



Two Rivers

Cooperative

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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

March, 2006



Crop Talk

By
Robby
Wilson

When you have questions about crop input or management decisions, who do you turn to for the answers?

When you are trying to evaluate different choices or alternatives, who do you call on for advice and information so you can make the best decision?

When you run up against a problem or challenge in your fields, who is the first person you contact for assistance?

These days there are more sources of information, more places to get answers, and more places and people a farmer can turn to than ever before.

Obviously, if one has access to the internet and uses it as the starting point for references, the number and type of information outlets is virtually unlimited.

The Agricultural Departments at various universities or colleges, plus the extension services they maintain, are other places people can turn to.

All of the different seed and chemical companies have vast amounts of research, trials, data and other information about their particular products.

There are also professional crop consulting services who offer fee-based services and assistance for agronomic questions and issues, planning and decision making.

Companies and/or individuals selling seed, ones selling chemicals, and/or companies and individuals handling both will also have information relative to their particular products and

services.

And of course everyone has a friend, relative or neighbor who either considers themselves to be a source for all sorts of crop related information, or who knows someone who is.

There is also your **Full Service Two Rivers Co-op**, and I make that distinction because unlike the majority of these other sources, we're not limited to one line of products or services, or to one segment of the crop production process.

At Two Rivers we cover the full spectrum of crop related services for the full spectrum of inputs you use - seed and seed treatments, chemicals and fertilizers, plus the custom application of each, - along with crop scouting and consultation, assistance in planning, decision making, evaluation of alternatives and options, etc.

The advantage of this is that unlike most of these other sources, we're not tied to promoting a limited number of products or programs.

Instead, we are able to utilize the

information we have about your fields and the nature of your soils, your fertility programs and management, the specific weed/grass and/or insect/disease challenges encountered in that field, your management practices, how you plant, when you plant and all the rest to make the best decision on a field-by-field, farm-by-farm, farmer-by-individual farmer basis.

Let me offer an example to illustrate why this is so important to you.

Let's say you bought corn hybrid XYZ from a seed supplier in Pella and sprayed it with herbicide ZYX that you purchased from a chemical dealer in Monroe.

Suddenly, you have some kind of a problem with the crop, so your first call is to the supplier where you bought the seed.

Who do you think he will assign blame to for your problem?

The seed he sold you, or the chemi-

It's Time To “DOUBLE CHECK” Your Plans To Make Sure All Spring Bases Are Covered

Item To Be Sure Is

Covered Before Spring Arrives

Check

Double

Check

2006 Private Pesticide Certification

License Number Reported To Two Rivers

All FSA Aerial Field Maps Delivered To Us

Map Details & Specifications Updated

Arrangements For Seed Delivery Made

All Chemical Orders/Plans Completed

Seed Treatment Plans & Arrangements Made

Custom Application Orders Scheduled

SAVE TIME - ELIMINATE ERRORS

BY PLANNING/PREPARING/SCHEDULING EARLY

CROP TALK

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**Fuel
Facts
By
Scott
Bensink**

Nigeria pumps 2.8% of the world's total crude volume and produces 2.36 million barrels of crude oil per day, making it the sixth largest producer of crude in the OPEC group of nations.

Nigeria is also the fifth largest supplier of crude to the United States, and since the oil coming from Nigeria is low in sulfur (commonly referred to as "sweet" oil), it is more highly sought after by U.S. refineries for the high volume of gasoline each barrel yields.

Obviously, therefore, when unrest in that African nation flares up, the shock waves are felt deeply right here at home in our fuel/energy markets.

In late February, Nigerian crude production was cut by nearly 20% as a result of attacks by rebel forces. This pushed the price of crude up to nearly \$61.50 per barrel.

Royal Dutch Shell suspended pumping of some 455,000 barrels of crude daily after militants set fire to an export terminal and kidnapped nine non-Nigerian oil workers.

Additionally, since elections are scheduled in Nigeria for early next year, many trade analysts fear political unrest will continue to intensify as each side struggles to exert influence and spread its dominance.

These events have been the main source of fuel that has driven speculators back into our fuels and energy markets over the past several weeks, creating some dramatic price moves in both directions as they buy and sell the futures, and increasingly manipulate the basis levels for leverage.

We have had many of our customers using our pre-spring diesel fuel contracting programs to lock in their supply and the price they will pay to put their crop in the ground this spring, if not for the full volume of fuel, then for a very significant percentage of their total estimated needs.

We still have some gallons remaining to be contracted on the most recent of the contracting opportunities we have been making available.

Can prices slip lower than the current contracting price?

There is always that possibility out

there, of course.

But I think everyone needs to look at the contracting price and ask themselves just how much lower they feel prices can realistically drop away from that.

Is it as much as a nickel? Even a dime, perhaps?

Given all the volatility, speculation and uncertainty, it would seem hard to match that, but no one can predict what may happen in the marketplace these days.

But the real risk isn't in the price slipping lower anyway, it's definitely in the huge risk and greater potential for prices to take off on another wild, in-season ride to much higher levels than those we now have.

