

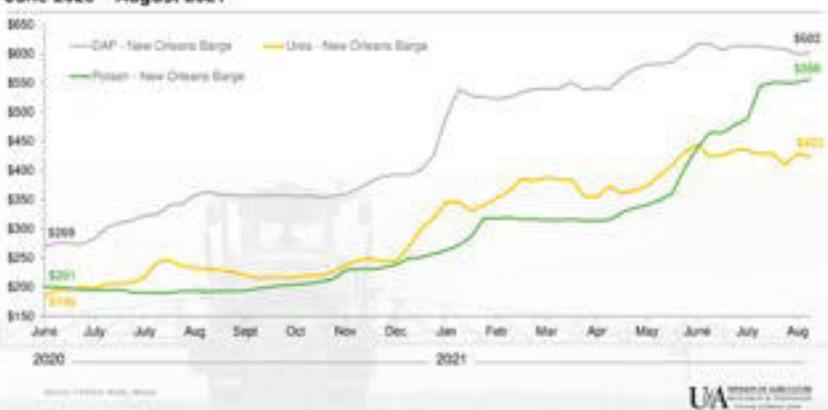
### FERTILIZER COST UP MORE THAN 75% FROM A YEAR AGO

Crop prices are up but so are inputs such as fertilizer. Although we are not at records seen in 2008 the increase will likely put a damper on optimism and cut into profits for the 2022 crop year. In December of 2020, prices for phosphate dramatically increased due to import tariffs on Morocco and Russia after the [US International Trade Commission](#) found their fertilizer subsidies were unfairly distorting US markets.

Another driver of fertilizer cost is increase [dry bulk vessel freight](#). Currently it is the highest since 2008 and is about 5 times higher than August of 2020 and double from June of 2021. The recent run up has is adding about \$25-\$30/ton to imported urea cost. In 2019 the US produced 6.13 million tonnes of urea and imported 4.88 million tonnes making the US highly dependent on imported nitrogen.

Fertilizer Prices, U.S. Gulf (\$/ton)

June 2020 – August 2021



### Fertilizer Prices, U.S. Gulf

	Aug. 20, 2021	Aug. 20, 2020	\$ change Y/Y	% change Y/Y
DAP (18-46-0)	\$602	\$343	\$259	76%
Urea (46-0-0)	\$423	\$235	\$188	80%
K <sub>2</sub> O (0-0-60)	\$556	\$193	\$363	188%

As of August 20, potash at the Gulf crept up to \$556 which is the highest this year. Canada, Russia, Belarus, and China are the largest potash producers. Potash prices may also have recently been impacted by concerns of Belarus sanctions by the US and EU but fertilizer companies were not included. [Nutrien](#) is ramping up production in Canada with plans to bring another 1 million tons to market. Their increase in production as well as others will likely take many months and projected price pullbacks are not expected until mid-2022 at the earliest.

Phosphates and nitrogen prices are starting to stabilize although the direction of grain markets will be the key driver of fertilizer prices going into 2022. The fact that corn and soybeans are below their summer highs likely explains the recent more stable price movement in P and N. Potash continues to inch higher on tight supplies. Hopefully, more potash production gets in the pipeline although it is a slim shot of being in time to lower 2022 crop production expenses. *Note: Thank you to Scott Stiles, Extension Economist, [Univ. of Arkansas System Division of Agriculture](#) for input on the fertilizer market and informational slides.*

## KING JOINS GLAUB FARM MANAGEMENT

### King Joins Our Growing Team



GFM is excited to announce and welcome Sam King to our team. Sam grew up in Jonesboro, AR where he developed a passion for agriculture working on local farms during the summer. He attended Arkansas State University, where he earned a bachelor's degree in Agriculture System Technologies with a minor in Agribusiness.

During college, Sam interned with a variety of local agribusinesses and agencies, where he gained broad exposure to research, equipment technology, and geospatial analysis. He also interned with Glaub Farm Management for almost three years where he learned about our culture and efforts to serve clients by protecting and growing their agricultural assets.

Sam joins our team following completing a master's degree in Agriculture Economics at Arkansas State University. While completing his thesis, he studied the network effects of conservation adoption within Arkansas and how farmers and landowners can benefit from cost-share opportunities to adopt sustainable agricultural practices.

Since joining the team, Sam has obtained an Arkansas salesperson real estate license. He is also a licensed drone pilot and completed many assignments for GFM and customers while in college. Additionally, he intends to become an Accredited Farm Manager through the American Society of Farm Managers and Rural Appraisers.

