

#### To Tried & True Readers,

Welcome to 2021! There's something about turning the calendar page that provides an opportunity for a fresh perspective. As a leader, I spend time reflecting on Fratco's past goals and achievements. I also meet with our teams to carve out strategic ways to help employees thrive while producing state-of-the-art drainage solutions our customers rely on us to produce.

In this issue of Tried & True, you'll find information to help you gain the agribusiness edge. "2021 Trends" provides an inside look at what's happening industry-wide. From career shifts to considering new crops to invest in, we have you covered. Speaking of investing in new yields, our feature editorial "Growing Beer" gives readers a look inside the hops industry and how the relationships and reliance built between growers and brewers can grow into flourishing local economies.

Speaking of trust, your loyalty is something I never take for granted. You allow Fratco to continue making room for new partnerships, explore innovative ideas and continue bringing you the best pipe in the marketplace. I hear time and again that Fratco's drainage solutions, customer service and prompt delivery are why you trust us to fulfill your orders. That's why our production team is proud to continue partnering with Unicor to provide the unparalleled manufacturing capacity our contractors value. The newest edition to our production line, the UC 5XX, marries Fratco's time-tested technology with powerful, efficient equipment to produce flexible, small diameter, dual-wall pipe. To learn more, turn to our Industry News section.

On behalf of Fratco, I wish you much happiness and success in 2021. Every new year brings with it a new era for our fourth-generation strong company. We are continually grateful to roll up our sleeves and manufacture the best pipe in the business, and we owe it all to you.

Sincerely,

Chris Overmyer President and CEO

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### Locations





Mt. Pleasant Location 1600 W. Washington St. Mt. Pleasant, IA 52641





# **NEWS, EVENTS AND ANNOUNCEMENTS**

#### **UNICOR'S UC 5XX**

Fratco is never sedentary when it comes to production. We always seek innovative ways to make the best pipe in the business, and we never sacrifice speed or quality. We're proud to add the UC 5XX machine to our production line, with a new level of throughputs in flexible, small diameter, dual-wall pipe.

To read more about Fratco's newest efficient manufacturing tool, turn to page 12.

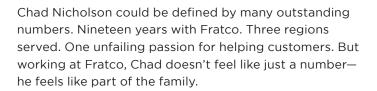
#### **FLEX TAPE TEES**

Fratco's partnership with Central Plastic Products is something our contractors are singing about. Flex Tape Tees' unique design with a series of tabs forming a contoured, flexible ridge line tapered to the front allows you to make connections quickly and easily. Another great option to ask your sales rep about today!



# CHAD NICHOLSO

SALES REPRESENTATIVE

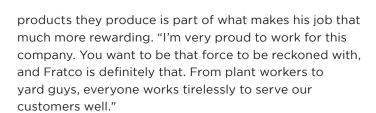


As the self-proclaimed jokester on Fratco's sales team, Chad was a natural fit on his first day. From cracking jokes with coworkers to hitting the pavement and talking with contractors about what they need to get the job done right, he's always loved his work. "There's always new people to meet, new projects to work on, new products to share. There's never a dull moment working at Fratco."

But Chad didn't begin his career with Fratco. Working on farms and factory lines, Chad learned the rewards of hard work early on and believed in the need for good, honest leadership within the agricultural industry. In 2001, Chad worked under different leadership at what is now Fratco's St. Anne plant. "I was nervous when Fratco bought us out. I was afraid I wouldn't like my new bosses. I was afraid of becoming just another number," he shares.

But what Chad found in the new owners was just what he was looking for: a family business that cared about him and the customers he worked with every day.

"Fratco has always treated their employees like family, their customers with respect, and they're one of the only companies who backs their products 100%," Chad says. That pride and confidence in Fratco and the



Chad isn't content, though. "If you're not growing, you're dying" is a mantra he and Fratco truly believe in. Every day, employees like Chad show up ready to make and sell products that are constantly being innovated and improved. They show up ready to learn and make operations more efficient and rewarding for Fratco and their customers. "We're not just collecting paychecks. When you're treated like family and given all these opportunities, you work harder and become a better employee."

