

FALL 2011

**VALLEY** 

# pivotpoint

**VALLEY**   
8000 series

Just around the **corner**

Valley - **quality delivers**

The benefit of having Valley **in your corner**

New Products - **2011**



## Never Give Up

I'm not a big one for quotes, but some very wise words once came from Winston Churchill. "Never, never, never give up," he said. That could be a company motto at Valley.

For decades, Valley has enjoyed the position of industry leader in irrigation equipment. That hasn't happened by accident. It's the result of a certain kind of dedication similar to those words from Churchill. Growers understand this kind of dedication. It's the same fighting spirit, the same drive for success that pulls a grower back out into the field every spring, determined to make this year's crop more bountiful, more profitable. Most growers are inspired by the people they care about – their family – to get back out in the field and find ways to make their operations better every year.

At Valley, we're also inspired by the people we care about: you. That inspiration can be seen in the work our engineering and product development teams put out year in, year out. You bring us challenges and we work hard to meet them. Whether it's how to maximize corners to boost productivity or how to more efficiently manage multiple pivots, we take your concerns back to our 'fields' and work diligently to find answers. That's the 'never give up' spirit Churchill was talking about. Never giving up is the secret to success, whether you're growing or developing irrigation equipment.

Enjoy this issue of PivotPoint. You'll find a little bit of that fighting spirit in every article. We're proud to work with growers around the world, the ones who never give up, to help them reach higher levels of success year after year.

**LEN ADAMS**  
President, Global Irrigation

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# Anatomy of an Irrigation Investment



There's no doubt about it: pivot irrigation is an investment. Like any investment made in business, looking at the return on investment in the long term is a key factor in assessing the opportunity. What makes Valley pivots the best long-term investment for growers? Dennis Bragg farms 7,000 acres in northern Alabama and has been a Valley customer since 1995. He irrigates 4,000 acres with Valley pivots and recently increased his investment in pivot irrigation by purchasing 34 additional pivots, bringing his total to 53.

According to Bragg, his choice to invest in Valley pivots 16 years ago – and to continue that investment with his most recent purchase – depended on a few key factors, including the quality of the machine itself, the dedication of the company to continue improving and the level of service he receives from the dealership.

## Quality Delivers Value

"When I made the choice to go to Valley 16 years ago, it boiled down to three things: one was the actual equipment itself. What is the quality? Who makes the best? Then I wanted to know where is that company going? What new technologies are they bringing online? From there, I wanted to know if my local dealership would have the best service. Valley as a manufacturer and my local dealer met all of my criteria," he shared. "So it made for an easy decision. And that has held true for the last 16 years."

The structural integrity that Bragg was looking for is something most growers associate with Valley, according to Bragg's dealer, New Market Agricultural Equipment in Huntsville, Alabama. DeWayne Buchanan works in sales and service for New Market and has helped Bragg with his pivot investments since 1994. "I've worked in agriculture all of my life and I know that farmers like Dennis make purchases because of the quality of the machines. The Valley gearbox, for example, is extremely high quality and lasts for a long time without breakdowns. Quality delivers value over time."

Bragg agrees with this assessment, and sees Valley continuing in the tradition of quality they have created. "The Valley machine itself is built strong enough to withstand rugged terrain year after year. You want consistency and dependability in a pivot, that's the bottom line. You want that pivot to run and run and run. That's always been true with my Valley pivots. Whether in a control panel or structural engineering on the machine, the upgrades Valley puts out have been in the right direction, too."

Valley's control options, such as TrackerSP and BaseStation2, are another factor that deliver a return on investment for Bragg.

"The ability to manage these pivots from the phone is big for us," he explained. "If I had to spend 30 minutes per pivot to get to and from them, check them out and make adjustments, that would be 25 hours a day for 50 pivots! Even at 10 minutes a day, you're still talking about an entire eight hour work day. And that doesn't take into consideration fuel. We can manage these pivots by phone. We can make corrections, start and stop and change the water application depth we're running. That allows for a person to handle more in a day and allows you to get more done. It doesn't matter whether I'm in Alabama, Oklahoma or New York. I can still get it done."

