



Two Rivers

Cooperative

Monroe: 259-2232

Otley: 627-5311

Pella: 628-4167

Tracy: 949-6411

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

July 2013



Agronomy Update

By
Jay
Van Woerkom

With so many fields in our trade area receiving significant rainfall during the early stages of this season, plus some areas of flooding and/or areas having some ponds forming in low-lying areas and in areas of poor drainage, there are some questions/concerns being raised about nitrogen leaching loss.

Although there is a possibility that some N loss has likely taken place, we really can not know if indeed the crop in those areas will come up short of nitrogen or not.

Obviously, appearances can sometimes be deceiving, but as July arrives I am sure everyone would agree that overall the corn crop looks to be doing very well at this time, and as corn plant roots move lower into the soil and into the nitrogen zone, even one that may have also moved lower, the surge of growth and lush green of most fields would seem to indicate ample N is available to the crop at this time.

The combination of warmer weather and good soil moisture is also favorable to the microbes and bacteria that break down nutrients and convert nitrogen into the form utilized by your corn crop, and this too should provide a beneficial boost to corn.

Two Rivers can take tissue tests to measure nitrogen and determine if the levels are adequate and/or if they indicate nitrogen is short, however you must keep in mind that these tissue

Make Plans To Attend The Two Rivers **ANSWER PLOT FORAGE TOUR** Wednesday, July 24th - 10:00 To 2:00

Once again this year we will have a special informational presentation devoted to forage production, management issues and concerns that will be of particular interest to all of our area's beef producers, horse and sheep owners and others who have pasture and/or who produce other crops for forage.

Invitations have been mailed containing additional information on the specific topics of discussion that will be included in this meeting, however if you do not receive one, misplaced the one mailed to you or have an interest in attending, please feel free to contact any Two Rivers Agronomist or office location for answers to questions and additional details on this meeting.

**Please RSVP Your Attendance Plans So We Can Plan Accordingly
For The Meals That Will be Served At Noon When The Meeting Concludes**
SPECIAL NOTICE

**Mark Your Calendar To Reserve Thursday, August 22nd
FINAL ANSWER PLOT INFORMATION MEETING OF 2013
Meeting Information & Details To Be Mailed Soon**

tests are literally a “snapshot” of nutrient content and other crop factors for the specific moment in time the sample was taken.

A significant number of the tissue test results we have been receiving back from the lab this season are indicating many of our area's soybean crops would demonstrate a favorable response to including micro nutrients such as boron, sulfur and zinc.

The ideal time for supplying these micro nutrients to your soybean crop would be at the R3 stage (early pod set) which would be the same time we would be considering fungicide applications to soybeans to promote plant health and yields, as well as the time when insecticide controls can also be considered if there are any bug threats present or likely to become a performance/yield limiting factor for your bean crop.

All of these products - micro nutrients, fungicides and insecticides - can be included in the same tank mix along with Roundup/glyphosate for weed control at this R3 window of applica-

tion, so please be in touch with your Two Rivers Agronomist in the days ahead to plan and schedule your specific needs.

We are starting to see a little more weed pressure showing up in some fields as we get deeper into the season and the temperatures increase.

The Two Rivers Agronomy & Custom Application Team is working hard to keep one step ahead of these issues so we can try to stay away from using the “burners” on soybeans for as long as possible, however there may come a time a little further on when Mother Nature may not give us much choice in the matter.

In bringing this month's article to a close, there are a few other items I want to touch on briefly, the first of which is to ask again for the return of any/all seed pallets and cubits as soon as possible.

If you're pressed for time and can't get them back in right away, give us a call and we can make arrangements to

UPDATE
Continued On Page 4

Fuel Facts

By
Scott
Bensink



In the May newsletter I reported that Two Rivers Cooperative would be handling **Diesel Exhaust Fuel (DEF)**, a liquid urea solution which has been developed for use in the selective catalytic reduction systems being included in today's diesel engines to help assure soot combustion and to prevent unburned fuel from being emitted.