How much higher?

Again, no one can predict where prices may top out, but last fall's experiences cast some light on just how far and fast prices can move up on us.

No one wants to be caught unprotected and needing fuel to plant the crop in the open market if that should happen again, so contracting is just that much more valuable as a means of protection and peace of mind.

In addition to covering your price and supply well before work begins, I would also strongly encourage you to be sure you make plans and arrangements to get your on-farm fuel storage topped off early.

As the notice at the bottom of this page says, putting the fuel **On The Farm Early** where it will be needed when spring breaks wide open allows us to re-fill our fuel storage before the pressure at the pipelines and terminals intensifies.

This gives us more **Back Up Supply** to serve you when those inevitable delays occur in the chain of supply as the season progresses and demand soars.

CROP TALK

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cal you bought elsewhere?

Now you call the place that sold you the chemical.

Who do you think he is most likely to point the finger of blame at?

Now that's an over-simplified version, but year after year I've seen and heard about situations very similar to that happening to one or more of our area farmers, and there are some situations that are even more extreme.

For example, the farmer who assumed he had purchased Liberty Link corn and Liberty herbicide, each from a different supplier, but who wound up actually having bought IMI corn that was to be sprayed with Lightening, not Liberty.

As I hope you can see, there are tremendous advantages and benefits from making your input decisions and doing your business with a supplier that knows you, your specific crop management, your individual corn and soybean fields, the inputs to be used in each of those fields, along with how, when and what they have or will have sprayed or spread in them.

Two Rivers Is That Supplier.

We are your source for unbiased information.

We are your source for quality products, programs and services, custom-fit to your farms and fields, your needs and goals.

Our sole obligation and commitment is to you, the customer.

Meeting your needs so that you are satisfied with our services, successful and efficient in your crop production efforts, and ultimately profitable in your farming operation are the common goals we share, and the ones we are working together to achieve as your farmer-owned cooperative.

We Strongly Recommend You
FILL FARM STORAGE EARLY
So Your Fuel Supply Is On The Farm
Where You'll Need It To Start Spring

You Filling Your Storage Early Enables Two Rivers To
RE-FILL OUR BULK STORAGE
MUCH EARLIER TOO
So We Have More Back-Up Supply Ready
To Meet Your On-Going Needs In-Season

**Seed
&
Stuff**
By
Jay
Van Woerkom



I recently attended a meeting in Ames at which one of the featured speakers on the agenda was Dr. Elwyn Taylor, I.S.U. Climatologist.

Taking a page from his presentation, I would like to open this month's article with a question similar to the one Dr. Taylor put to the audience: **"How many of you have tiles running at this time?"**

In a show of hands at this meeting, I was surprised to discover there were actually a few individuals who raised their hands in response to Dr. Taylor's question to indicate water was indeed flowing in their areas.

But I can assure you the number of hands that went up in the affirmative was not very large, and the area they represented was fairly limited.

I would suspect that in a gathering of farmers from our local Two Rivers trade area there would also be very few hands raised to signify water running in any of their field tiles.

The lack of sub-soil moisture is wide spread as we close the gap to the start of another spring planting season, thus making the combination of moisture and temperature provided by Mother Nature over the next 6-8 weeks even more critical to the equation.

This situation also re-confirms our continued efforts to help our customers **"Spread Risks"** through a more comprehensive diversification of the corn hybrids and hybrid families they will be planting this season.

Maintaining the proper genetic diversity by planting the right hybrids in the right fields to more fully capitalize on the specific genetic characteristics bred into the seed will expand your yield potential and thus give you the most flexibility in reaching your yield objectives.

In addition to planting the proper genetic types in certain fields to bring out the best potential of each, you need to be very alert to the value and importance of plant population on crop health, performance and yield.

Every hybrid has an optimum plant population at which it can best express the maximum yield potential of its

genetic package, and maintaining this specific plant population can help you reduce the risk of poor pollination during drought, plus reduce stalk and root lodging.

Another key factor is ear type. Hybrids are either flex-ear, fixed-ear or some combination of the two types, and it's important to evaluate the ear type(s) you will plant based on the different interactions each has in different production systems and in different environmental conditions.

As a hedge against the possibility of a drought, for example, most producers in the western parts of the Grain Belt lower plant populations and plant flex-ear types that produce longer ears with greater girth to keep yield potential high, while minimizing risks if weather remains dry.

Different ear type strategies can also be adopted for no-till situations, continuous corn and even lower fertility soils, and we can gladly assist you with these considerations as well so you can spread your risks and thus maximize your chances for the best possible crop in all kinds of weather.



**Feed
For
Thought**
By
Jason Smit

As Tracy has noted elsewhere in his article, Mitch Kennedy will be leaving Two Rivers Co-op to accept a position with a feeder cattle placement company located in Atlantic.

This is just several miles from Mitch's home area, where he maintains his own beef herd.

I know all of the beef producers who have been working with Mitch are sorry to see him leave.

But at the same time I know they are also understanding and offer their best wishes to him as he accepts these new and exciting challenges in his career.