Service was another important consideration for Bragg. "When you're running a pivot and you have a problem, you need it fixed today. We have a very responsive local dealership and their service is second to none."

Buchanan from New Market sees the same thing from the dealership side. "We've sold competing machines prior to selling Valley, but had to service them quite a bit more. Valley machines are just very, very strong. And, it's easier to sell Valley because it is so dependable. I feel good selling a machine I know the customer will be able to depend on."

Index	Last	Change	% Chg
DJ Industrials*	13265.47	-208.10	-1.56
Nasdaq Composite*	2562.24	-37.10	-1.45
S&P 500*	1458.95	-23.71	-1.62
DJ Wilshire 5000*	1311.12	-18.12	-1.38

## Dow Jones, NASDAQ, Valley

When it comes down to making the decision to invest, Bragg advises, growers are wise to look at irrigation equipment the way they would look at any other investment. "When we talk about return on investment, it's fair to think about buying a stock on the Dow Jones," he stated.

According to Bragg, his area of Alabama has ideal growing weather with plenty of moisture "from planting to the first blossom on the cotton." But about eight out of ten years, they start to miss rains by June. Those dry years mean much smaller yields without the help of irrigation. "That means that if I invest in pivots for irrigation, I'm going to see a yield boost eight out of 10 times. If you were thinking of buying a stock on the Dow Jones and knew that eight out of 10 years, it will return a profit, you'd buy that stock," Bragg said.

On a ten year average, Bragg reports his operation expects a 25% return on their investment in Valley equipment. "Our yield boost is almost double, especially on corn. You're talking 220 bushels versus 110. That return on investment is tremendous. There's no stock you can buy on NASDAQ or Dow Jones that can compete with buying Valley irrigation machines."

No matter how much investment capital an individual grower has available, Bragg advises them to consider investing in Valley pivots. "Most farmers aren't sitting on a barrel of money and saying, 'How can I invest this?' The question started for us as 'How can I survive? How can I keep alive what my grandfather started and what I'd like my son to continue?' As farmers, we are at the mercy of Mother Nature and have no control over commodity prices. But I can get back some control by using a Valley pivot and insulate some of my investment," he concluded.

# Just around the Corner



**In the early 1970s, Valley introduced the world's first center pivot corner irrigation machine, welcome news for farmers facing the challenge of getting the most out of their land. Those who had previously been unable to use pivot irrigation effectively to water the corners of square fields, odd shaped fields or fields with obstructions celebrated this advancement in technology.**

Now, 38 years and more than 20 million hours of operation later, Valley corner machines have proven their worth on farm land across the country. They're turning what was once difficult land to irrigate green during growing season, while helping the growers who own that land earn more green by boosting the bottom line, no matter what crops they grow. Acres that were once flooded or dryland are now put into production for far less cost than purchasing more land. On irregular-shaped fields, growers are able to add as many as 49 extra acres. On rectangular fields, Valley corners swing out to both ends, adding up to 37 extra acres and even on square corner sections, Valley corners help growers cultivate more than 20 extra acres. Those are numbers that increase gross income year after year.

Wade Sikkink, Product Sales Manager at Valley, says the corner product, and continuous improvement on the product, are at the heart of the company's focus on helping growers maximize productivity and profit. "Valley engineering and product development are always looking at ways to develop cost effective products that allow growers to increase their irrigated acres with a durable, reliable Valley product. More and more challenging fields are being put under irrigation these days, so keeping up on this is more important than ever," he explained.

Rising land values and the increased price for crops have resulted in a growing interest in corner machines, according to Ed Stoltenberg of Stoltenberg Irrigation in north central Nebraska. "Valley corner machines are very competitively priced," he explained.

"They provide an easy way for a farmer to pick up 20 acres on every quarter they own. That just makes sense."

