

## Homestead helps handle homestead management systems

With the development of a number of unique agriculturally-oriented computer systems and software packages, Homestead Computer Services Limited of Winnipeg, Manitoba, has earned a prominent place in the North American marketplace and is hoping to increase its markets abroad.

By concentrating on the application of computer technology to agriculture, the company has established itself as a leader in the area. According to the firm's president, Sheldon Fulton, the "company was founded on the premise that microcomputer technology can be effectively used in many facets of agriculture". At the outset, he added, "there were already computer applications for things like accounting, but we were one of the pioneers in the development of systems for line and production functions in agriculture".

### Rapid growth

The company, which was founded in 1979 by Sheldon Fulton, has grown from a one-man operation into a firm with 32 employees and annual sales of more than \$2 million. Products are distributed in Canada through one of the firm's 42 agents across the country. And in 1984, the company established a US subsidiary — Homestead Management Systems Inc. of Des Moines, Iowa — to develop a dealer network in the US.

Homestead also has contracts to supply a private label version of its farm management package to several US agricultural organizations, including the Pioneer Hi-Bred International Inc. and the Illinois Farm Bureau, which has 400 000 members.

"We regard the United States as our prime area for expansion because it has more than two million farmers, compared with 150 000 in Canada," said Mr. Fulton.

Homestead has also been contacted by farmer organizations, universities and agribusinesses in South America, Africa, the Middle East, and Europe.

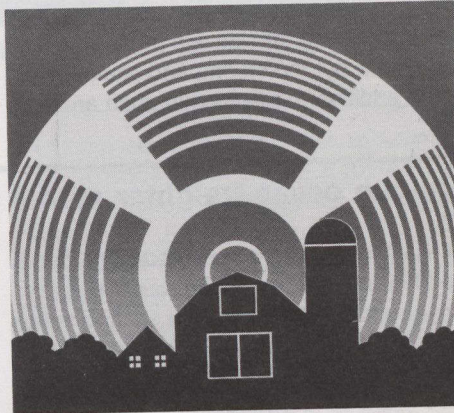
### Services

Homestead functions as both a consulting company and a developer and marketer of proprietary software. Their software systems run on IBM microcomputers and other hardware.

Consulting projects have ranged from overview development and planning analyses to specific economic feasibility studies. Homestead's primary area of concentration has been the grain industry and related areas such as transportation and information systems.

Contract services relate specifically to the development and implementation of customer-specific turnkey computer systems. In 1980 Homestead developed and installed the Computer Assisted Trading System for the Winnipeg Commodity Exchange, resulting in one of the largest and most diverse applications of microcomputers in Canada at the time. In 1982, Homestead initiated an on-line cattle marketing and administrative system for the Saskatchewan Beef Stabilization Board utilizing a mini computer.

In 1982, Homestead also expanded internationally to Britain by supplying micro technology for the automated trading system of the London International Financial Futures Exchange.



The three products which the company is presently marketing are: the Homestead Farm Management System (HFMS), developed for farmers to accommodate the specific requirements of a farm business; the Farm Financial Planner (FFP), a computerized approach to farm credit appraisal for banks and lending institutions; and the Computer Assisted Commodity Trading Information System (CACTIS), an electronic marketing system for slaughter cattle.

### General management

The HFMS provides many services for farmers including accounting, record keeping, planning and management assistance. The system, which is one of the most comprehensive farm management systems available, is marketed throughout North America. As a result of its success Homestead has entered into agreements with a number of agribusiness groups to provide private labelled versions of the system for sale to their own customers.

The basic accounting package offers basic bookkeeping features. The system can produce profit and loss and balance sheet statements for over-all operation or specific profit centres. More in-depth financial

analyses including fixed assets records, inventory records, resource utilization, records and cash flow planner, are available from the resource monitor software which is marketed individually or as a package.

The company's enterprise software allows for analysis of specific crops, hog, feedlot or beef herd operation. Each enterprise package provides for record keeping and planning.

### Loan analysis

The FFP, a unique system developed by Homestead that integrates features not found in any other software package available, has been tailored to the needs of agricultural lenders, accountants and farm managers. Other software available in this field has been largely adapted from urban small business applications.

The FFP system is primarily oriented to forward planning and any number of variables can be changed to determine how a farmer's operation will be affected by changing circumstances. The final result provides the opportunity to evaluate a farmer's capacity to service loans of various amounts.

In addition to the information provided by a farmer, the system uses a default data table developed by the company, which provides a basic level of information. The built-in data table is available for 15 different crop enterprises and six livestock enterprises and includes such things as crop yields, feeding values, operating costs and livestock performance. The data table is controlled by an institution's agrologist who enters the values considered reasonable for a given region. Different default tables can be established for different regions.

### The CACTIS network

CACTIS was developed by Homestead in consultation with the livestock industry representatives across Canada in order to combine the successful features of previous electronic marketing systems with the latest computer technology. It is considered as one of the most sophisticated trading systems in North America today.

The system is being implemented in both Ontario and western Canada to provide a link between east and west in establishing a nation-wide livestock trading and information network.

The concept of the network is to allow producers to list cattle for sale with an authorized listing agent who acts on behalf of the producer to ensure the lots are properly listed and available to the "electronic auction". At auction time, major buyers are linked with Canada's datapac network to enter bids on available lots.