

IF YOU'RE IN DEBT, DON'T FRET

Jerri Stroud offers tips and strategies for handling financial stress. **E3**

Business Sunday

FEBRUARY 17, 2008 | SECTION E

STLTODAY.COM/BUSINESS

MARKETING COMPANIES ARE FINDING THAT ...

AGRIBUSINESS IS A FIELD THAT REAPS



Vendors line up their combines at the Farm Progress Show in Decatur, Ill. Marketing companies find farmers expect a sophisticated level of knowledge about equipment. Photos by Kelly J. Huff | Lee News Service

By Jeremiah McWilliams
ST. LOUIS POST-DISPATCH

FARMING IS CYCLICAL, BUT IN A BAD YEAR FOR THE ECONOMY, AGRIBUSINESS IS STILL DOING WELL.

Joe Osborn says, half-jokingly, that the agricultural and rural-marketing shop he co-founded two decades ago basically used to shut down during the slow summer months.

Not anymore. There's too much money to be made off the growth in agriculture.

Agribusiness has emerged as a lucrative sweet spot of the marketing industry, thanks to strong global demand for grain and meat and the huge amounts of capital sloshing around the ethanol market. Those factors — and others — have generated bounty for "ag" marketing shops from St. Louis to Kansas City and Calgary, Alberta.

Based in a Clayton high-rise, Osborn & Barr reaped a record \$19 million in revenue last year. About 85 percent of its work comes from "agribusiness" clients such as biotech giant Monsanto,



Eric Suits, of Trisler Seeds Inc. of Fairmont, Ill., adjusts his sign at the Farm Progress Show.

based in Creve Coeur.

"We've been real fortunate to have a good specialty," said Osborn. "That specialty is booming right now."

A 2006 survey by Chesterfield-based trade publication AgriMarketing found companies spending \$615 million a year promoting products and services for agricultural producers. Spending on marketing rose 15 percent in 2007, with growth of 10 percent to 15 percent anticipated this year, estimated publisher Lynn Henderson.

Down on the farm, incomes are spiking. The Agriculture Department projected that net U.S. farm income would reach an all-time high of \$87.5 billion in 2007, up 48 percent in one year. "The farm economy was strong" in 2005, Chuck Conner, deputy secretary of agriculture, said in a recent interview. "Obviously, it's

PLEASE SEE AGRIBUSINESS | E6

Wells Fargo

Go East, old bank, and grow with U.S.

Wells Fargo turns around Horace Greeley's advice in crossing the country.

By Jerri Stroud
ST. LOUIS POST-DISPATCH

St. Louis' history may be tied to westward expansion, but Wells Fargo, a bank known for pioneering business in the West, sees it differently.

"The Arch for us isn't the gateway to the West," says Paul D. Kalsbeek, executive vice president for the southeast region of San Francisco-based Wells Fargo. "It's the gateway to the East."

From a handful of people about eight years ago, Wells Fargo's presence in St. Louis has grown to about 260 employees, with more than 1,000 in Missouri. The bank occupies an upper floor of the Interco Tower in Clayton and needs more space. Other St. Louis-area offices are in Chesterfield and St. Peters.

Wells Fargo has 1,943 employees in 69 Illinois communities, with the biggest concentrations in Chicago and Springfield.

But you won't see the Wells Fargo name on a bank branch here. In contrast to other big banks that have dotted the area with retail branches in recent years, Wells Fargo is going after businesses and other wholesale customers.

Kalsbeek was among the first hires when Wells Fargo began developing a St. Louis office about eight years ago. At one point, part of the office was being run out of Larry Kirschner's living room in Ladue. Kirschner, a senior vice president, helps companies manage their exposure to foreign currencies.

Kalsbeek, formerly with Commerce Bank, manages a group of bankers who focus on serving middle-market companies, which can include some of the

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oping relationships with businesses in eastern Missouri and Arkansas.

Wilsdorf, a regional vice president, said Wells Fargo's style is to work directly with business owners to assess and meet their needs, whether it's financing commercial real estate, advising on corporate finance or providing insurance or foreign exchange services.

"There's no need to flash the name all over the place," Wilsdorf said. "Advertising doesn't do much for us. Our business grows by knocking on doors."

Wells Fargo encourages its banking managers to work across disciplines to serve customers and cement their relationship with the bank, Wilsdorf said. The Clayton office has experts in insurance, commercial real estate, corporate finance and foreign currency in addition to commercial bankers.