Bill Otto knows this to be true. Otto owns a farming operation just outside of Henderson, Nebraska where his 5,000 acres of corn and soybeans are all under Valley pivots. Currently, he has 30 pivots and 15 corners. "The reason to use corners is to gain more land. Most of my acres are close together, and every section I have has a silver Valley machine on it. This is very cost effective in today's market," he shared. "If you're lucky enough to have a piece of ground, you want to irrigate as much as possible. Corner machines are the best way to go."

Steve Buller and Harris Peters of Henderson Irrigation in Henderson, Nebraska have worked with Otto for many years. "Bill has been working with the dealership for decades," said Peters, who works in sales at the dealership. "He is absolutely our number one customer for corners. The fact is that Bill is a very progressive farmer. He is always looking for ways to be more efficient and improve his operation."

Five farmers work with Otto to farm his land. "These are my business partners," he shared. "I don't consider them tenants. I want to know what is going to benefit them, and benefit the entire operation."

According to Peters, some farmers who have previously rented Otto's land to farm and gone on to own their own operations have come in to buy Valley corners because of their experience with those that Otto owns. This doesn't surprise Otto. "Well, they appreciate the fact that they're being spoiled a little," he joked. "But when you've driven a Cadillac, you know how good that Cadillac feels. Top of the line is top of the line, and Valley is certainly top of the line."

Otto feels that his investment in Valley corners has been a good one not only because it allows those that farm his land to irrigate more land, but also because of the dependability they offer compared to competing machines. "As the saying goes, 'you get what you pay for.' With Valley, that is very true. Farming is getting to be more and more of a business, more complicated, every day," Otto offered. "You shouldn't have to worry if your equipment is going to run or not. This is not something you worry about when you have Valley equipment, and that includes your corners. Also, it's one thing to buy a machine. But you have to look at service. Your best dealerships are going to offer excellent service. In my case, it was a great combination because their service is great and they sell Valley. That made the difference to me, and that was part of how I determined the return on my investment."

Sikkink sees corners as a way growers can increase their return on investment in irrigation. "More and more fields with odd shapes or obstructions in them are being put under irrigation, or being converted from other less efficient forms of irrigation (gravity). At Valley, we are focused on finding ways for growers to use center pivot irrigation in these situations to get the maximum acreage and the best return on their dollar spent on irrigation. It takes creativity and a focus on the grower's needs to be able to deliver new products that accomplish this."

That creativity and dedication to continuous improvement are seen in the product enhancements and upgrades that have happened in the nearly 40 years Valley has produced corner irrigation machines.

Stoltenberg has seen those continuous improvements as a Valley dealer for many years. "Valley has continued to improve on a good thing and they've come far over the years. These corners can go several years at a time without any service calls. They've always produced a quality corner, but they've refined these corners over the years. It is a very strong machine now. Other manufacturers are still trying to work out the issues and refine their machines, but Valley has already done that. They set the bar because they are always improving," he said.

One example of the continuous improvements to Valley corners is the GPS guidance for corners, something Otto endorses with enthusiasm. "The new GPS-equipped corners are even better. They really are modern technology at its best," he stated.

GPS capability allows producers to install corner irrigation equipment where it may not have been an option previously due to cost. By using the most advanced satellite based RTK to steer the machine in the field with precision, these corners allow for more precision application of water and other inputs. This eliminates the need for buried wires. The GPS-guided system can use the same GPS correction signal used for tractor guidance as well.



## Having Someone in Your Corner

"In most parts of the country, there are storms or winds that can come and go, and these can put machines at risk," Stoltenberg cautioned. "Even the best made corner machine can be damaged." In Stoltenberg's area, the Platte River Valley in Nebraska, storm damage is a fact of life. "I just can't stress enough how important it is to insure pivots, including corner machines."

Otto agreed. "We did have a pivot that was destroyed a while back, and we were able to replace it with a Valley corner," he shared. Both Otto and Stoltenberg advised growers to explore replacement cost insurance in case of damage to protect any investment in Valley pivots and corner machines.

Stop by your local Valley dealer for a quote on a center pivot, corner, linear machine or any Valley aftermarket conversion or upgrade solution and receive a

# FREE

64 oz Beverage Thermos\*

Made in the USA

Offer expires January 31, 2012



No matter the brand of pivot.