He believes Fratco is growing exponentially and in the right direction. "Right now, a lot of tile manufacturers are running out of pipe, but Fratco is still able to serve our loyal customers and help their operations grow. We're taking care of our people during this crazy time, and that makes me proud of where we're at and where we're going."

Our employees and customers are a huge part of that growth. As Chad continues to serve contractors in Central and Northern Illinois, as well as Southern Wisconsin, we'll continue to make pipe that serves their needs and can withstand the test of time.



# Hops farmers and the craft beer industry are in a relationship, and it appears to be a long-term commitment.

When it comes to hops—a key component that keeps beer fresher longer and adds to the aroma and taste—the demand is high for this crop's accessibility within a brew master's zip code. When the best of

locally-grown ingredients meets neighborhood crafters, economies flourish, microbreweries produce quality products and beer lovers keep buying.

For many, enjoying beer has become an experience. Grabbing a beer and popping the tab isn't what it used to be. Over the past 15 years, the momentum of brewing locally has surged with 85% of Americans living within 10 miles of their favorite brewery.

#### **A BRIEF HISTORY**

In 1648, a 45-acre Massachusetts hops provider ferried the product to a bay area settlement within the state for brewing. For 150 years, Massachusetts was the top-hops supplier until other areas of New England embraced the opportunity. By the mid-1800s, New York held the most extensive hops acreage. The eastern reign lasted decades until the Pacific Coast became a hops production dynasty. The temperate weather, fertile soil and plentiful access to natural irrigation sources in Oregon, Washington and California were perfect fertile ground. By 1990, Pacific Northwest hops farms dominated the industry.

Today, hops production isn't limited to the Upper West Coast. Although 40% are grown in the northwest, opportunity abounds with smallerscale farms meeting many local brewmasters' needs. There are challenges to growing the crop in Midwestern fields: invasive bugs, plant disease, fickle weather and always having the right drainage in place for times of drought or plenty. Compared to other regions, the Midwest's short winter days and unpredictable summer weather can make hops farming a challenge yet not impossible. Farmers from Nebraska to Ohio know how to grow-period-and they're helping regional brewers challenge craft beer perceptions and palettes.

#### THE BUSINESS SIDE OF BEER

Despite obstacles, those who "grow beer" see it as a passion and a pocketbook decision. According to data from the U.S. Census of Agriculture and Reference, the number of craft breweries more than quadrupled from 2007 to 2017, increasing from 992 to over 4,000. By 2019, that number had more than doubled to 8,275. Craft breweries are independent operations

producing 6 million barrels or less annually. As a whole, this small but mighty industry filled 26,347,950 barrels of craft beer, totaling revenues near \$29.3 billion; a dollar amount that turns heads towards opportunity.

The ability to create unique combinations makes for diverse menus. That's control many crafters love having. From jalapeños to sweet potatoes, the connection brewers have to their products gives them total liberty and freedom to experiment in small batches. They aren't bound by a recipe book or board room to make space for new flavors on the menu. Although the more massive, mainstay beer makers claim 16% of the market, they have a signature style and loyal following all their own.

#### **HOPS PRODUCTION**

It's not easy launching new crops, and hops is no exception. For those

considering replacing or rotating it with corn or soybeans, experts say the flower isn't as agile in diverse elements. The amount of water and nutrients hops relies upon to flourish is significant and that's where having the right pipe installed comes into play. Wet root systems and hops are not a great agricultural combination. Before you plant, installing drainage systems is recommended to wisk unnecessary water away from the field. Growers can also utilize grass waterways and raised plant beds to assist in crop success.

Due to crop fragility, hail, strong winds and torrential rains can all damage hop flowers. Along with startup investment costs, harvesting, drying and processing can add up. However, demand continues driving the desire to grow hops. With the number of craft brewhouses increasing, this cash crop offers an alternative to growers, supplements their income and gives them a beer business "in."



