



# Two Rivers

## Cooperative

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[www.tworivers.coop](http://www.tworivers.coop)

### MISSION STATEMENT

“Two Rivers Cooperative Is Committed To Building Profitable Business Relationships Based On Integrity And Quality”

Two Rivers Cooperative

Pella, Iowa 50219

December 2013



### Agronomy Update

By  
Jay  
Van Woerkom

Our fall fertilizer season has gone very well up to now, and barring any major snow accumulations in your fields we will continue to work on spreading lime and P & K for you as long as there are orders on the books and our machines can work in your fields.

We were also making good progress on this fall's NH-3 applications, however the downturn in temperatures has brought work to a halt for now.

If another window of opportunity to apply NH-3 opens up again, you can be sure that we will be ready to get back in to custom apply NH-3 for you, and of course to serve the needs of those who will be applying themselves.

Be sure to keep in touch with your **Two Rivers Agronomist** if we get a break in the weather that would allow the NH-3 work to resume.

Naturally if we aren't able to get back into your fields to work on NH-3 until spring it will make for an even busier time for everyone when spring does roll around, so we'll definitely want to get as much dry fertilizer applied as possible so we can focus more manpower and equipment on spring NH-3 work.

We'll also have custom NH-3 services available to serve you in the spring, and lining those up in advance will certainly be a big help to us in making our plans to take care of every-

We Extend Our  
Very Best Holiday Wishes  
To All Of Our Customers  
And To Their Families  
**MERRY CHRISTMAS**  
&  
**HAPPY NEW YEAR**  
From All Of Us  
Board of Directors  
Employees & Families  
Two Rivers Cooperative



one who needs us to apply NH-3 for them.

Your **Two Rivers Agronomists** and **Seed Team** have also been working hard to assist customers with finalizing their 2014 seed orders to capture the best savings on seed, and to get their top seed preferences ordered while supplies are best.

There is still time to get in on some very significant discounts on seed by placing your orders with us, but that time is short and you need to place your orders very soon to assure maximum savings.

I will also remind you that the entire **Two Rivers Seed & Agronomy Team** is dedicated to helping you place the right seed product(s) in the fields that are best suited to those numbers and their specific genetic packages to maximize performance and yields.

We help you diversify your corn hybrid and soybean variety selection to place the best seed possible in each field you will plant, recognizing that each has different characteristics that need to be addressed, along with the numerous outside forces we can not control, so you are positioned to produce the best crop.

Our customers have had outstanding crop performance and solid, consistent yields from the corn hybrids and soybean varieties featured in the seed lineups we handle from Asgrow, Dekalb, Syngenta, NK and Croplan.

As you finalize your 2014 seed needs in the days ahead, be assured that **Two Rivers has The Right Seed For You** from these leaders in seed genetics and technologies.

In closing for this time I want to discuss an issue you may have seen this year: **Green Stem Syndrome (GSS) In Soybeans.**

This is a disorder in which stems remain green after the pods and seeds are fully mature and ready to harvest. Cutting these infected plants during harvest is more difficult, and seed quality can be reduced.

Some believe viruses, soybean aphids, thrips, stink bugs, leaf hoppers, bean leaf beetles and leaf blight are among the factors associated with GSS, others claim they may not actually cause GSS because it can appear without them.

Many believe season long moisture stress seems to trigger GSS, especially post-flowering.

## Fuel Facts

By  
Scott  
Bensink



**DIESEL NOTES:** Now may be a very good time to look at contracting diesel fuel for the 2014 spring season. I say that because right now we know for certain that ...

... **Crude prices are lower.**

... **Gas and diesel prices are lower.**

... **Contract prices are attractive.**

We don't know what any of those situations will be like in the spring, so if you see a contracting price that works for you, layer in some of your spring needs with a **Spring Diesel Contract at Two Rivers.**

**LP NOTES:** With colder weather here, be sure you are keeping a close watch on your LP gauge to monitor usage closely.

While that is especially important for anyone who calls in to order as they need LP, it's also a very good idea for those of you who are on a regularly scheduled delivery route to have your LP needs topped off when the driver is working your particular route.

Every house is different and there are major differences in home heating efficiency, so no two customers use the same amount of LP day to day or week to week.

Therefore a periodic check of your LP gauge will enable you to keep plenty of product on hand in case usage soars when we get an extended period of bitterly cold weather.