The DEF is contained in a separate tank on the equipment and injected into the exhaust as it moves through the diesel equipment's engine.

In that article I also stressed that DEF is extremely susceptible to contamination, plus highly corrosive as a result of its high urea solution content, therefore it requires both special storage containers and special handling procedures to prevent contamination.

Other than stainless steel, DEF can be contaminated by virtually all other metals, by air particles, extended exposure to light or heat at temperatures above 86 degrees.

For these and other obvious considerations, therefore, we are sure you can understand and appreciate why **Two Rivers will not fill any "open" containers with DEF.**

The container must be a sealed storage system, in other words one that is capable of being completely sealed for Two Rivers to dispense DEF into.

If you do not have such a system, Two Rivers handles sealed 2.5 gallon jugs of DEF to serve you, however I again caution you to keep in mind the susceptibility of DEF to higher temperatures, air and light so you can minimize the potential for DEF to be contaminated and/or lose its effectiveness.

Please contact Lonnie if you have any additional questions about DEF storage and handling procedures.

FUEL PRICES: I'm writing this right after the 4th of July and at this time we're seeing fuel prices pushing higher as a result of some refinery problems that have been experienced at several Midwest locations.

As far as diesel fuel prices are concerned, we had been in a fairly soft market for an extended period of time this summer, with prices trading in a

narrow range and only nominal movement in either direction.

However, as the situation in Egypt erupted just the other day, a lot of uncertainty and volatility have returned to the Middle East, so you may want to start taking a closer look at getting your fall needs contracted sooner rather than later, since it's anyone's guess what the next step will be in that region where the fuse is always short and so many seem to have a match to ignite things.

LP NOTES: Our **LP Contracting & Summer Fill** programs are underway at this time, so be sure you take advantage of these opportunities to lock in your needs and prices in advance.



Livestock Production

By
Nick
Steinbach

WELCOME RYAN: I want to ask all of our Two Rivers customers, particularly our beef producers, to join with me in extending a warm welcome to **Ryan Healy**, who joined your Two Rivers Team on Monday, July 1st as our new **Beef Nutrition Specialist.**

We have introduced Ryan elsewhere in this month's newsletter and he will be getting out to visit with the beef producers at their livestock operations in the coming weeks to meet with as many of them in person as possible.

I am sure Ryan will also be a familiar face at the upcoming county fairs, so if you see him at any of the auctions or in one of the livestock buildings at the fair, please come up to say hello to Ryan and give him the chance to meet you and introduce himself.

HOT WEATHER MANAGEMENT: Be sure you're checking livestock watering sources regularly as we get into these weeks of higher temperatures so all animals, even your outdoor pets, are being well supplied with fresh water on a daily basis.

Two Rivers Fuel/Energy Team
MONTHLY SAFETY TIP
CALL BEFORE YOU DIG

REMEMBER
The One Call System
Is Only For Public Utilities
And Does Not Include Your LP Line

Pork producers need to check ventilation systems, fans, shutters and all the other equipment to assure proper air movement in the buildings, and of course to increase fat content in rations to provide added energy to compensate for the natural consumption dip as temperatures turn hotter.

FAIR TIME: Well, as you can see by all the activity taking place on so many of our farming operations and homes of our livestock producers, it's definitely **County Fair Time In Iowa**, and Two Rivers is both pleased and proud to have been a strong and solid supporter of the efforts of our young men and women in 4-H and F.F.A.

We hope all of you will join us as we wish each and every one of them the very best with their projects, and whether those projects be livestock, craft, homemaking or in any of the other areas, we want them to know we are proud of the dedication, determination and hard work that went in to preparing a project for the county fair, and the many values and lessons that were learned from those efforts.

As a separate insert that has been put into this issue of the newsletter we have included the **Two Rivers Cooperative 4-H & F.F.A. Support Program Entry Form for 2013.**

I call your attention to this year's form and the changes which have been reflected in the Financial Reward from the \$50.00 savings bond that has been presented over the past several years to a **\$50.00 Cash Award** for this and future years.

