

As many of you are aware, I have been involved with a number of foundations that focus on finding solutions to curb global hunger. We will never find the ultimate answer, nor end the issue in my life time, but we need to make every effort we can now. You have to ask yourself, as we seem to live in a country of abundance, how can we have nearly 22,000 people die each and every day around the globe from starvation and another 900,000,000 be malnourished. The problems are complex and the causes are diverse as you move from country to country and culture to culture. But we should not allow for any of these issues to stop us from rolling up our sleeves and trying to help the world's hungry.

In March of this year I traveled with Howard G. Buffett and his son Howard W. Buffett to Afghanistan and Iraq under the authority of the Department of Defense, Task Force for Business Stability and Operations and the World Food Organization. I can start by telling you what I saw in these war torn countries, the suffering I saw was much different than I knew by watching the nightly news here in the US. In the case of Afghanistan, imagine a country with 50% unemployment, 40% of the people under the age of 18, 80% involved in agriculture, household income of about \$800 per year, literacy rate equal to a second grader and a war going on in the background each and every day. For example; a family's cost of living is usually near \$1,200 a year, so to meet the gap between \$800 and \$1200 they will sell a child off into the slave trade all too often or end up growing poppy's for the illicit drug trade operated by the Taliban. As we met many of the people in the agricultural villages they want what you and I want freedom, democracy, free enterprise and a better life for the next generation. Knowledge is a key for them to achieve this goal as their agriculture production systems may be likened to what we practiced two centuries ago. Like the old saying goes, give a man a fish and feed him for a day, show him how to fish and feed him for a lifetime. Steps are being taken to build their knowledge base up to achieve this but it will take the US support providing stability of the country to allow this to happen. So you ask what we have done to make a difference. Farmers Feeding the World and the Howard Buffett Foundation with the guidance of the Borlaug Institute have invested in the public university systems (Purdue University is sponsoring as well) improving the educational knowledge of young people in Afghanistan interested in careers in Agriculture. Change is happening but progress will require patience.

The above comments are focused on just one country but there are many more countries that face similar challenges and as the world's population marches towards 9 BILLION people and diets improve the "ask" to agriculture to do more with less will increase. We must do our part to assure that productivity of the agriculture is allowed to develop and use the tools necessary to meet this challenge. I can assure you that after the last three trips to Washington DC this fall, meeting with congressman, there is significant pressure from special interest groups that will inhibit our ability to feed the world in the near future, let alone in 40 years. From groups focused on ending animal agriculture as we know it today, to others not wanting to allow science and biotechnology to play an integral role in the solution of feeding the world to more regulations and flawed policies. There are many congressman that are making decisions based upon what it takes to get re-elected and not what is best for humanity or the future. So as an industry, we as individuals must speak up and be an advocate for one of the greatest industries in the world, Agriculture. – Kip Tom

Warm Holiday Greetings. As I write this, we have just completed our 2011 harvest. We were almost finished before Thanksgiving, but had to wrap up about 600 acres. With the right ground conditions, we were able to accomplish it in the wee hours of Sunday and completed by noon on Monday. What a relief to have another harvest behind us. We look forward to Christmas and being able to spend a little more time with our families during this season.

As the Holiday Season is upon us, we find ourselves reflecting on the past year and on those who have helped to shape our business in a most significant way. We value our relationship with you and look forward to working with you in the year to come. We wish you a very happy Holiday Season and a New Year filled with peace and prosperity.

Advocacy

So you ask what else we have been up to at Tom Farms? As you are well aware, the number of producers and those in agriculture continues to decline, which is putting more distance between production agriculture and the consumer. Many of today's consumers don't understand like you or us how safe, affordable and nutritious our very efficient food production system is. This leaves a gap that is often time filled with groups that believe our food system is not safe, affordable, environmentally friendly and nutritious.

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So what do we do? We in agriculture need to serve as advocates and get in front of the consumer and tell the exciting story that we have to tell about agriculture. This winter we have put on a number of presentations to various service organizations mainly in Northern Indiana but as well across the state and the country. If you happen to be involved with a service organization or club and wish to schedule us to come and share the great story about agriculture, let us know!

Contact Kassi @ the Office
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New Staff Update!

Tom Farms is Proud to Welcome

Matt Firestone
Josh Ramer
Matt Welte
Megan Picksley



Join Us On Facebook!

We welcome you to please stop by our office or one of the fields we operate to visit or ask questions any time you wish.