Beyond location and Mother Nature, a few other challenges remain. Small farms don't have the luxury of dabbling in a little of this and a little of that when sowing their fields. It takes planning to procure the right produce. harvest the maximum yields and remain profitable.

Some hops farms are becoming a one-stop-shop with an umbrella of businesses underneath them. Weighing the cost of purchase orders from variant brewers, many farmers consider what it would take to set up a farm-to-bottle operation: fields to farm, brewing facilities and a taproom to serve clientele. For some, the necessity and ingenuity stemmed from the "2008 Hops Crisis." A shortage of hops and the climate's havoc meant headaches for microbrewers who couldn't gain access to it. The big players had first dibs-pick of the crop, if you will—while smaller brewers were left choosing between little or nothing at all. For many, that year was a game-changer, and they decided to secure all aspects in-house as growers, producers, bottlers and local taprooms.

#### THE BREWING SIDE OF BUSINESS

Pick any city, and you'll find local brewpubs are not an anomaly. This has forced brewers and growers to distinguish themselves among the many. Both parties had to look no further than Wine Country as the model for inspiration.

People have travelled to Napa Valley for decades. They understand the magic in a glass sourced from the land they're standing on. Beer aficionados can now do the same. Enjoy a regionally produced beer that reflects the best of the area's ingredients, energy and people serving it. Licensed, farm-based breweries grow, create and serve beer on-site, providing an insider experience in an industry with a lot of competition for connoisseurs. Like a decade's old family winery in Sonoma, yet beer fills the pilsners and flight glasses rather than a table white or red blend presented in long-stemmed glasses. Beer tasting rooms allow visitors to learn about its creation and history. They can also reach out and touch the hops growing in the field before their eyes—a magical experience.

Another perk to experiencing beers crafted in different regions is that each area is home to varying microbes. This is one reason why growing ingredients for seasonal brews, or "special runs," is perfect.

They reflect the region, time of year and local flavors—literally. No two

beers may be reproduced perfectly, and that's part of the charm. "What's in season?" becomes more than just a question. It shapes the entire creation process and flavor profile of a brew.

#### THE CAMARADERIE

Farmers and independent brewers will continue influencing the market together. The partnership of growing and brewing local means intermediaries are at a minimum and simple planning happens over an IPA or cup of coffee. Both parties can explore the edges of craft beer ingenuity while relying heavily on the expertise of each other. There's more to it than simply finding a reliable supplier or a customer who pays their product invoices in a timely manner. The trust that forms is critical. Growers and brewers count on, encourage and have a stake in their partner's success. Fratco sees our relationships with employees and contractors in the same light. Long-term relationships build future opportunities, and we're grateful for each and every one of our customers who've trusted us to continue producing the best pipe in the business, and our employees who make it happen.