**GAS CARD SAVINGS:** Just a quick reminder that if you have one of our new **Two Rivers Card-Trol Cards** there is a **4 Cents Per Gallon Automatic Savings** every time you use your card at the Pella or Otley Card-Trol pumps.

If you have one of the older Two Rivers Card-Trol cards, be sure you stop into our office in Pella to have a new card issued so you can get in on this savings, since the old cards are not coded to provide this feature.

**PLAN AHEAD:** Now that winter is here we all know the weather can change very quickly and there is always the potential for a winter storm to strike with bitterly cold temperatures, freezing rain and ice, heavy snow and drifting or some combination of them

that makes delivery of LP/fuel to your farms virtually impossible at times.

Please try to keep a good supply of fuel/energy on hand to cover your needs in case of extended periods of road closures, and as always order well in advance of severe weather so our drivers can serve everyone safely.



## Livestock Production

By  
Nick  
Steinbach

First off this month I want to applaud and thank all of you for your cooperation and efforts in giving us 24 hours advance notice on feed delivery orders during this harvest season.

This has allowed us to get your feed delivered in a timely manner and to work as efficiently as possible so that manpower could be moved around to enable the employees to handle some other customer services.

As we are now moving into the winter months with shorter daylight hours and the ever-present threat from weather, please monitor the forecasts so you can order your feed in a timely manner to avoid any severe weather conditions.

We all know from past experiences how winter storms, ice, drifting snow and bitterly cold wind chill factors can strike at any time, so keep an eye on the weather and plan accordingly.

**CHANGES:** As I have discussed in previous articles, the landscape of livestock production in general, and manufacturing feed for livestock in particular, is undergoing significant change.

In years past all that was needed to manufacture quality feed was a copy of the **Good Manufacturing Practices** guidelines that were originally developed in 1936.

However, in the aftermath of 9-11 all of that changed dramatically.

Shortly after the attack on the Twin Towers, the U.S. government enacted the **Bio-Terrorism Act**, however that was just the beginning, since after it was adopted the government felt more regulations were needed to prevent a **"Feed Event"** so they began to develop the **Feed Safety Modernization Act, or FMSA.**

**FMSA** will focus on several areas of feed production, including all feed and food manufacturing, pet foods, dairy farms, feed-food and ingredient imports, transportation and all ingredient processing, which includes grain elevators.

Two Rivers Cooperative has been doing a number of things in anticipation of how **FMSA** will affect the manufacturing processes of the livestock feeds we supply to you.

Our employees have invested many hours in training with the **Land O' Lakes Purina Quality Assurance Group** to become **HACCP Certified.**

**HACCP**, as I have touched on in previous articles, stands for **Hazard Analysis of Critical Control Points**, and we have established a **HACCP Team** that meets monthly to review such key areas as how we process your feed orders, manufacture your feed, delivery of your feed and our record keeping systems.

In essence, what the **HACCP Team** does is to try to prevent any mistakes/errors from happening before they can actually happen by reviewing all areas of the feed manufacturing process.

If we do encounter a mistake, the **HACCP Team** meets to determine what needs to be done at all the necessary critical control points to prevent it from happening again.

At a recent **HACCP Team** meeting the team decided to switch to a different brand of pet food.

The reason for this is because the pet food we've been handling is manufactured with bovine by-products, commonly known as meat and bone meal.

**LIVESTOCK**  
*Continued On Page 3*



### HOLIDAY BUSINESS HOURS AT TWO RIVERS

All Locations Will Be Closed

The Following Dates For The Holiday Season

**CHRISTMAS HOLIDAY**

Closed At 12:00 Noon Tuesday, December 24th

Closed All Day Wednesday, December 25th

**NEW YEAR'S HOLIDAY**

Closed All Day Wednesday, January 1st



**Marketing  
Analysis**  
By  
**Justin  
Huebner**

As I touched on last month, there's an on-going debate over whether or not the EPA is going to reduce the **Renewable Fuels Standard (RFS)**.

The current RFS requires ethanol manufacturers to produce 14.4 billion gallons of ethanol to be blended with gasoline annually, and the forces of **Big Oil** are pushing for a 13.0 billion gallon standard.