Kevin Sullivan recently joined Wells Fargo from A.G. Edwards & Sons, where he worked in mergers and acquisitions. He will work with the bank's customers on corporate finance.

Kalsbeek said he believes Wells Fargo is showing that there's no need to open a branch or buy a local bank to break into the St. Louis market, known for its conservative approach to business.

With the growth of the Internet and online banking, clients are used to conducting business remotely, he said. Wells Fargo has an Internet-based offering, called Commercial Electric Office, which customers can use to access any bank service over the Internet.

On the other hand, business customers want to have a personal relationship with their banker, which is why Wells Fargo is opening more offices outside its traditional territory.

"People like the fact that they can look us in the eye," Wilsdorf said.

Kalsbeek added: "Clients want to meet with decision-makers who know them. We represent our clients to the institution. If problems arise, we can act on them very quickly."

Ed Dickinson, chief financial officer for LMI Aerospace Inc. in St. Charles, has been dealing with people in the Wells Fargo organization here since the 1990s, when Northwest Corp. opened a small office in Clayton. Northwest later bought Wells Fargo and adopted its name.

Dickinson likes Wells Fargo's Web-based cash management product, and he has developed a good relationship with the people here. He said it was a bit of a leap to consolidate more business with a bank that lacked a branch, but he seldom went to his previous bank's building anyway.

"It was more of a mental leap to make this shift than a real issue," he said.

Robert M. Pratzel, chief financial officer of HOK Group Inc., said he was a little nervous at first about using a bank without a branch. "It was a gigantic leap of faith," he said.

The architectural firm uses Wells Fargo's remote deposit technology to deposit the few checks that come through the office, and he's formed solid relationships with the bank's commercial lending and investment personnel. The bank's technology also has facilitated HOK's dealings with clients and banks overseas.

"It's worked," said Pratzel, who recently signed HOK's third agreement with the bank. "We've been thrilled."

In a way, opening an office in St. Louis is a return to Wells Fargo's roots. The Overland Mail Co., a joint venture with three other express companies, had an office in St. Louis as early as 1888, when the company began offering ocean-to-ocean deliveries between San Francisco and New York. The companies had been delivering mail from St. Louis westward since 1858 with stagecoaches and the Pony Express.

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too worried.

Clients "are all feeling more flush," said Bob Wilhelm, vice president for customers at AdFarm, a Calgary-based agricultural agency and one of the biggest players in the U.S. market. Agriculture is "a much happier place than it was maybe five years ago." AdFarm's revenues have increased 10 percent to 15 percent a year for the past several years, Wilhelm said.

In Kansas City, McCormick Co.'s revenue from "ag" business grew 11 percent last year to \$13.3 million, according to AgriMarketing. The roots of the country's 14th-oldest ad agency go back to the oil and cattle businesses; McCormick still works for beef and pork producers.

Even if clients don't expect to maintain current high commodity prices and land values, the worldwide demand for agricultural products is strong, said Michael Turley, executive

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The Bush administration continues to push for agreements, but the call against them is increasing.

By Anthony Faiola
THE WASHINGTON POST

WASHINGTON • As President George W. Bush's administration races to push new free-trade agreements with Colombia, Panama and South Korea through Congress before leaving town next year, it is meeting a level of resistance observers call high even by the typically contentious standards of such debates.

It happens as the Bush administration is confronting the most-hostile domestic environment toward free trade in years.

Recent polls suggest more Americans than ever before view globalization as negative, blaming free trade for the loss of millions of manufacturing jobs that have moved abroad.

As the economy falters, populist pundits of the Lou Dobbsian school are blaming reckless trade deals. In a hotly contested election year, Democratic candidates are jockeying for the labor vote, questioning the wisdom of accords such as the North American Free Trade Agreement, or NAFTA.

Anti-globalization sentiments at home are nothing new. Think back to Ross Perot's "giant sucking sound," or the rock-throwing protesters at the World Trade Organization meeting in Seattle in 1999.

But observers say the stalled Colombia, Panama and South Korea deals are raising a fundamental question for the United States. At a time when faith in free trade is failing in various corners of the world, particularly Latin America, is Washington still a true believer?

In the post-World War II period, free trade emerged as America's economic mantra. Uncle Sam's recipe for developing nations seeking to fight poverty and integrate globally. But even as economists are grumbling about resurgent resistance to open markets by emerging economies including India and Brazil, perhaps the most notable shift is happening inside the United States.

"It's very alarming," said Commerce Secretary Carlos Gutierrez. "This is the very time for us not to have sec-

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