Sources: Inc., USA Hops, Science Daily, and Midwest Hops Producers

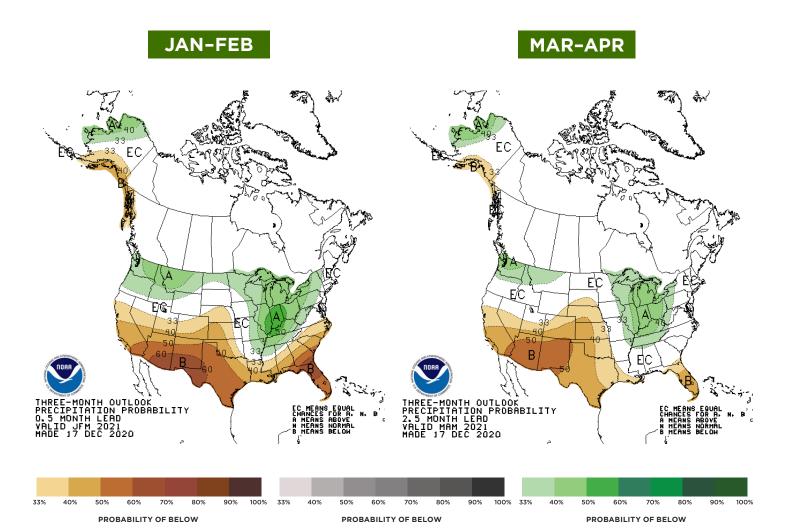




# PRECIPITATION OUTLOOK

FROM THE NATIONAL WEATHER SERVICE

2021



othing about the future is set in stone, and weather predictions are no exception. But in an industry where thorough preparation is fundamental, having an idea of what lies ahead can be the difference between business as usual and battling rain delays. Always keep an eye on daily and weekly weather outlooks, but also set yourself up for success by planning ahead through seasonal forecasts.

For the latest weather information, visit the National Weather Service's website.

www.noaa.gov

# 2020

Keep your eyes on these areas of agribusiness

Agriculture's influence is global. Local and international growers and producers have a strong voice that sets the industry's tone for the year. From career changes to choosing new crops to invest in, here are trends to keep an eye on in 2021.

#### **NEW PEOPLE**

Clock-punchers are leaving their 9-to-5 jobs for more meaningful careers, and ag will continue welcoming new employees and entrepreneurs into the fold. As established agribusiness owners—farmers and installers—begin eyeing retirement, this influx of industry newcomers fares well for both parties. Owners can mentor the next generation while workers gain both business and hands-on skills.

#### **MORE ROI FOR SMALL FARMERS**

Less than half of all farms in the U.S. are categorized as large operations. Compared to 2020, experts predict a 9% jump in growth and income for small farms. This bottom-line increase may leave room for investment in new equipment, land improvements—such as drainage—and more employees. Expanding business opportunities, like agritourism or new product production, are also on the rise, adding to end-of-year profits.

#### **HEMP FARMING**

What's the buzz? The 2018 U.S. Farm Bill legalized hemp as a viable crop, leaving nothing but opportunity when it comes to growing, selling and storing this booming crop. Needing less water and fewer pesticides to flourish than cotton, hemp fiber is a sustainable product to consider adding to growers' portfolios. By 2025, hemp is expected to blossom into a \$26.6B business, which can mean huge returns for Fratco contractors and their customers when it comes to additional field drainage.

#### **TECH BOOM**

When it comes to the advantages of tech, we have three highlights worth mentioning. Ag drones are here to stay: Their data is beneficial to farmers and installers who—literally—need to see the bigger picture out in the fields. Also, pinpointed weather forecasting is becoming increasingly more accurate, allowing better weather predictions locally so installs and harvests can beat the rain. Lastly, lightweight graphene is providing soil condition data to farmers relying on science to choose the best future crop for their soil conditions while monitoring current seedling growth.

#### **SOCIAL MEDIA**

If you're not connected, you should be. Facebook, Instagram, Twitter, YouTube and TikTok help agribusinesses speak to their customer-base directly. Currently, 40% of all farmers are on Facebook, and they acknowledge that interacting on platforms connects people to their work's importance and reaps marketing results. From posting videos of pipe installs to promoting a family farm day event, social media provides a look into farm and field life that many never see up close.

#### **WATER USAGE**

Agriculture uses 80% of all water in the United States. That's why customers will continue installing pipe for long-term drainage solutions in tandem with water-saving practices. From creating eco-friendly water-routing systems to optimizing the time between planting and harvesting, Fratco knows agribusinesses are looking for ways to respect water sustainability while maintaining profitability. When customers are ready to put our pipe to work, we're here to help!



# **NEW TO FRATCO**

#### The UC 5XX

Innovation is the name of the game here at Fratco. That's why we've partnered with Unicor to bring their newest technology to our production line. The UC 5XX is a flexible, powerful and efficient tool that allows a new level of throughputs and quality in flexible, small diameter, dual-wall pipe.