Their argument is that at the current RFS we have hit a **Blend Wall** and have more ethanol than we need to blend, and at first glance it might appear there may actually be something to this argument.

Fuel demand is, after all, down significantly. Part of the reason is that people are simply traveling less. Another factor is the significant improvement that has been made in the fuel economy of many vehicles.

I'm sure you've seen many ads featuring vehicles that now get in excess of 30 mpg, and even some of the popular full size pickup truck models are boasting ratings of 25 mpg or more.

But the underlying factor behind the diminished demand/usage is that the economy is still struggling, and until it recovers significantly people will continue to travel less.

A nearly 1.5 billion gallon reduction in the RFS would clearly have a big impact on one of the major demand categories for corn, one that would compound the pressure on prices in a year that USDA has projected a 2 billion bushel corn carryout.

As I said last month, it's difficult to rationalize reducing the RFS and thus reducing demand from one of corn's major users in a year with a projected 2 billion bushel carryout when just last year EPA retained the 14.4 billion gallon RFS and our carryout was down to 750 million bushels.

However, the forces of **Big Oil** have tremendous power and influence, they are clearly not pleased with ethanol margins running near 60 cents per gallon, or with ethanol producers now making some profit after so many months of losses, and even though those profits are only taking a small

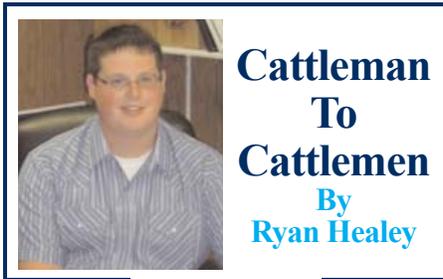
bite out of the immense profits **Big Oil** continues to reap, it appears they are determined to have the RFS lowered.

Of course the potential of that happening has kept the corn market under pressure and prices in retreat as traders await the RFS decision.

Demand for soybeans, on the other hand, has been extremely strong and we already have sold 90% of the USDA's annual projection for soybean sales in the first 4 months of this marketing year.

It appears China may have learned their lesson the hard way about large soybean purchases from South America, since they do not have the infrastructure to be able to load/ship big volumes within the window of time the Chinese expect or demand.

China isn't patient and never has been, and rather than wait 60 days or more for South American soybeans to just be loaded, they will look elsewhere for their needs.



**Cattleman  
To  
Cattlemen**  
By  
**Ryan Healey**

I'm writing this article the day before Thanksgiving, and with the holiday season now upon us, I would like to say a few words to thank the farmers for putting food on the table.

**Thanks** for your hard work, dedication and commitment, and **Thanks** for continuing to produce food that is not only safe, but also high quality.

I would also like to thank you for giving me an opportunity to be a part of your livestock decisions, and I am looking forward to helping you in the future.

With that said, I want to help all you to become better producers, which is why I have scheduled a producer meeting for our customers.

The meeting is on **Tuesday, December 17th** at noon in the Pella office. Featured speakers are Scott Rain from Purina Animal Nutrition and Bryan Thill from Zoetis, formerly Pfizer Animal Health.

They will be discussing feeding cows properly through the winter, and will also be talking about diseases producers should be aware of. Following their presentations they will be around to talk to you about

any other questions or concerns you may have.

Making sure cows have enough groceries to get through winter is important to conception rates and to help them produce a healthy calf.

Most cows are out on stalks at this time of year and foraging on stalks alone does not get enough protein into their diet.

I therefore suggest that you take advantage of the tub special we have going on at Two Rivers now until the end of the year. **All TUBS are \$10.00 off.**

If you didn't want to take advantage of the tub special, our QLF program will fit your needs.

Whether you're putting QLF out in lick tanks or pouring QLF on bales, it will increase the value of your forages and reduce waste, saving you money.

Please feel free to let me know if I can be of assistance to you and your operation at any time. I can help you with rations for cows, backgrounding and/or finishing out cattle, as well as selecting replacements and developing bulls.

**LIVESTOCK**  
*Continued From Page 2*

As I am sure many of you recall from the BSE outbreak that made headlines a number of years ago, that event led to the FDA establishing **BSE Regulatory Inspections** in 1997 to assure that no bovine by-products would be fed to bovine animals.

The **HACCP Team** has therefore decided to proactively remove any possible means of cross contamination that might occur by switching to a pet food line that is **NOT** manufactured with ruminant meat and bone meal (bovine by-products).