During Sam's free time, he enjoys spending time outdoors, woodworking, and spending time with his wife and their newly born first child. We are excited to watch him and the family grow. *Congratulations Sam and welcome aboard!*



## PLC PAYMENTS DECREASE

### PLC Payments Decrease for the 2020 Crop Year

Under the current Farm Bill, farmers and landowners can participate in commodity programs.

One is known as the [Price Loss Coverage](#) (PLC) which works similarly to the previous counter-cyclical program from the

2002 Farm Bill. PLC has a reference price for each covered commodity. If a crops marketing year is lower than the reference price, a PLC payment will be made.

Crop	Unit	2015	2016	2017	2018	2019	2020P
Wheat	bu.	\$0.61	\$1.61	\$0.78	\$0.34	\$0.92	<b>\$0.45</b>
Corn	bu.	\$0.09	\$0.34	\$0.34	\$0.09	\$0.14	<b>\$0.00</b>
Grain Sorghum	bu.	\$0.64	\$1.16	\$0.73	\$0.69	\$0.61	<b>\$0.00</b>
Soybeans	bu.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
Peanuts	lbs	\$0.07	\$0.07	\$0.04	\$0.05	\$0.06	<b>\$0.06</b>
Long-grain	bu.	\$1.31	\$1.96	\$1.13	\$1.44	\$0.90	<b>\$0.63</b>
Med.-grain	bu.	\$1.26	\$1.76	\$1.04	\$0.77	\$1.08	<b>\$0.45</b>
Seed cotton	lbs	-	-	-	\$0.02	\$0.06	<b>\$0.03</b>

Throughout the current Farm Bill, rice payments have been the largest payment which will continue for the 2020 PLC although at a payment rate approximately 30% less than 2019. With all 2020 crop prices being much higher than 2019, PLC payments will not occur for corn and grain sorghum and will be much lower for other crops as shown in the chart. Current market prices also indicated even lower commodity program payments for the 2021 crop.





**Ted Glaub Recognized For Long Time Membership**

Ted L. Glaub, AFM with Glaub Farm Management, LLC in Jonesboro, AR, was recently recognized by the American Society of Farm Managers and Rural Appraisers (ASFMRA) for 40 years of Membership within the Organization. Glaub is an agricultural professional who provides services for clients which may include farm and ranch management, rural appraisal, and/or agricultural consulting.

Glaub has been affiliated with ASFMRA, the largest and oldest professional association that provides opportunities for development through the highest quality educational and meeting offerings, and a strict standard of code of conduct and ethics to its members, for 40 years.

“It’s been an honor and privilege to be part of the premier organization for land professionals. ASFMRA resources, education and networking have helped me become a better farm manager. Without this

organization, my career and business would have been even more challenging” said Glaub.

The ASFMRA represents nearly 2,100 agribusiness professionals across the U.S. and Canada, who provide farm or ranch management, rural appraisal and appraisal review or agricultural consulting services. Professional managers represent owners of over 25 million acres of U.S. farmland and provide the direct management of these operations.

Professional rural appraisers provide valuation estimates on over 50 million acres of farm, ranch, and natural resource lands each year.

The ASFMRA, founded in 1929, is the pioneer organization in rural property issues and education. Its focus is to create and maintain a professionally trained group of AFMs (Accredited Farm Managers), ARAs (Accredited Rural Appraisers), RPRAs (Real Property Review Appraisers), and AACs (Accredited Agricultural Consultants) who are capable of providing expert guidance and assistance to people who own and/or operate agricultural lands and rural resource properties.

**LANDOWNER LIABILITY**



**Landowner Liability for Persons on the Land: An Overview**

Land ownership is a part of the American ethos that brings with it many benefits and a multitude of potential liabilities. Agricultural landowners’ liability may be exacerbated by urbanization as farming operations become surrounded by urban areas and as urban dwellers pursue more outdoor recreational activities. This overview focuses on the major areas for potential landowner liability for persons on the land owned. However, state laws vary in their treatment of landowner liability and careful study of each jurisdiction’s law is necessary to avoid pitfalls.

*Negligence:* A landowner’s liability to others upon his property traditionally rests in negligence actions with a duty of care that depends on the entrant’s classification. The classification of people entering the land is based on the benefit that they provide the landowner. Generally, landowners owe the highest duty of care to people that provide the most benefit to them. Some jurisdictions have now moved from the

classification system to a more general duty of care owed by the landowner. Both types of liability assignment are based on negligence and require that the injured party prove that the landowner owed a duty to the injured party and breached that duty, and that damages resulted from that act or omission.

*Trespassers:* The lowest duty of care is owed to adult trespassers who are on the land without permission and do not provide any benefit to the landowner. Generally, there is no duty of care, but landowners may not intentionally injure trespassers. If the presence of frequent trespassers is known to the landowner, the duty of care may be raised slightly, and the trespassers must be warned of any dangers, especially those they are unlikely to discover themselves that could cause serious injury or death.

