

## 21<sup>st</sup> Century Equipment Business Plan

### Executive Summary:

21<sup>st</sup> Century Equipment was established in 1995 by Owen Palm and other owner partners with a store purchase in Alliance, NE. In 1997, the business expanded to merge with Bridgeport, NE as a second location. Today, the organization has grown to include 7 locations in western Nebraska and 19 locations outside of Nebraska. Since 2022, 21<sup>st</sup> Century Equipment has served over 19,000 customers. Of those 19,000 customers, 5,125 of them are in the state of Nebraska.

One of the biggest pain points our customers face in our area of responsibility (AOR) is connectivity for their equipment because of expense, availability of cellular networks, and out-dated technology. Connectivity of equipment can help our customers in the areas of logistics, performance, effectiveness, and labor.

### Project Proposal:

To solve the pain points of connectivity and to be able to help customers grow their organizations, 21<sup>st</sup> Century Equipment would like to be able to supply 4G modems and receivers to customers to allow them to be connected for data sharing and a satellite based RTK network for guidance.

John Deere dealers are critical to get customers' machines connected. Customers pay 21<sup>st</sup> Century Equipment annually for their subscriptions to these services to continue to keep their devices connected. The relationship with the customer is completely with 21<sup>st</sup> Century Equipment as the only means to be able to have their fleet of John Deere equipment connected. Given these machines will be connected with 4G modems we can guarantee a speed of 150/50 mbps.

### Timeline for project implementation

As soon as the grant money is received the devices will be purchased immediately. Customers will also be notified immediately who have machines which aren't connected or are in areas of western Nebraska which lack strong enough cellular service for data sharing. Immediately in 2024 we will be able to get non-connected John Deere equipment with new modems and receivers to enable data sharing. These will all be completed by December 31, 2024.

### Sustainability

The modems requested as part of this project are the latest and greatest technologies from John Deere that will be available and serviceable for our customers for the next 5+ years. The modems are housed under the seat in the cab of the machine away from weather or any other cause of damage to the equipment. Software updates are deployed to the device as soon as they are available either over the air or from a certified Precision Ag Consultant from 21<sup>st</sup> Century Equipment. Usage of this equipment will also result in better capabilities for annual maintenance on the equipment which increase the life of the equipment for the customer for more than 5 years.

### Project Budget

21<sup>st</sup> Century Equipment has 345 machines which belong to customers that aren't connected.

#### Modems:

The cost for a modem and installation is \$600.

Therefore the requested amount for modems is \$207,000.

### Financial Projections

These devices will enable 21<sup>st</sup> Century Equipment customers to monitor their equipment, ensure the highest level of productivity out of the equipment, and save unnecessary support trips to the field.

The ROI for this project for 21<sup>st</sup> Century Equipment is remote support, increased annual maintenance engagements, and increased knowledge of how equipment is being used. The ROI for the customer is increased productivity, savings on labor, and inputs of up to 60%.

### Financial Statements

See Attachment A.1 for 21<sup>st</sup> Century Equipment financial statements.

### Rate Comparability

The rates for the requested devices is the same no matter where the devices are purchased. Therefore there is no differentiation between rates in the project area.