As we rapidly come to the conclusion of 2011, the entire team and family at Tom Farms wish all of you a Merry Christmas and Happy New Years!

Everett & Marie Tom
 Ray & Melissa Gerber
 Greg & Kassi Rowland
 Kyle & Angie Tom
 Kris Tom
 Kip Tom
 Ernie Burbrink
 Curtis Hatfield
 Matt Welte
 Matt Firestone
 Blaine Goon
 Jordan Polk
 Zach Marshall
 Mitch Close
 Lynn Mullett
 Josh Ramer
 Megan Picksley
 Chad McClintick
 Glen Hensley
 Mitchell Hall
 Keith Pieffer
 Jeff Hershberger

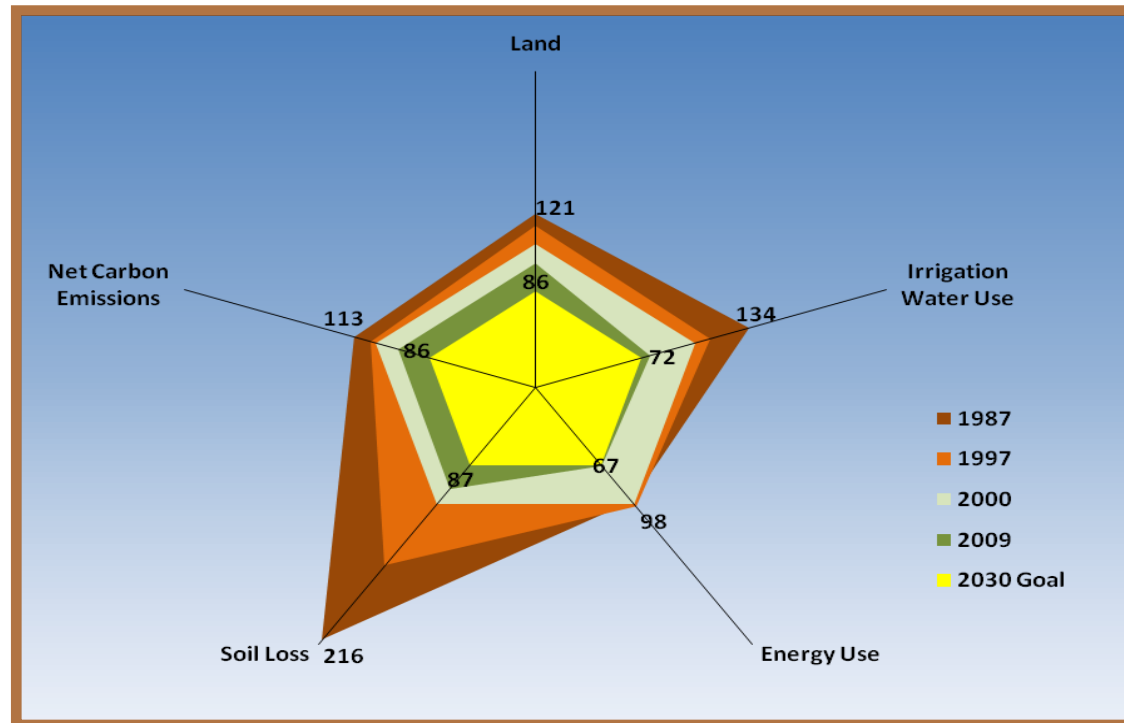
Environmental Impact Reduction

Many of you ask from time to time what we are doing to reduce our impact on the environment. As operators of agricultural lands we have an obligation to protect your farmland and preserve it for future generations, allowing them the ability to feed the growing global population, as we have spoken about in our other column. We continually review our processes and practices and ask ourselves, what can we do to increase yields and returns for you the landowner and ourselves while using less resources and protecting the environment.

A few examples are:

- We have been and continue to reduce the amount of tillage we perform, which reduces erosion, and consumption of carbon fuels with a reduction of emissions.
- Variable rate applications of fertilizer and pesticides by utilizing GPS technology and only applying these products where they are needed. Applying one rate to the entire fields can result in run off and additional cost with no net benefit.
- Use of biotechnology increasing yields and reducing use of petro based pesticides to protect the plants from insects and diseases.
- GPS technologies on tractors improving efficiencies and reducing overlaps of field equipment.
- All of our tractors are the 2011 models with the TIER-4 emissions reducing carbon emissions and noxious gases.
- Irrigation technologies that allow us to vary the rate of water application based upon soil types and water holding capacity reducing the amount of consumption of electricity and diesel fuel to pump water.