The UC 5XX is a marvel in corrugated pipe manufacturing. Compatible with the wide range of products Fratco offers our customers, this machine can pivot production quickly and easily, cutting turnaround time in half. It also gives Fratco total control of pressure and temperature, making it energy and time efficient.

Our partnership with Unicor is just another way Fratco is ramping up production and providing the high-quality, lasting drainage solutions you've come to expect.

To learn more about our commitment to innovation and quality, visit the News & Events page at fratco.com/about/news-events.



Having access to up-to-date information is crucial for understanding how the industry evolves.

Here are a few key news items and recent developments to help you stay informed.

#### PPI DRAINAGE HANDBOOK AVAILABLE FOR DOWNLOAD

PPI has assembled a complete, current and practical information guide on corrugated plastic pipe. Free to download, the Design Guide is filled with extensive technical information that walks engineers through the complex LRFD design process established by AASHTO.



To access the handbook, visit: https://plasticpipe.org/drainage /ppi-handbook.html

#### CONNECTING PLASTIC PIPE TO TANKLESS **WATER HEATERS**

PPI has published its new recommendation when directly connecting CPVC, PE-RT, PEX, and PP plastic piping materials to tankless water heaters. The Recommendation H Direct Connection of Plastic Piping Materials to Tankless Water Heaters for Domestic Application provides clear guidance for proper installation.



回弧弧面 To access the installation guide, visit: https://plasticpipe.org/pdf/recommendation-hdirect-connection-tankless.pdf

#### **NEW, SECOND EDITION OF AWWA** POLYETHYLENE PIPE MANUAL AVAILABLE NOW

The American Water Works Association (AWWA) has released the latest M55, PE Pipe - Design and Installation manual. This guide provides technical and general information to aid in the design, specification, procurement, installation, and understanding of HDPE pipes and fittings for potable water and wastewater piping systems.



For more information or to purchase the manual, visit: https://www.awwa.org/Store/Product-Details/ productId/84701177





y Sparrow learned at a young age that when opportunity knocks to quickly open the door before the moment might pass him by. Ty, the owner of Dirt Works Drainage & Excavation LLC, was born with an entrepreneurial spirit. As a young man, he launched his first business: lawn care and snow removal. Customers depended year-round on the grade-schooler to keep their yards and driveways pristine. Ty's drive and passion to keep hustling and moving ahead in business are what led him to become the hardworking, self-made Fratco partner he is today.

Ty was born and raised in Dwight, Illinois. Seventy-five minutes southwest of Chicago and an hour northeast of Bloomington, you'll find this village in Livingston County, where close to 4,000 people call home. In 1854, railroad surveyors and engineers descended upon the area to establish a section of the Chicago-St. Louis railway. Not only did these men claim three-quarters of the acreage for themselves, but they also gave the small community its name. They chose to name the area Dwight, after Henry Dwight, a New York tycoon who heavily

invested in the railway system. The original small-town charm remains, as do the familiar and friendly faces of those who've called Dwight home most of their life. It's also how Ty was able to connect quickly to farmers who required drainage, continue his relationship with Fratco and build his business.

Ty began working in the drainage industry ten years ago. While attending college to earn degrees in automotive technology and engineering, evenings and weekends were spent helping a local contractor



Ty Sparrow

install pipe back home. Ty was a fast learner, enjoyed the work, and kept his business-ears open. "I heard him explain to prospective customers that he was at least two years out schedule-wise on installations, and there was no way he could fit the job into an already packed year. That's when I realized there was money to be made and people who needed help in their fields sooner rather than later."

Ty launched Dirt Works Drainage & Excavation LLC in 2016. "I started the business with small, simple tile repair jobs and did a lot of juggling to take on bigger projects with very little equipment. Finally, I had enough jobs on the books and collateral in the bank to buy more machinery. My business just blew up from there."

