



Cost Arbitrage in Managed Services for Agriculture





Cost Arbitrage

Cost arbitrage is the practice of **leveraging expertise and resources** to deliver **high-value solutions** at **lower cost structures** and realizing the **profit**.

In agriculture, it involves Managed Services providers using **technology-driven efficiencies**—like advanced data analysis and IT tools—to reduce costs while enhancing scalability and innovation. This enables agribusinesses to **focus on critical operations**, such as increasing yields and improving sustainability, without the overhead of building these capabilities in-house.

Cost arbitrage isn't just about savings—it's a pathway to **harnessing specialized technology** to optimize operations, improve margins, and drive sustainable growth.

Key Benefits of Cost Arbitrage in Agriculture MS

By leveraging cost arbitrage, agribusinesses can modernize their operations, improve profitability, and remain competitive in an industry increasingly driven by data and digital transformation.



Expense Predictability

Fixed monthly fees from MSPs provide a clear and manageable cost structure, replacing unpredictable internal expenses like IT hiring or R&D investment.

Access to Specialized Talent

Agribusinesses gain **expertise in agronomy, data science, and technology integration** without the challenges and costs of recruiting and retaining these specialists in-house.

Faster Time-to-Market

MSPs with prebuilt tools and systems enable **quick adoption of digital agriculture solutions**, allowing agribusinesses to implement new capabilities—such as real-time crop health monitoring—much faster.



Operational Agility

With MSPs managing non-core functions, agribusinesses can focus resources on critical areas such as **improving yields, enhancing sustainability, and meeting regulatory demands**.



KEY COMPONENTS

Cost-Optimized Expert Talent Mix 5

Access specialized agronomic and tech expertise cost-effectively.

Technology & Infrastructure Agility 7

Scalable, AI-driven platforms reducing infrastructure costs and complexity.

Workflow Efficiencies 9

Streamlined operations through automation and centralized data solutions.

Mitigating Risk 11

Proactive tools to manage agronomic, compliance, and operational risks.

Scalability 13

Proven systems supporting growth across geographies and seasonal demands.



KEY COMPONENT 1

Cost-Optimized Expert Talent Mix

Agribusinesses need to keep their talent costs lean without losing access to the innovation and expertise required to stay competitive. By leveraging Managed Services Providers (MSPs), businesses can tap into **specialized teams** for functions like data integration and remote sensing as needed, rather than maintaining costly in-house roles. Farmers Edge blends global expertise in agronomy, data, and technology to deliver high-value solutions, ensuring companies only **pay for what they need** while keeping their focus on growth.

Problems

1. Recruiting and retaining IT and agronomic talent is costly, particularly in competitive labor markets where **salary demands are high**.
2. Specialized skills for tools like AI crop models or carbon scoring are rare, leading to **inefficiencies in adopting advanced technologies**.
3. **High turnover rates** disrupt continuity, driving up costs for recruitment, onboarding, and training.

Cost-Optimized Expert Talent Mix

Market Solutions

1. Offshore outsourcing taps into skilled talent pools in **cost-effective regions**, reducing payroll expenses while maintaining access to expertise.
2. Freelance and contract-based models provide flexible access to specialized skills for **short-term** or **project-specific** needs.
3. Shared service models distribute the costs of **niche expertise** across multiple clients, optimizing resource allocation for individual businesses.



Farmers Edge Solutions

1. Market solution focuses on cheap labor, Farmers Edge focuses on **mixing right skillsets** based off tech and agronomic knowledge needed, providing industry SME expertise and standard technology rates.
2. By deploying **experts on-demand** rather than relying on **full-time, in-house teams**, Farmers Edge ensures **lean labor budgets** while maintaining innovation and quality.
3. The managed services approach combines **technological and agronomic knowledge**, offering **precision agriculture and sustainability solutions** without the burden of maintaining internal teams.



KEY COMPONENT 2

Technology & Infrastructure Agility

Building and maintaining enterprise-grade tech stacks is daunting, especially for agribusinesses navigating the complexities of global agriculture.

Farmers Edge bridges this gap with over **\$100M in R&D** and prebuilt platforms like FarmCommand®, which bring advanced tools like predictive analytics and carbon scoring to the table. These ready-to-deploy solutions provide the agility agribusinesses need to **scale and adapt quickly** without the upfront costs and risks of developing everything in-house.