*Children:* Landowners owe child trespassers a greater duty of care in certain instances because of the children’s lack of mature judgment and their inability to appreciate risks. The “attractive nuisance doctrine” elevates the required level of

care for child trespassers by requiring that landowners take reasonable measures to protect young children from injury if an artificial condition created or maintained by the landowner exists in an area where it could lure children into danger. Natural dangers inherent in the land, such as slopes or bodies of water, normally do not raise the standard of care. The treatment of farm ponds varies by jurisdiction and circumstance, but they are not generally considered attractive nuisances. However, improvements associated with the pond, such as swings, ropes, docks, or boats, may be deemed an attractive nuisance.

**Licensees:** Licensees are people on the landowner's property with the owner's permission who do not provide a benefit to the landowner. Landowners owe a higher duty of care to licensees than to trespassers and must notify the licensee of hidden dangers and not act in a way that would cause harm to the licensee. In some jurisdictions, dangerous conditions may need to be repaired for the benefit of licensees.

Social guests are often categorized as licensees but with a slightly higher standard of care, due to the social benefit received by the landowner. Although not an economic benefit, courts suggest that it is enough to warrant greater care. Careless maintenance of the property could subject a landowner to liability for a social guest's injury. In some jurisdictions, social guests are elevated to the standard of care given to invitees.

**Invitees:** Invitees are on the land with the landowner's permission and for the landowner's benefit, often a mutual benefit or a business situation such as charging a fee for allowing hunters onto the land, and are owed the highest standard of care of any category. Landowners are required to make the land reasonably safe and to warn invitees about potential dangers.

**General Duty System:** Jurisdictions that have shifted from assigning a landowner's duty of care based on a classification system now use a system based on a general duty of reasonable care for foreseeable risks. Landowners owe a duty of reasonable care under all circumstances. To determine liability courts use factors such as foreseeability of the visitor's presence, risk of injury, benefits of the condition, and the burdens to safeguard the condition.

**Strict Liability:** Landowners that create a situation that is extremely dangerous may be liable even if they exercise all possible caution. Creation of the dangerous situation alone results in liability for the landowner. This situation often arises in an agricultural context with animals that frequently bite or are otherwise deemed dangerous and with the storage of chemicals or explosives.

**Recreational Use Statutes:** Due to limits on the amount of government lands open to the public for outdoor recreation and the increasing demand for outdoor recreation, every state has enacted its own recreational use statute to protect landowners from liability. These statutes generally protect qualifying landowners from persons injured as a result of a landowner's negligence who were given free access to the land for recreational use. Most state statutes are based on one of two model acts, the 1965 Model Act proposed by the Council of State Governments or the 1979 Model Act proposed by several outdoor groups, but each state's statute and subsequent court interpretations and applications vary greatly.

These statutes protect landowners and others with a legal interest in the land. To be protected the land must be open to the public. Usually, the land does not have to be open at all times and the landowner can still restrict access, but the more restrictions the landowner places on the access the more likely that a court will deem the injured party an invited guest not covered by the recreational use statute.

Only recreational uses are protected under the statutes. Some statutes list only the allowable recreational activities, while others list activities but leave room for judicial interpretation of other permissible activities. The typical activities list includes hunting, fishing, swimming, boating, camping, picnicking, hiking, pleasure driving, nature study, water skiing, water sports, and viewing and enjoying historical, archeological, scenic, or scientific sites. In addition to limited uses, often the only lands covered by recreational use statutes are agricultural or rural lands.

Although otherwise covered, landowners can forfeit the protection of the statute through their actions. If a landowner intentionally or recklessly causes injury to recreational users statutory protection will be lost. The acceptance or requirement of money or other valuable consideration for the use of the land can suspend a landowner's protection under recreational use statutes.

**Equine Activity Liability Statutes:** Many states have adopted statutes to specifically limit the liability faced by the equine industry in order to foster equine activities and resources. Landowners that sponsor equestrian events may be subject to the protections of these laws. The statutes prevent liability from the inherent dangers associated with horses and equestrian activities. Some exceptions exist, such as providing faulty equipment or misjudging a participant's ability to control an animal, and in some instances waivers and releases are required.

It is extremely important for landowners review their property often to minimize attractive nuisances and dangers that may be deemed a lack of care to persons on your land. Additionally, don't lose the farm by not obtaining landowner insurance. There are multiple options and coverage levels available. Working with a professional land manager may also save liability premiums and reduce liability. At GFM, we are able to obtain liability coverage for clients at a reduced premium due to their relationship with us. GFM would like to thank *The National Agricultural Law Center* for the content except this last paragraph. Visit their website at [nationalaglawcenter.org](http://nationalaglawcenter.org) for more information regarding liability and other legal matters important to agricultural landowners.

