10 million more acres than we planted in 2006. Corn prices have to stay high to encourage farmers to plant more corn.

The growth in the ethanol industry is the primary source of demand growth for the 2006/07 price strength. The amount of corn used for ethanol will increase by about 600 million bushels this year, to well over 2 billion bushels. Rather than easing the next year, corn for ethanol will increase by another 700 million bushels or more the following year. The combination of big gains in ethanol use and upward pressure on exports will keep pressure on farmers to produce more corn.

The overall outlook for the corn market is very positive as we move into 2007. However, unlike previous periods of strong prices, the current demand-driven environment will probably stay in place for several years. If we should get a year of poor yields to go along with strong demand, corn prices could rise to even higher levels. It appears that the U.S. corn sector has entered a new era of high prices and good profits.

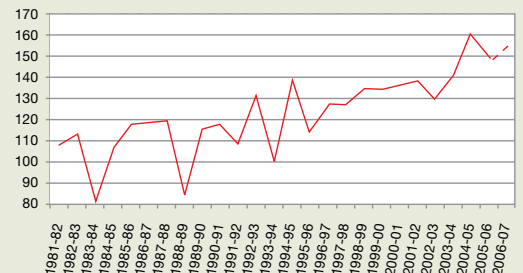
**Corn Prices**

dollars per bushel



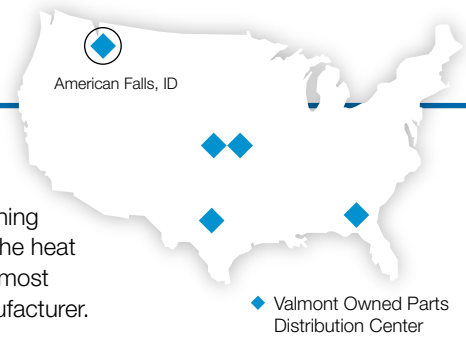
**Corn Yields**

bushels per acre



**Our network of Distribution Centers assures you get the parts you need ... when you NEED them.**

Customer surveys continue to say that fast service and availability of parts are important considerations for growers when choosing a dealer and selecting the brand of center pivot or linear irrigation equipment they will purchase. There's nothing more frustrating, and potentially costly, than having your machine break down in the heat of the irrigation season. That's exactly why Valmont Irrigation has established the most comprehensive and reliable parts distribution network of any major irrigation manufacturer.



Strategically located throughout the United States, our network of distribution centers has helped to assure literally hundreds of customers that parts they needed were readily available. The efficiency of the network enhances parts availability and expedites shipping and delivery. What sets this network apart is that these locations are owned and operated by Valmont Irrigation to better serve Valley dealers and their customers whereas some manufacturers only utilize dealer outlets that rely on dealers to support other local dealers.

**REGIONAL INVENTORY = QUICK AVAILABILITY**

Brian Zietlow, manager for Lad Irrigation in George, Wash., relies on the Valley Distribution Center in American Falls, Idaho to help him get his customers up and running again after pivot breakdowns.

"Back in the days when Valley didn't have that distribution center, we were forced to carry a larger inventory," Brian explains. "We're a pretty big dealer and go through a lot of parts, so the fact that we can quickly get parts we don't stock is a big advantage for us and our customers."

**UNDERSTANDING DEALER NEEDS**

Zietlow also has a great deal of confidence in the crew at the distribution center led by manager Dirk Leavitt. "We usually have the parts on hand but there's always those situations when we don't have it that I can rely on them to deliver in a timely manner. They have also done a great job developing a personal relationship with us – and that means a great deal."

**ALL IN A DAY'S WORK**

Dirk Leavitt, along with crew members Tony Hernandez, Tressa Miller, Bob Pankau and Kade Kendell, take great pride being part of an efficient network that provides reliable and timely service to their many dealers. "We put a lot of effort into understanding the needs of our individual dealers, their customers, and the equipment most common in their geography," explains Leavitt. "It helps us better anticipate needs by stocking parts that are most commonly requested."