Problems

1. Building and maintaining IT infrastructure requires **significant capital investment**, straining agribusiness budgets.
2. Rapid advancements in technology render **in-house solutions obsolete** after the first year, requiring frequent and costly upgrades.
3. Fragmented systems limit operational efficiency and adaptability, hindering agribusinesses from responding to **evolving demands**.

Technology & Infrastructure Agility

Market Solutions

1. Cloud-based platforms eliminate the need for costly infrastructure investments and provide the flexibility to **scale resources as needed**.
2. Leasing models offer **temporary access to advanced tools**, reducing upfront costs and the risk of obsolescence.
3. SaaS solutions deliver **continuous updates**, ensuring businesses always operate with the latest functionalities without requiring in-house development.



FARMCOMMAND®

LABCOMMAND



Farmers Edge Solutions

1. Farmers Edge provides prebuilt platforms like FarmCommand® and LabCommand, designed with **deep agronomic expertise** to address the specific needs of global agriculture while delivering instant access to advanced analytics and tools.
2. Our **cutting-edge infrastructure**, including AI-driven crop models and traceability systems, ensuring businesses stay ahead of technological advancements.
3. Flexible and customizable systems developed by expert teams ensure seamless integration with enterprise data strategies, allowing businesses to quickly adapt to market changes or seasonal demands.



KEY COMPONENT 3

Workflow Efficiencies

Inefficient workflows drain time and money. Farmers Edge leverages insights from managing over **50M acres** and **200+ agronomic workflows** to streamline processes like soil testing and compliance reporting, bringing speed and clarity to operations.

Centralized systems and automation reduce waste, drive communication, and align teams toward business goals. Adopting best-in-class practices often delivers a **15% efficiency boost** within the first year—proving that operational optimization isn't just theory, it's measurable ROI.

Problems

1. Siloed data systems and manual processes create **operational bottlenecks**, delaying decision-making and reducing overall efficiency.
2. Fragmented workflows across teams result in **redundancies**, driving up labor costs and complicating collaboration.
3. Integrating agronomic data with supply chain systems is often **costly and time-intensive**, as agronomic data is frequently stored separately from operational systems.

IN-DEPTH ON Workflow Efficiencies

Market Solutions

1. Centralized data platforms **consolidate information** into a single source of truth, enabling faster and more **informed decision-making**.
2. Automation tools **eliminate repetitive tasks** like soil testing and regulatory reporting, reducing both manual labor and the potential for errors.
3. Workflow management systems enhance cross-team communication and collaboration, increasing **operational efficiency** across geographies.



LABCOMMAND



Farmers Edge Solutions

1. Over 20 years, Farmers Edge has digitized vast amounts of the farming lifecycle, ensuring that tasks requiring physical interaction are minimized, allowing farmers to focus on decision-making, not execution.
2. By automating agronomic processes, Farmers Edge removes operational bottlenecks, such as achieving industry-leading 2.5-day soil lab turnaround times.
3. End-to-end precision agriculture tools, built on best practices at scale, streamline workflows, identify inefficiencies, and enhance productivity. Farmers Edge solutions are designed to meet business goals with speed, clarity, and actionable insights.



KEY COMPONENT 4

Mitigating Risk

Risk in agribusiness isn't just about weather—it's about ensuring your infrastructure is resilient, scalable, and capable of handling the unknown. Farmers Edge supports this with **robust systems that manage data** and integrate sustainability metrics across millions of acres.

By working with experts who've **scaled these solutions globally**, agribusinesses can focus on their core operations, confident that their ag-tech backbone is built to last.

Problems

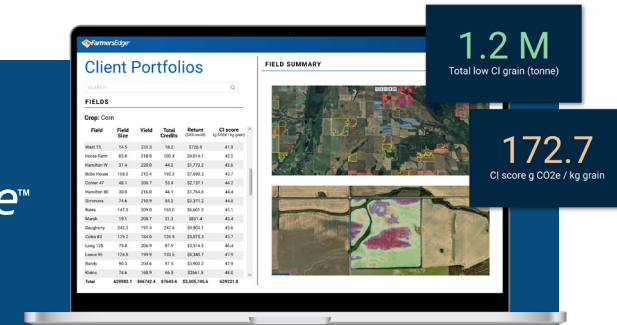
1. Data silos and fragmented systems increase the likelihood of **operational errors, missed insights, and inefficiencies in decision-making**.
2. Unpredictable environmental factors, such as **weather events or pest outbreaks**, demand advanced tools for proactive risk management.
3. Growing regulatory and sustainability requirements add **layers of complexity to compliance**, exposing agribusinesses to potential fines or reputational risks if mishandled.

