



Four Star Ag, GP

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My name is Barry Vculek and my wife and I operate Four Star Ag at Oakes, ND. We grow, store, sort, grade, package and ship the produce of 1000 acres of onions on irrigated land near Oakes, ND. This amounts to roughly 700-900 semi loads of onions annually.

Onions are a high input, high risk, potentially high return crop that can be grown and stored efficiently in North Dakota. To grow them efficiently there is a need for highly specialized, expensive equipment in the production, handling, storing, grading, sizing and bagging operations.

These high costs contribute greatly to a barrier to entry and a barrier to expansion in the industry.

This summer we made a \$1M expansion into our packing shed by upgrading and automating weighing, bagging and palletizing of product. This allowed us to speed up the process to approximately one semi load per hour while utilizing less laborers on back breaking physical work and focusing that labor more towards quality control.

We were fortunate enough to receive a generous grant from the State of North Dakota through the Agricultural Diversification and Development program. Additionally, the sales tax relief offered by the state was also very beneficial.

This investment allows us a comfort level to grow a larger acreage of onions with the confidence that we have the capacity to get them all processed. I would estimate a one to three year payback on this investment for our operation.

Individuals are limited in expanding new ventures like this in North Dakota by extremely high capital demands. The Agricultural Diversification and Development allows award winners to accelerate potential expansions.

I believe the ADD program is well thought out and well administered and will show a solid return on investment for the taxpayers of North Dakota through the expansion of high value alternative crop acreages in the state by diversifying the crops produced and not relying solely on the commodity crops such as wheat, corn and soybeans.

I'd like to express my gratitude to the North Dakota Department of Agriculture for their assistance to our operation in the form of the Agricultural Diversification and Development grant.