As in the past, those who fulfill the requirements to receive the **\$50.00 Cash Award** will have it presented on September 1st following completion of the area's county fairs.

I would also like to call your attention to the back page of the **Two Rivers Cooperative 4-H & F.F.A. Support Program Entry Form** and the message contained in the item which we have published every few years to provide some added perspective to what we believe are the **Most Valuable, Meaningful and Lasting**

LIVESTOCK
Continued On Page 5

The Next Time You Need LP
STOP BY THE
NEW LP FILL STATION
AT TWO RIVERS IN MONROE
We Now Can Supply Your
Campers & RV's
LP Cylinder Exchange Too

UPDATE

Continued From Page 1

pick them up at your place. Either way, these pallets and cubits need to get back in here.

Next, if you haven't already lined up your corn fungicide application services with us as you're reading this,

please do so right away so we can coordinate all the logistics for the pilots and planes.

Next, although we're not seeing any major insect pressures yet, July is really the time when populations of many of these crop pests erupt, so be sure you are out there scouting.

Soybean aphids are one bug that

starts turning up in large numbers towards the end of July, so be alert to that possible threat.

Finally, but most importantly, **Thank You** for your cooperation, the great teamwork and your patience through what has been a very hectic and challenging season for all of us. **All have been very much appreciated!**

THE COUNTY FAIR EXPERIENCE IS MORE VALUABLE THAN RIBBONS-TROPHIES-DOLLARS

**There once was a boy won some Ribbons of Blue;
Came home from the Fair with a Big Trophy too.
With a voice glad and proud he said to his Dad;
"Tis the very best year that I ever had!"**

**Said his wise Dad: "Son I'd like to hear
Why you think that this was such a Very Fine Year."**

**"Why Dad, you know all the Prizes I've Won;
How I've come out Tops in all the things I've done.**

**"Just look at the Ribbons to hang on my wall.
And think of the Money I've made since last fall.
From Premium Checks and a Big Auction Price.
You can't help but think Cash and Ribbons are Nice!"**

**But the Man said: "My Son, you're not thinking right.
Blue Ribbons it's true are better than white.
But Ribbons will fade and Trophies grow old,
Money is soon spent and Fame soon grows Cold.**

**"The important things, Son, are not ribbons or pins.
And sometimes, really, it's the loser who wins.
Now here are the things Most Important, it's True,
And what your Fair Experience has accomplished for You.**

**"You've been taught how a Business Meeting is run.
This Knowledge will help you in the years to come.
You've Conquered the Fear of addressing a crowd.
You've learned to Stand Up and Talk nice and loud.**

**"Patience you've learned in your projects too,
As well as some Skills that will Always Help You.
You've learned the Fine Feeling it gives to lend
A glad Helping Hand to a stranger or friend.**

**"You've learned to Cooperate with majority rule,
To give in with Grace and to not be a fool,
One who must always have his own way,
Be it in Club Work, in School or at Play.**

**"You've learned to lose without making a beef,
That the judge judges to his Best Belief.
You've learned to win without boasting too loud,
A kid can lose friends if he's overly proud.**

**"These are the things Most Important To You.
You'll Remember and Use Them all your Life through.
They'll help you become a Mighty Fine Man.
They'll do More For You than a prize ever can!"**



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

As you can see in the announcement elsewhere, we will be launching the first in a series of informative meetings on July 30th.

After this first meeting there will be follow up sessions held every 3 weeks to review the on-going changes taking place in our markets and how they affect the strategies we will use and the decisions we have made and will make for our mock **Sim Farm** to demonstrate the use of various marketing tools to manage risks

Our **Sim Farm** will be producing 500 acres of corn and 500 acres of soybeans for this marketing year.

We will be using this year's typical production costs/expenses for inputs to establish realistic breakeven figures for both corn and soybeans.

Each meeting will last no more than 30 minutes, although we may meet for a little longer at the initial meeting to lay the groundwork and explain the strategies and marketing tools we have put in place to get underway.