Valley component conversions and upgrades are the most economical and reliable way to ensure your maximum pivot uptime during the growing season.

Stop by your local Valley dealer today!

\* FREE 64 oz. beverage thermos available at participating independent Valley dealers while supplies last.

## There is simply no better time than now to take advantage of **Section 179** and **Valley Incentives!**

The various Stimulus Acts over the past few years have included the special provision for Section 179 and Bonus Depreciation and greatly increased the limits on how much businesses can deduct. Section 179 is a fantastic incentive for growers to purchase equipment this year.

**2011 Deduction Limit** - \$500,000 (up from \$250k previously). Good on new and used equipment.

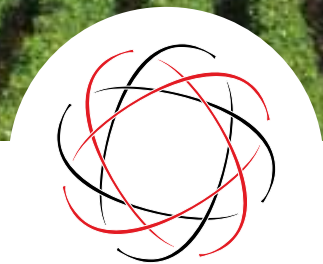
**2011 Limit on equipment purchases** - \$2 Million Dollars (up from \$800k previously).

**"Bonus" Depreciation** - 100% (taken after the \$500k deduction limit is reached). Note, bonus depreciation is only for new equipment. Equipment must be purchased and placed in service before January 1, 2012 to take advantage of the bonus depreciation.

**Don't miss out!**  
**Invest in a new Valley machine today!**



Valmont Irrigation does not provide or assist with tax accounting advice. Customers are strongly encouraged to talk to their tax/accounting professionals for more information regarding the tax treatment of their transactions.



## Diversified **Financial** Services, LLC

Valmont Irrigation has been a proud partner with Diversified Financial Services (DFS) for over 40 years. In fact, DFS was originally created by Valmont in 1969 and operated as a division of Valmont until the mid 80's. The ownership ultimately changed and DFS became an affiliate of a family owned bank holding company based in Omaha, NE. DFS has financed and insured more irrigation machines in the United States than any other finance or insurance company. As irrigation equipment and customer needs have evolved over the past several decades, so too have DFS finance programs and insurance products to provide the most comprehensive solution to Valley customers' needs.

DFS takes pride in developing relationships with their customers. DFS' credit application process is like no other in the industry. Credit applications are not processed by an automated approval system, rather each application is reviewed by a Relationship Manager. The Relationship Manager works directly with the customer and their Valley salesman to understand their unique needs and then provide the most flexible customized solution.

DFS' affiliate company, Diversified Agrisure Company (DAC) is the largest insurer of center pivot irrigation equipment in the United States offering the most comprehensive physical damage insurance product in the industry. DAC has designed a unique Replacement Cost Coverage policy and in most cases your Valley dealer will act as the claims adjuster. This enables DAC to provide the fastest claims service in the industry which is especially important to get you back up and running when you need it most.

Valmont Irrigation has trusted DFS for years and you can too. No matter where you are located, DFS understands your operation, listens to your needs and will customize a finance and insurance package to maximize your efficiency. Ask your Valley dealer about the current DFS finance and insurance programs today.



For more information, visit [www.dfsfin.com](http://www.dfsfin.com).



# Senninger<sup>®</sup> Irrigation Inc.

Senninger Irrigation, a Valley Authorized Sprinkler Provider, is excited about the future of agricultural irrigation. A lot of work needs to be done to help farmers around the world to improve productivity to keep pace with our growing population and improved diets. A tremendous challenge exists in bringing forth the technologies necessary to reach this goal. This challenge has become a beacon of direction for Senninger.

At the forefront of Senninger's drive to improve technology is the realization that while production of our world's food and fiber must increase, there are ever increasing restrictions on the use of two key production inputs, namely water and energy. There are several ways for irrigators to conserve both of these valuable resources. Many strategies involve the need to change sprinkler nozzles to modify system flow rates which is labor and time intensive with conventionally designed sprinklers.