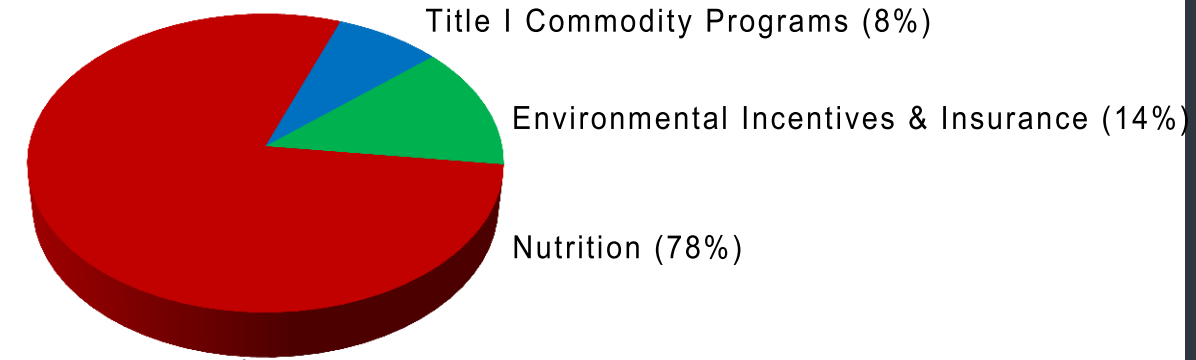
Net Changes in Corn since the year 2000



Farm Bill Reality

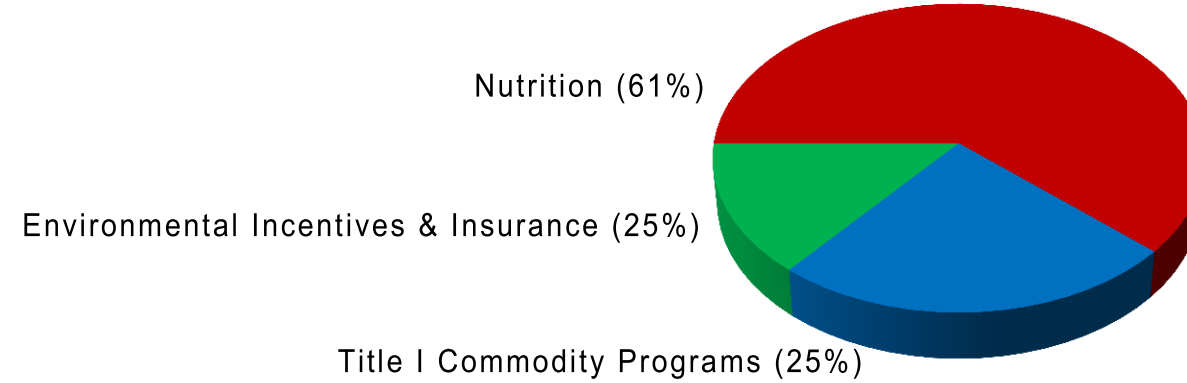
As many of you are aware, we are and have been advocates of less government involvement in Agriculture, and a good place to start is with the USDA Farm Programs. As you look at the pie charts below you will see that we are moving in the right direction but much more progress needs to occur. We of course are in support of further reductions from the 2008 bill. Please note size and growth of Nutrition Programs.

2008 Farm Bill



\$80 Billion per Year - Source: USDA

2002 Farm Bill



\$45 Billion per Year - Source: USDA

Some Food for Thought



Farmland Values & Productivity

With Indiana Farmland values up nearly 29% this last year alone and the global demand for the products that are produced on those acres increasing, this is a good time to look at what you can do to incrementally add value to your asset. To some of you on certain soils, it might be systematic tiling or improving of your existing tile. To others it might mean installing irrigation or improving the existing irrigation design that is on your farm.

For example, when your farm was worth say \$3,000 per acre an investment in a complete engineered systematic tiled system would cost \$700-\$1000 per acre, or nearly 33% of the value of the farm. Today that same investment in many cases (depending on location and soils) may only be 13% of the value and in the meanwhile rental values have increased as well to help compensate for the improvement. Very similar numbers are applicable to irrigation as well.

If you ever care to discuss any of these forms of improvements to your farmland let us know and we can arrange for a free quote on either tile or irrigation to improve the water management on your farms.