The DeLong Co., Inc.

Overview of the DeLong Co., Inc, and specialty markets
Grain
- ~55,000,000 bushel of capacity
- 21 Country grain elevators
- Containerized Feed and Grain Exports

Agronomy and Seed
- 6 Agronomy locations
- Precision Ag/Nutrient Management
- On Demand Seed Treatment

Wholesale
- Bird Seed
- Livestock Feeds
- Salt
- Grass Seeds
- Pet Foods

Transportation
- 45 full time CDL drivers
- Separate division for brokering bulk truck freight

Origination
- Work with growers to buy their grains and oilseeds
- Provide growers contracts for non-gmo and identify preserve commodities

Trans load
- Elevate, condition, clean and segregate a variety of grains, oilseeds and feed products
- Loaded into 20’ and 40’ containers
- Strategically located assets near major inland container ports

Rail
- The containers then get railed to major export terminals to be placed on container ships

Ship
- The containers are loaded onto vessels to be shipped overseas

Partnerships
- Shipped to various customers and end-users primarily in south East Asia
Genetically Modified Organism
- An organism whose genetic material has been altered using genetic engineering techniques
- Example: Roundup Ready corn and soybeans

Non-Genetically Modified
- Produced without genetic engineering
- No standards set by US government for labeling
- 3rd party organizations like the Non-GMO Project have created standards, otherwise the product trades at a % of purity

Organic
- "Organic food is the product of a farming system which avoids the use of man-made fertilizers, pesticides, growth regulators and livestock feed additives." — NOP
- US standards are set by the USDA via the national organic program (NOP)

Sustainability
- The ability to be maintained at a certain rate or level
- No standards set by US government for labeling
- 3rd party labels like ISCC or RTRS set requirements and issue labeling

Identity Preserved (IP)
- Refers to the maintenance of a product’s specific traits or characteristics through growing, production and marketing channels
- Usually done to enhance processing efficiencies, enhance taste, create a better appearance or marketability of the finish product

Cleaned and/or Conditioned
- End users may desire grain that meet higher specifications than USDA grades
- To meet these specifications usually requires some advance cleaning and sorting equipment

Specialty Grains
- A commodity that is grown, conditioned, or marketed to a niche market
- Usually adds value to the end users product and the producers bottom line
- Can mean a lot of different things
GMO vs Organic Corn Prices

Source: USDA Economic Research Service

GMO vs Organic Soybean Prices

Source: USDA Economic Research Service

Imported Organic Corn Bushels

Source: USDA GATS

Imported Organic Soybean Bushels

Source: USDA GATS

Certified Organic Acres

Source: USDA Organic Census

Christopher DeLong
Outlook for Specialty Grains

- 40% of consumers avoid GMOs, according to a study in Advances in Nutrition.
- Demand growing for organic and non-GMO dairy.
- Sales of organic products in the United States up 6.3%.

Non-GMO Project growth 'extreme and consistent'.

The global non-GMO food market is currently witnessing strong growth.

- Demand is strong and is growing but, is a challenge to measure.
- Modern production methods can raptly overproduce for the given demand. This will continue to cause pronounced cyclical patterns.
- Price discovery and data will need to get better for this sector to grow and be efficient.