The recent release of the Senninger UP3 line of sprinklers, offering a revolutionary quick change nozzle design, provides the ability to change nozzles in a fraction of the time required with other sprinkler designs. The unique side-load nozzle on the UP3 product line allows for an easy pinch-and-pull nozzle removal and equally simple place-and-click nozzle replacement. Such convenience is a tremendous benefit for nozzle changes on applicators high above the ground.

The Irrigation Association voted the UP3 nozzle design as Product of the Year for 2010. The innovative nozzle design is now integrated into the field-tested and time-proven technologies of the i-Wob, Xi-Wob, LDN and Super Spray sprinklers. One nozzle style for the full line of products reduces inventory for the irrigation product dealer as well as the farmer.

Senninger Irrigation's UP3 line of center pivot products is designed for peak performance at ultra-low pressures of 10 to 15 psi, and a recommended maximum pressure of 20 psi. Lower pressure translates to reduced horsepower requirements and reduced energy consumption. These low operating pressures offer irrigators a tremendous opportunity to lower total pumping costs and many growers can take advantage of energy-saving incentives. Products specifically designed to provide peak performance in this low pressure range enable a center pivot irrigator to address all of today's challenges.

Providing innovations to the industry for 49 years, Senninger is a trusted name in irrigation. Senninger products are made in the USA and backed by a two-year warranty that includes performance. Nozzle orifices are warranted for five years. Senninger is based in Clermont, Florida with warehouses in Texas, Nebraska and Brazil.

>> For more information, visit [www.senninger.com](http://www.senninger.com).



# NO Rest TO STAY THE BEST



## RIISING TO THE CHALLENGE

At Valley, our engineers and product development teams don't rest. That's one reason we're the industry leader. We work constantly on product enhancements, improvements and new offerings that fit seamlessly with our existing product line to meet growers' evolving needs. You present your challenges, we work to meet them.

**Challenge 1:** I have a lot of obstacles in my odd-shaped field

**Response:** Valley Bender160



**Details:** The Bender160 allows a pivot to bend up to 160 degrees in either or both directions and allows for multiple bends per machine. This allows even growers with the most daunting obstacles to benefit from pivot irrigation. It can also be equipped with electrically controlled water valves to shut off water flow to the stopped spans. It also features the Valley exclusive speed up timer, which improves water application performance while the machine is in bending mode. It can also be used together with the corner machine to maximize the overall acreage.

**Challenge 2:** I want to reduce my per acre installed cost.

**Challenge:** Growers have specific needs based on the configuration of their land and deal with different terrain types. They also want to reduce their overall per acre installed cost.

**Response:** Develop new, longer spans.



**Details:** The new longer span options help reduce the overall per acre installed cost by reducing the number of drive units needed. These 8000 series, 225-foot spans can also help to reduce the number of wheel tracks in the field for growers with track-prone land conditions. To learn more, talk with your local Valley dealer to find the best combination for your operation.

**Challenge 4:** I want to monitor tire pressure on my irrigation equipment.

**Response:** Valley Tire Pressure Monitoring

**Details:** Until now, no method of monitoring tire pressure on center pivots and linear irrigation machines was available. That presented several problems: most flat tires aren't noticed until the irrigation equipment stops, ruining the tire, gearbox and sometimes the rim. The cost to replace a damaged tire combined with common drive train component damage, could cost between \$1000 and \$1500. Now, Valley has added features similar to those found in the automotive or over-the-road trucking industry. The Pro2 control panel now features PSI readings and tire location displays. If the tire pressure is low, an error code is displayed. If the PSI drops below a second threshold, the machine shuts down to prevent damage. This allows growers to detect a slow leak before they have a flat tire and then schedule the machine to stop in a convenient location to do the repairs. This prevents expensive rim, tire and drivetrain damage while at the same time preventing irrigation down time in the heat of the season.



Demonstrating efficient means of irrigation technology, product and service, Valmont Irrigation receives recognition for New Products from the Irrigation Association 2011 Tradeshow. Combining hardware and software in a user-friendly manner with the ultimate goal of gaining greater efficiencies for growers', the Valley VRI product is a game-changer for the industry.



**Challenge 3:** I need to irrigate more precisely.

**Challenge:** Many growers, especially those farming on variable soils, need a way to use data on soil texture, topography, yield maps or other field maps to irrigate more precisely.