Ty began building a relationship with Fratco in those early days of working for another contractor. That was when he met Chad, his current sales rep. "My transition from working for someone to becoming my own boss was seamless with Fratco. I was already ordering pipe and making the calls for my former boss, so the

day I launched my company and called in my order, I said, 'Hey, I need pipe. And by the way, you can bill it to me." Ty remembers that once Chad's shock and awe wore off, he congratulated him and quickly set him up with an account as an independent contractor—a milestone to celebrate indeed. "Fratco never misses a beat. They were ready and willing to back my business immediately," he reflects.

When it comes down to why Fratco is the pipe of choice for Ty, he doesn't mince words. "They just get it done. No matter what time of day—and it's always late at night when I call— Fratco gets me exactly what I need, to spec, the next day." Although he's worked with farmers who ask about installing pipe manufactured by other companies, Ty is quick to tell them why sticking with Fratco is the way to go-period. "From beginning to end, Fratco always does it right, and when they have to, they make it right. Their reputation means everything to them as it does to me and my business."

Time is money. Not only for farmers looking for water drainage solutions in their fields but also for the installers waiting on pipe to be delivered. Ty hears from other

drainage company reps frequently, asking him to give their product a shot. "The guarantees and customer service just aren't there like they are with Fratco. Timelines matter in my business. When someone tells me that it'll be two weeks or so before I can get delivery on product, that doesn't work for my customers or me. Fratco always delivers to my jobsite with no guessing about when the truck will be there."

When it comes to the benefits of working with a tried-and-true company like Fratco, Ty knows that along with longevity and solid construction, his customers are receiving the best pipe in the business. "Fratco's product is top quality. It's rare when I have an issue, but when I do, they make it right immediately with no questions asked." A testament to Fratco's longstanding truth that the technology and innovation that goes into our line of products matter, and when issues occur, making it right is what we do. "They stand by the integrity of their product. Fratco's reputation means everything to them. Working with a company like that means they will do whatever they have to do at the end of the day to care for their customers," Ty testifies.





The relationships Fratco builds with its contractors makes Ty feel like one of the family and not just another job number. Regular business hours are a foreign idea in the drainage industry. Long days in the field and calling in orders late at night are the norm. "When I call Fratco, someone always picks up the phone. I'm not sent to voicemail. I'm not told to call back between 9 and 5. They are ready and willing to fill my order for the next day."

For customers looking for the best drainage pipe company to partner with, Ty says to look no further than Fratco. "They are straight shooters who have nothing but the best product available. There is no hemming and hawing around with the sales reps. They are friendly people who get the deal done and are happy to do whatever they can to get you what you need. There's no back and forth. No empty promises.

## Fratco always delivers and keeps their word.

Downtime seems laughable to the man who has worked hard to build his company from the literal ground up. When Ty heads into town for dinner, relaxing is the last thing he's able to do. "Work is always on my mind. Whether I see a customer out who wants to chat or someone who I'd like to do business with, I'm always in work mode and ready for that conversation," Ty laughs.

With business booming, Ty has decided to add another employee into the mix: his mom. "I needed some help in the office, and it was the perfect time to bring Mom on board to help me clean up the mess in the office that I always seem to make." Families working together

is the thread that has kept many agribusinesses alive through the centuries and a common theme of the contractors Fratco has come to know and build relationships with. Their beginnings are humble, much like our own.

Ty Sparrow has an excellent head for business, is a man of his word and takes the utmost pride in his work. "I've been in this business since I was eighteen-years-old. It's a part of my life, and I'm here to stay." From a grade-school boy who mowed lawns and plowed snow to the successful businessman we see before us today, Fratco knows nothing is ahead but more opportunity for Ty and Dirt Works Drainage & Excavation. We're honored to be a part of his story.







#### **WE'RE ENVIRONMENTALLY**

#### FRIENDLY!

Our TruFlo line of single-wall, recycled pipe allows you to go green without sacrificing quality. Just one of the many options you'll find in Fratco's complete line of products.