We will be seeking qualified candidates and interviewing them in our search to bring someone in to assume the duties, responsibilities and customer services Mitch has been handling.

I will keep you informed of the status of this process in future issues of the newsletter as things progress.

In the meantime, the remainder of the Feed Team and I will fill the gap, so to speak, in maintaining a solid presence in the country and on the beef operations of the customers we serve.

I therefore invite and encourage you to contact me directly if you have questions, needs or other livestock related issues to be handled.

I should remind all of our beef producers now that we are beginning to approach the spring season that our **Special Mineral Promotion** will continue, offering you an excellent opportunity to **Buy 10 Get 1 Free.**

Please contact me or any of the Feed Team now to place your mineral orders so we can have your needs locked in and on the way to the farm to provide the best nutritional boost for your animals.

And speaking of spring, with the weather hopefully turning off much nicer very soon, those of you who are looking for outdoor facilities in which to place your pigs, and/or any of you who have outdoor facilities where pigs can be placed need to be in touch with the Feed Team at Two Rivers Now!

That way we can bring those with pigs looking for places and those with places looking for pigs together in the most effective and efficient way to get an early spring start.

NOTICE TO FEED CUSTOMERS

Please Mark Your Calendar & Plan Ahead

THE PELLA FEED MILL

WILL BE CLOSING AT

NOON FRIDAY, MARCH 24th

To Undertake Repairs/Service On Equipment

PLEASE PLAN ALL FEED NEEDS

AND FEED SERVICES ACCORDINGLY



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

During February the members of Two Rivers Cooperative received a special mailing seeking their input on a proposed condominium storage building project that your Board of Directors has been considering.

We asked members to share their interest, or lack thereof, in this concept with us by March 1st, either by contacting any of our office locations or by sending in a return postcard that was included with the letter they received.

I want to take this opportunity to thank all of the members who took the time to respond to this request.

As always, your input is a fundamental part of the decision making process, since it gives the Board of Directors a better feeling for what the members want and need.

Even more importantly, it gives the Board the means to determine if those wants and needs will translate into a sufficient level of support and business to justify a commitment of assets and resources.

As of this writing, the Board is still evaluating the information and input that has been provided by the members, and looking at the various alternatives based on that input.

Therefore, they will not be making their decision on whether to proceed any further on this matter until some time after month's newsletter goes to press.

If the Board determines the membership has expressed a sufficient level of interest to proceed any further on this matter, the next step will be to evaluate different types of storage facilities and their costs, the amount of storage to erect, where the storage is to be located, etc.

While at first glance one might assume the decision on building additional storage this year, or indeed any year, is a fairly clear cut and simple yes or no, proceed now or hold off until a later date, it really is much more complex than that.

Due to the significant costs involved

in any project of this nature, it is obviously crucial for the Board to make sure expenditures are not only in the best interests of the majority of the members, but also that they are in agreement with both the immediate and long-term goals and objectives of Two Rivers.

Thus the Board must continually strive to maintain a solid balance between the investments and commitments made to satisfy the wants/needs of its members and the cooperative with the realistic return potential those expenditures can provide in both the short and long term.

The major investments necessary for storage assets in particular requires that those assets be utilized to their maximum potential over a long term, since construction, maintenance, insurance and other costs are particularly large, while the margins of profitability they provide are so narrow.

The concept of condominium storage has therefore become increasingly more popular and more widely used in recent years, since it provides a viable and efficient means for the cooperative and its customers to spread those costs over a much broader base.

At the same time, this storage concept also provides an attractive, flexible and economical storage alternative to those individuals who want/need additional space for their crops, plus it creates an asset that will provide them with a solid return.

I am sure the Board will deliberate carefully and completely over the input the members have provided on this issue in reaching their decision, and I will share that decision with you in the next issue of the newsletter.

CHANGES: It was with mixed emo-

tions that I accepted the resignations of two outstanding employees of Two Rivers Cooperative this past month.

On one hand, it is always regrettable to lose good people who do a fine job.

While on the other hand one can always appreciate the new opportunities their hard work, dedication and efforts have earned for them and the members of their family for the future.

Carl Van Zee worked at the Otley-Monroe and Two Rivers Co-ops for a combined 11 years, handling numerous duties and responsibilities in seed and agronomy, all of them with a tremendous commitment and dedication to quality and customer service.

Carl accepted many challenges for our cooperative, and he handled all of them well, plus he was always a positive, reliable force during the long and demanding spraying and spreading seasons that call for so many personal and family sacrifices to be made.

We will certainly miss Carl's experience and expertise, and yet we can also appreciate the new opportunities and challenges he has taken on will create more time to be a part of and share in family activities, and I'm sure we all wish him the very best.

While **Mitch Kennedy** has only been with Two Rivers for a short time as our Feed Team's beef specialist, he has done a fine job working with and serving the needs of our local beef producers, and in fulfilling all of the responsibilities he has been asked to handle for Two Rivers.

I know we all thank Mitch for the fine job he has done during his time at Two Rivers, and I am sure all of you will join me in wishing him the very best for the future.



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