As the growing season progresses I will be tracking the on-going progress of our crop, the market and how the marketing tools we are using have performed, and every 3 weeks we will meet again for a review and update of how our **Sim Farm** is doing.

I am very excited about the prospects for this innovative approach to help us demonstrate how the use of different marketing tools such as cash sales, futures and options can work for any farming operation to improve grain marketing success and, at the same time, to better manage against risks in the volatile, fast changing markets we operate in today.

I am confident those who join us for these short meetings every three weeks will find them to be a combination of interesting and educational, enjoyable and fun, while also providing valuable insights into how different marketing tools function, and I hope you will be among those who attend.

USDA REPORT: The June 28th **USDA Stocks and Acreage Reports** had a mixed bag of information and an equally mixed bag of response/reaction in the grain trade.

In the Stocks Report, USDA claimed that as of June 1st we have 2.764 billion bushels of corn, 435 million bushels of soybeans, and 718 million bushels of wheat available to carry us to the end of this marketing year and the arrival of new crop.

All three supply figures were below the grain trade's estimates, so obviously there were some surprised faces on a lot of grain trade folks.

If accurate, USDA's corn supply is the lowest we've had on June 1 in the past 16 years, and the soybean supply is the lowest in the past 9 years.

The acreage figures Uncle Sam put out in this report were perhaps even more eyebrow raising, with corn acres pegged at 97.379 million, soybeans at 77.728 million and wheat acres at 56.530 million.

All three of these acreage estimates were higher than the original March figures in the Planting Intentions (up by 800 acres combined), and one certainly has to ask:

Where did we get more acres planted in a year when so many areas have experienced conditions severe enough to cause many acres to be planted very late, or to not be planted at all?

USDA listed 4 of the major corn production states as planting fewer acres than a year ago ...

- ... **Illinois 600,000 less acres.**
- ... **Iowa 200,000 fewer acres.**
- ... **Indiana 150,000 fewer acres,**
- ... **Minnesota 50,000 fewer acres.**

That's 1 million fewer corn acres than 2012.

The only top 5 corn production

state to see a gain in acreage was Nebraska, which increased by 200,000 acres over last year.

USDA also stated that with soybean planting delayed this year, they will be re-surveying 14 states and updating their acres estimate in the August report, and some traders feel this could add 1 to 2 million acres to soybean production this year.

Although the corn stocks figure is bullish, with the July contract in the delivery window we'll likely have few if any bidding off that contract.

Thus the September contract will be acting like a new crop month, so either the old crop basis will need to get white hot or the market will need to make the Sept-Dec spread so wide that corn processors will stop buying and wait for the lower cost new crop supply to become available.

LIVESTOCK
Continued From Page 2

Rewards which come through participating in the county fair

I hope you will have your sons and daughters read this item and ponder the message it contains.

Perhaps it would not be a bad idea for their parents and other adult family members to read and consider the message as well, since it seems in the fast paced world we live in today there is far too much emphasis placed on the dollars and trophies and not enough placed on the lessons learned, the values strengthened and the fond and lasting memories that should be a part of every youngster's county fair experience.

Please Welcome Ryan Healy To Your Two Rivers Team

We are pleased to introduce our customers to Ryan Healy, who started his position as your new Beef Nutrition Specialist on July 1st.

Ryan is originally from the Vail, Iowa area in west central Iowa, a portion of the state where there are a number of large beef feedlots and numerous cow/calf operations.

Ryan's folks farm 300 acres of row crops and have a 90 head cow/calf beef operation, so showing beef cattle has long been a part of his life, one he continued after graduating from Ar-We-Va High School in 2009 as he earned his degree in Animal Sciences at Iowa State University in May of this year.



Ryan enjoys spending time outdoors, outdoor activities such as hunting and fishing, and of course spending time with and showing cattle.

He is looking forward to meeting and getting to know the customers and beef producers of Two Rivers, and we encourage everyone to give him a warm welcome to our cooperative and communities, and to your livestock operations as you have the opportunity to meet him in the weeks ahead.