As we work through our former pet food inventory we will be introducing this new pet food line to our customers.

In closing, we are expecting the FDA to announce what **FMSA** will look like very soon. As Two Rivers has now become **HACCP** compliant, I feel we should be in pretty good shape in terms of how **FMSA** will impact us in manufacturing safe feeds for you.

The wild card in all this is how FDA in its writing of **FMSA** regulations will relate to the handling of grain and how grain elevators fit into the equation of manufacturing feed.

As more information on these issues becomes available I will certainly share that information with you.



**As I See It**  
 By Tracy Gathman  
 General Manager



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 Pella, Iowa 50219

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**ANNUAL MEETING:** By now I am sure all of the members of Two Rivers have received the information about this year's **Two Rivers' Annual Meeting**, and I certainly hope all of you will be able to join us for the always wonderful evening meal that is served prior to the start of the business meeting.

Obviously, all of us at Two Rivers Cooperative are very pleased that we will be able to present you with another very positive report on this past year's performance, sales and savings.

As the people whose support and business are the driving forces in those results, I hope all of you will be there to see and hear how you have made this another very good year of business for the cooperative you own.

I also believe you are in for a very special evening when you hear the presentation of our **Annual Meeting Featured Speaker, James Olson**, who has a distinguished career of service to our country through the many years he served as a member of the Central Intelligence Agency (CIA), a number of those years having been spent overseas working in various clandestine operations.

I am sure he has had many exciting and interesting experiences during the course of his duties, and having heard him speak on a prior occasion myself, I am sure all of you will find what he has to say about some of his experiences to be of great interest.

As I have mentioned in other articles leading up to the **Two Rivers Annual Meeting** in previous years, this is the one opportunity we have as a company to all come together to conduct the important business of the cooperative you own.

It also provides all of us the opportunity the Annual Meeting gives us each year to reflect on and review the growth and performance Two Rivers has experienced over the year that has just been completed, and those that have preceded it, while also taking a

look into the future at the goals and objectives we have for moving forward to serve your ever-changing needs.

And of course it is also a very special occasion to be able to relax and socialize with friends and neighbors, to reflect on fond times and shared memories, and to rekindle and renew friendships with those we may not have the opportunity to spend much time with during the course of the year when our hectic schedules and busy lives demand so much of our time.

So I am looking forward to seeing a good turnout of the **Two Rivers Membership** for this year's Annual Meeting, and I hope to have an opportunity to visit with each of you there.

**HARVEST REVIEW:** With the 2013 crop harvest now behind us we have the opportunity to look back and evaluate how things went, and of course in doing so I feel it is important to take into account some of the weather extremes this crop went through to put the 2013 crop in proper perspective.

There were some very good yields reported from a number of fields, and with the extremes of weather still in mind, I would say that some of those good yield reports were much better than we might have expected.

There were also some yields that were basically just okay, given those same extremes, but which clearly fell short of the expectations we had hoped for when the plans for the 2013 crop were being made.

Like most years, therefore, this one has mixed results, and as the plans and programs for the next crop you will plant are being worked on at this time,

I want to express our thanks for your continued support and business and assure you that your **Two Rivers Team** is anxious to serve and assist you with all of your 2014 crop plans and programs.

Hopefully we will be able to get back into the fields to resume the NH-3 work that was put on hold as cold weather arrived, because if we are not able to get back into the fields it will mean an always hectic and very busy spring season will be that much more intense.

That potential reaffirms the value and importance of advance planning more than ever, so as I bring this article to a close I will encourage all of you to work very closely with your **Two Rivers Team** to plan your spring needs sooner rather than putting that process off until later. **It All Starts Right Now!**

**We Look Forward To Seeing All Of You At The**  
**TWO RIVERS COOPERATIVE**  
**ANNUAL MEETING**  
**Thursday, December 12th**  
**Vermeer Global Pavilion In Pella**  
**Evening Meal At 6:00 p.m. - Business Meeting To Follow**  
**FEATURED SPEAKER: JAMES OLSON**  
 Faculty Member, George Bush School Of Government & Public Service, Texas A & M  
 Former Member Central Intelligence Agency In Overseas Operations  
**We Are Sure You Will Enjoy His Presentation**