**Response:** Valley's VRI (Variable Rate Irrigation) controls

**Details:** These are the industry's first VRI controls integrated directly into existing irrigation controls. In addition to helping to improve efficiency and lower production costs, the Valley VRI also includes the VRI Mapping program. This easy-to-use computer program allows a grower or operator to use soil texture, topography, Veris® maps, yield maps or other specific field maps to develop irrigation prescriptions. Valley VRI comes in two variations. The VRI Zone Control allows maximum precision irrigation by individual sprinkler or span control through 30 different VRI zones along the spans, allowing up to 5400 zones throughout the entire field. This is controlled through Valley VRI tower boxes and the Valley Pro2 control panel at two-degree increments around the field. VRI Speed Control is the other variation and comes standard in new TouchPro, Pro2 and Select2 control panels and allows them to be programmed for variable rate control in two-degree segments.

## Valley Recognizes the Importance of Service

Surveys from growers around the world continue to indicate that service from their dealer is one of the key factors they consider when purchasing equipment for their operation. When you consider the importance of an irrigation machine running when it needs to during the critical stages of the growing season, having service you can count on may be more important than any piece of equipment in your operation. Due to this fact, Valley recognizes how critical it is that the Valley dealer technicians are trained to the highest standards to be the most professional and technically competent group in the industry. The advancement of technology for center pivots and linears has even heightened the need for educating service technicians in the Valley dealer network.

To meet the growing needs of our dealers' service organizations, Valley invests heavily in educational seminars to ensure that Valley dealer technicians meet your expectations in the field – when it counts.

### Valley Invests Annually in Educating Service Technicians

The Valley Irrigation Service Department's main responsibility is to support Valley dealer technicians, helping them stay up to date on the latest technology, and acting as a reliable resource when they're out in the field servicing your equipment.

Rudie Nemeec is a Product Support Specialist at Valley Irrigation. He says that one of the key methods they use to ensure that Valley dealer technicians are trained on an annual basis is offering three-day regional training seminars for technicians. This year, Valley will offer seven regional "schools," with Level I classes for technicians who haven't worked with Valley machines very long and advanced Level II classes for experienced Valley technicians to learn new technologies and new methods for troubleshooting Valley and other brands of equipment.

"We take all of our training equipment with us to the seminars, so the technicians can get hands-on experience," Nemeec explains. "It's just a better learning experience that way. Valley dealerships have always had a very positive response to these training schools," Nemeec says. "They know that offering their customers access to skilled technicians is a big part of what makes a Valley machine such a good investment. So really, these seminars are an investment in their own businesses."

"Technology has changed a lot over the years, and our department has changed with it.," says Nemeec. "We provide after hour support to our dealers, especially during the growing season. After all, growers don't have regular hours, so we don't either."

"Our ultimate goal as a department is to ensure that growers have maximum up-time of their equipment when they need it most through well trained Valley dealer service organizations and we support their service efforts 100% from the factory."





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Now **for a limited time**,  
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We'll upgrade you to a Valley **Select2** control panel absolutely **FREE** when you purchase a **ClassicPlus** on your next new pivot.

For a limited time we'll even upgrade you to a **Pro2** from a **Select2** on any new pivot purchase at no additional cost.\*



Take advantage of **Large Cash Allowances**  
and **Instant Cash Rebates** or a  
**Free One Step Panel Upgrade**  
or **Low Rate 5&7yr. Financing** when  
purchasing your next pivot by **December 30, 2011!**

5-year  
financing as  
low as  
**2.82%**

**See your dealer for details on these limited time offers.**

\*Drive unit cash allowances apply to any 5000, 7000 or 8000 series machines of 3 drive units or more. Buyer has the option to select one of the following promotional offers: 1.) Low rate financing - available only on 5 and 7 year finance programs with participating Valley Authorized Finance Providers in the USA. 2.) One step control panel upgrade. 3.) An instant cash rebate. All new machine purchases now through December 30, 2011 are eligible and qualify.