As I See It
By Tracy Gathman
General Manager



P.O. Box 47
Pella, Iowa 50219

Presorted Standard
U.S. POSTAGE
PAID
Des Moines, Iowa
Permit No. 5297

ADDRESS SERVICE REQUESTED

MEETING DATE: Please be sure you mark your calendar for **Wednesday, August 21st** to reserve it in your schedule so you can join us for the very special and informative presentation by Dr. Ron Hanson on **Family Farm Succession Planning.**

We will include additional information on this in the August newsletter, on the web site and in a separate mailing, however by reserving the date in advance you will assure no conflicts come up that would prevent you from attending.

SEASON'S REFLECTIONS: It's seldom everyone agrees on anything, but if there is one thing I am sure all of our customers and the entire Two Rivers Employee Team will agree wholeheartedly on it's that this has been one of the most hectic and challenging seasons we've ever had.

First there was the sluggish start of work in April, followed by an extremely rare snowfall the first week of May that not only made fields soggy, it also cooled soil temperatures significantly.

Rain started falling soon after the snow, kept falling, and then fell some more, keeping our fields saturated, planters and our custom application equipment mostly idle waiting for fit conditions - and waiting some more.

With all the weather delays and challenges that kept coming our way one after the other from the start of spring on through June, I think, and I am sure many would agree as we are now able to reflect on things, that it's pretty remarkable so much was done in such short and scattered windows of opportunity to actually be in the fields working on this 2013 crop.

Now here we are in the first week of July as I write this, and while I suspect I may get some argument from some quarters, as I have had the opportunity to travel around a bit in the Two Rivers trade area my impression is that **Things Are Looking Pretty Good.**

In fact, if everyone takes everything

we've experienced and all the crop has already been through thus far this season into account, then takes a step back, looks around and assesses things from a broad perspective, I think most if not all would come to the conclusion that **Things Are Looking Pretty Good.**

During the 2nd week of June I was traveling in NW Iowa to visit family and, just prior to the end of June I spent some very long days behind the steering wheel of a Budget Rental truck moving my son from Long Beach California to Omaha.

Any of you who have ever had the **"Distinct Pleasure"** of a 1,400 mile trip driving a Budget Rental truck will understand when I say the experience is not one for the meek, nor one for those who have gone much beyond their 25th birthday, but the joys and comforts of my trip are best left for another discussion.

The point is that during my travels to NW Iowa and then from Long Beach to Omaha, I had plenty of windshield time and a lot of miles of crops to view and evaluate.

Thus as I returned home on June 25th I felt I had a good perspective on how the crop looked, and from that perspective I base the following statement: With the singular exception of the irrigated crop fields I drove by in portions of Nebraska, I would not

trade the crop we have right here in Two Rivers' trade area for any I saw!

There may indeed be other crops that look as good as ours at this time, but I certainly do not know where those fields would be located, as in visiting with my counterparts at cooperatives elsewhere in Iowa and adjoining states, I am hearing very few comments about crops looking good, and a significant number about crops that are way behind, fields that were not planted and large areas where things just look poor.

I am sure we would all agree that it can sometimes be totally amazing to consider just how resilient the crops we plant today can be, how they can bounce back so soon and so well from adversity and, when conditions become favorable, take off on a growing surge that leaves us in awe.

I will conclude this article by stating that in the 15 years I have been here, this spring has been the most challenging one ever for our customers and for the employees of your cooperative.

I want to therefore thank all of you for your cooperation, patience and understanding and for working closely with our people to help them do the best possible job for you each day, and to thank and recognize all of them for their hard work, long hours and dedication to customer service.

We Invite You To Join Us For Our
"SIM FARM" MEETING PRESENTATION
TUESDAY, JULY 30TH - 10:00 A.M. - PELLA OFFICE
The First In An On-Going Series Of Short Meetings
To Track The Marketing Progress Of Our "Sim Farm"
To Illustrate How Our Marketing Strategies/Decisions
Perform As 2013 Market Activity Unfolds

Please RSVP Your Attendance Plans So We Can Plan Accordingly
(See Justin's Marketing Analysis Article For Additional Details)