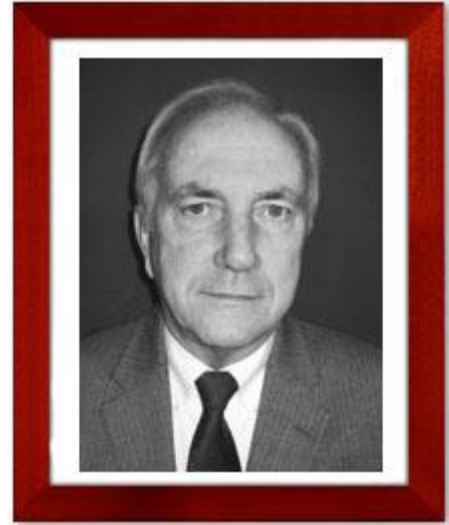


# David Howell

## MS, Agriculture, Purdue University

David Howell finished a master's degree at Purdue University in 1971 and began farming 300 rented acres that year using borrowed equipment from his father. David and Mary were married in 1972, and Mary completed a bachelor's degree in nursing from Ball State University in 1973. Additional rented land was quickly acquired, as was a full line of machinery purchased with profits from the operations.

In 1975, the farm that is now the headquarters was purchased. Initially, the farm raised hogs in a farrow-to-finish operation, but when the farrowing house was destroyed by fire, the swine enterprise was discontinued. In its place, and in order to maintain diversification, the production of fresh market fruits and vegetables was initiated in 1977, and a 3000-tree apple orchard was planted in 1981. Processing tomatoes were added in 1995. In 1999, tomato production grew to include several acres under center pivot irrigation on a farm 100 miles north of the headquarters. Farm land was also purchased in Western Bahia, Brazil, in the winter of 2000. Howell Farms harvested its first crop of soybeans and sorghum on the Brazilian farm in the spring of 2003. Watermelon production grew to a large scale in 2003 and was further established with the construction of a warehouse facility in 2004.



Maintaining diversification has always been an important business strategy. We believed it necessary to generate revenue from sources not controlled by government program constraints or Board of Trade pricing. For these reasons, over the past quarter century a concentrated effort has been made to implement, expand and sustain fruit and vegetable production on a scale that would account for at least half of the farm's total revenue, even as the total operations were growing. This goal was achieved in the production year of 2005. Watermelons and pumpkins are grown under contract with an independent supplier of Wal-Mart and are delivered to distribution centers throughout the country. Processing tomatoes are grown under contract with Red Gold, Inc., ([www.redgold.com](http://www.redgold.com)) the largest processor of tomatoes in the Midwest and are distributed worldwide.

Howell Farms has in place a defined, yet dynamic, business strategy, which we use in daily decision making and review annually. Carefully planned growth is one essential element in this business strategy. Growth is simply a necessity that defines our perspective; it is not a means to satisfy egos. Each individual farming operation within Howell Farms is operated as a sole proprietorship and an LLC, with management, machinery, labor and land contributed to the group by all involved. With the entire agriculture industry rapidly consolidating, we must responsibly outpace the competition to secure our place. This is done in a variety of ways that include: minimizing fixed costs per unit of production, minimizing variable costs per unit of

production or increasing production per variable cost, and improving information in order to accomplish the above.