### *Farmland: A Bed and Breakfast for Wild Hogs*

We can thank Hernando de Soto and the early pioneers for the wild hog problems of today. Due to their hardiness and low maintenance, hogs were the ideal animal protein and food source for the early explorers and settlers. Unfortunately, those domestic hogs were let loose or escaped to become the feral nuisance that has turned American farmland into a bed and breakfast.



Wild hogs are primarily in the southern states and California although their footprint keeps expanding farther north. The Animal and Plant Health Inspection Service of the USDA (APHIS) reported

“Feral swine cause major damage to property, agriculture (crops and livestock), native species and ecosystems, and cultural and historic resources. Ongoing research indicates that costs associated with this invasive species in the United States are likely considerably higher than the early estimate of \$1.5 billion each year in damages and control costs”. They damage crops, pasture, and timberland. Additionally, hogs threaten native animal species with food competition, predation on small animals and insects plus the destruction of native plants.

Environmental damage occurs both in soil and water quality. Wild hogs root to obtain food such as grubs and insects. They are basically tilling the soil which can lead to erosion and soil compaction especially when they wallow and trample large areas. Activity along water basins can create water quality problems that effect aquatic life and cause bacterial contamination that has been found at levels considered unsafe for humans. Another concern with the expansion of wild hogs are diseases which they could transmit to domestic herds. With past outbreaks of H1N1 swine influenza in the US and current African Swine flu in parts of the world, wild hogs could be a vector to quickly spread disease.

Wild hogs are amazingly adaptable to eating almost anything. Like humans, they are omnivores and can enjoy a meal rooting in the woods, eating freshly planted corn seed, plants and berries to predation on small animal. Sows can generally have two litters per year with an average of six piglets. Wild hogs usually group together with multiple sows and their offspring. These groups can range from a few to 30 hogs. Interestingly, most domestic hogs will revert to a feral state once released by growing tusk, becoming hairy and more aggressive. No wonder these versatile animals have become one the greatest challenges for US wildlife management agencies.

So what is a landowner with a wild hog problem to do? The USDA under the 2018 farm bill allocated funds for [pilot projects](#) in counties deemed to have the highest threat. Landowners can contact [USDA APHIS wildlife service](#) for assistance.

Another federal agency that can help is the [US Fish and Wildlife Service](#) or [US Forrest Service](#) if your land adjoins public land. Most state governments also have programs through their Game and Fish Commission, Conservation Districts, or University Cooperative Extension Services.

Landowners can take proactive steps on their own but checking local regulation and laws are highly recommended. The wild hog problem will likely be here to stay although joint efforts between landowners and government agencies will go a long way in controlling this out-of-control problem.



**Newly planted crops are susceptible to wild hog damage, as seen in this corn field systematically stripped by hogs that uncovered and ate the seed. (File Photo by Mississippi State University Extension Service)**

# G GLAUB FARM MANAGEMENT

- MANAGEMENT
- REAL ESTATE
- LAND AUCTIONS
- APPRAISALS
- CONSULTING
- INVESTMENTS

1702 Stone St., Ste C • Jonesboro, AR 72401



To receive a digital copy by email,  
scan the QR code or  
email [info@glaubfm.com](mailto:info@glaubfm.com)

Scan me



Ted L. Glaub  
Manager/Broker  
& Auctioneer



Jeffrey Hignight  
Manager/Broker



Houston M. Matthews  
Certified General  
Appraiser

## LAND INVESTMENTS: CURRENTLY AVAILABLE & RECENTLY SOLD

### AVAILABLE AND SOLD LAND INVESTMENTS

- 13 +/- Acres in Greene County, AR (Sold)
- 67 +/- Acres in Phillips County, AR (Pending)
- 185 +/- Acres in Lonoke County, AR. (Sold)
- 316 +/- Acres in Phillips County, AR (Available)
- 320 +/- Acres in Crittenden County, AR (Pending)
- 676 +/- Acres in Phillips County, AR (Available)
- 1,825 +/- Acres in Mississippi County, AR (Sold)

A large portion of sales occur on properties not listed or advertised on the open market.  
Contact us about these listed and additional land investments.

# G GLAUB FARM MANAGEMENT

870.972.6996  
[INFO@GLAUBFM.COM](mailto:INFO@GLAUBFM.COM)  
[WWW.GLAUBFM.COM](http://WWW.GLAUBFM.COM)

1702 STONE ST., SUITE C • JONESBORO, AR 72401

Follow us at our blog &