American Falls, Idaho staff.

# Valley Oil Hydraulic Conversion Options

It really is easy to do. The conversion process consists of making simple adjustments to the drive train, alignment or pivot controls of your existing oil hydraulic unit. Valley offers multiple conversion solutions engineered specifically to adapt all makes and models of oil hydraulic systems to electric drive technology.

Don't wait – contact your Valley dealer and make the change to begin seeing your savings today.

Conversion options:

**Drive Train**

- Tower legs bolt directly to the base beam without requiring in-field modifications.
- Drive shafts, u-joints and gear motors are located for easy access, and in some cases, the design allows for reuse of existing gearboxes.

**Alignment**

- Exclusive Valley designed components, including microswitches and contactors, provide many years of trouble-free performance.
- Bolt-up mounting allows for quick, easy and accurate installation.

**Pivot controls and power delivery**

- Valley control panels provide for convenient monitoring from the pivot point.





## It's Better Than a Day Spent Checking Pivots

Eliminate wasted time, gas and resources on long, tedious trips to your pivots in the field. BaseStation2 allows you to monitor and control your pivot's performance from your computer — on your time. Leaving you more time to enjoy life.

For more information on **Valley BaseStation2**, contact a Valley dealer or visit [www.valmont.com/basestation](http://www.valmont.com/basestation) for a FREE demo DVD.



BaseStation2  
**VALLEY**   
 Performance. Period.

For a limited time, get a **FREE eTrex® Legend Personal Navigator® handheld GPS** by receiving a complete engineered proposal on a **NEW BaseStation2** from your local Valley dealer\*.



To take advantage of this offer, bring this ad to your local participating Valley dealer, contact Valmont at [basestation@valmont.com](mailto:basestation@valmont.com), or call 1.877.568.7878.

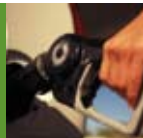
\*Offer valid 2/1/07 through 3/31/07. Individual must receive a complete engineered proposal on a New Valley BaseStation2 from an authorized Valley dealer to qualify for this free offer.

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### COMING NEXT ISSUE



Engineering perspectives on GPS



Ethanol Insights – Get the Facts

### Support Smart Irrigation

Contact your local Valley dealer for tips on smart irrigation practices.

[www.irrigation.org/SIM.htm](http://www.irrigation.org/SIM.htm)



Sent compliments of:



Performance. Period.



For a limited time, get

# 10% Off

any new or aftermarket  
Valley® floatation option.

See back of this card for options and pricing.

Valid through 4/30/07. Please bring this card to your local participating Valley dealer to qualify for your discount.



## Get your pivots headed down the right track

Your Valley dealer has the technical expertise to assist you in choosing the Valley floatation option that best fits your specific challenges – customized for every field and every terrain. Imagine not experiencing the frustration, increased labor, and economic losses caused by a stuck pivot. With the appropriate floatation option, you can get your pivots back on the right track and keep them out of the same old rut.

# Valley Floatation Options\*



**3-Wheel Drive** – All three wheels are mechanically driven, resulting in 50 percent more traction than standard drive units and increased floatation.



**Articulating 4-Wheel Drive** – All four wheels are mechanically driven and wheels articulate, allowing all tires to conform to the terrain; this provides twice the traction and twice the floatation. This drive design minimizes wheel rut depth, which virtually guarantees the pivot will not get stuck.



**Track Drive** – Provides higher floatation and traction than regular wheel drives, minimizing rut depth. Features include one center drive, outer tires drive, heavy-duty fixed base beam, and retread tires with steel tracks for a longer life.



**Articulating Track** – Effective for all field conditions, the outer wheels are driven and tracks articulate to conform to field terrain for maximum traction and floatation.

\* Most floatation options can be outfitted to existing pivots.

\*\* Pricing based on purchase with new pivot or linear machine and standard tires. Price does not include freight or installation. Offer valid on basebeam, tires and tracks.