#### WE SOURCE RESIN

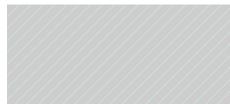
#### FROM TEXAS

...and many other places too. Between Fratco's four plants, we source tens of millions of pounds of resin each year. Thanks for keeping us the busiest pipemakers in the business.

#### WE'RE READY AROUND THE CLOCK

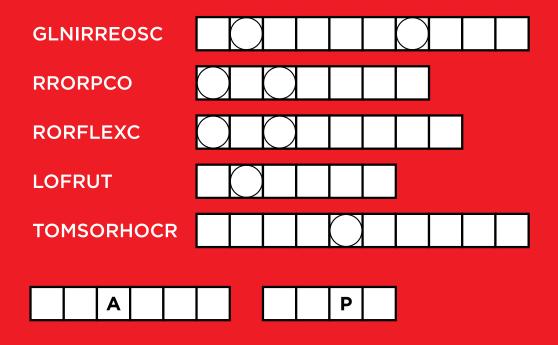
Our sales team is ready to answer questions and fill orders whenever you need them. For our exceptionally hard working customers, it's the least we can do. Give us a call any time you need us!





Hey, Fratco friends! It's double puzzle time.

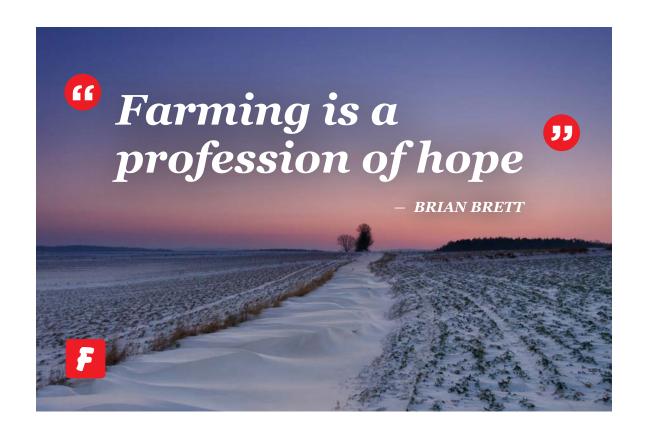
Enjoy, and best of luck!

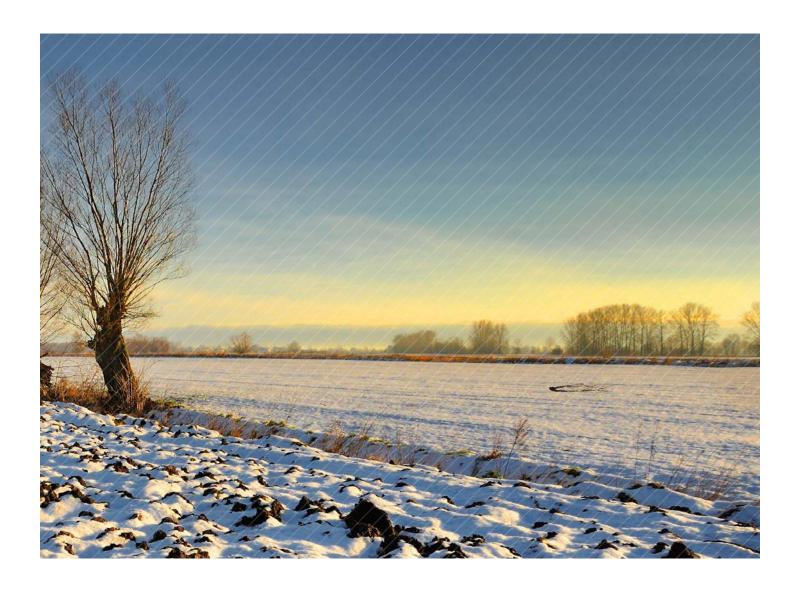


Unscramble each of the clue words.

Take the letters that appear in boxes and unscramble them for the final message









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