IN-DEPTH ON Mitigating Risk



Market Solutions

1. Predictive analytics platforms provide actionable insights and early warning systems, helping businesses **reduce uncertainty** and prepare for potential risks.
2. Comprehensive dashboards **streamline compliance** tracking and help identify vulnerabilities before they escalate into larger issues.
3. Partnering with MSPs ensures access to advanced tools and **reliable expertise** for risk management, without the need for costly internal development.



Farmers Edge Solutions

1. Farmers Edge employs AI-powered agronomic data models and risk management tools to deliver predictive insights, managing over 50M acres.
2. Through Carbon Intensity (CI) scoring and sustainability solutions, Farmers Edge enables businesses to meet compliance requirements. Licensed agronomic data and risk models aggregate inputs from soil, weather, satellite imagery, farm equipment, and sensors to address risk exposure before it impacts operations.
3. Integrated platforms provide seamless reporting for insurers, banks, and sustainability programs, ensuring resilient and scalable infrastructure. This allows agribusinesses to focus on core operations while entrusting complex ag-technology needs to proven experts.



KEY COMPONENT 5

Scalability

Agribusinesses can't afford to be test cases—they need solutions proven to work at scale. Farmers Edge delivers platforms like **LabCommand**, field-tested across millions of acres over the past 19 years, to meet the demands of seasonal spikes or geographic expansion.

With systems designed to **handle massive datasets** and **operational complexity**, agribusinesses can grow with confidence, knowing their technology has already been validated in the field.

Problems

1. Seasonal demand spikes, such as during planting and harvesting, place immense **strain on IT systems** and operational capacity.
2. Expanding into new geographies requires **heavy investments in infrastructure**, talent, and expertise, making growth **costly and slow**.
3. In-house systems often struggle to scale efficiently as businesses grow, leading to **bottlenecks and reduced productivity**.

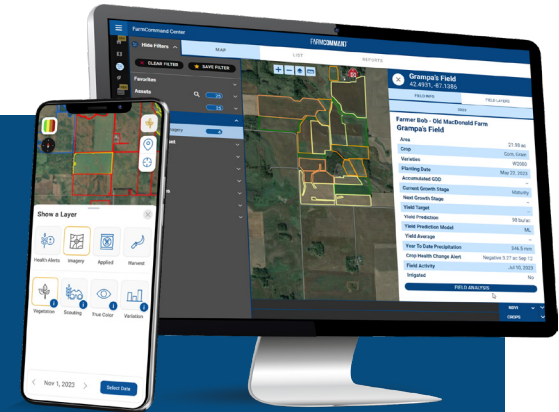
IN-DEPTH ON Scalability

Market Solutions

1. Cloud platforms provide **on-demand scalability**, allowing businesses to adjust capacity based on seasonal workloads without overinvesting in permanent infrastructure.
2. Flexible MSP contracts enable businesses to scale their operations quickly without **committing to large upfront costs**.
3. Distributed data models support seamless expansion into new geographies, ensuring **consistent operations and insights across regions**.



FARMCOMMAND®



Farmers Edge Solutions

1. FarmCommand manages millions of acres and ramp up processing volumes to match peak seasonal demands. This ensures uninterrupted performance during **critical agricultural cycles**, from planting to harvesting.
2. FarmCommand's examples include modeling liability exposure after hail storms, **forecasting yield impacts from drought**, or **predicting crop vulnerabilities during an army worm outbreak**.
3. With a global presence spanning **North America, Brazil, and India**, Farmers Edge enables seamless expansion into new markets. By leveraging its expertise and proven systems, Farmers Edge helps clients **scale operations confidently** without the need for extensive infrastructure investment.



Partners@FarmersEdge.ca
FarmersEdge.ca