



Two Rivers

Cooperative

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MISSION STATEMENT

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

Two Rivers Cooperative

Pella, Iowa 50219

August, 2007



Crop Talk

By
Robby
Wilson

August will be here as you're reading these words, and with it comes the transitional period when we pretty much turn the fate of our crops over to Mother Nature, since our activity and direct involvement in the fields and in the fortunes of the crop are fading fast.

And with that in mind, I am sure you can better appreciate why I want to direct my attention - and yours - to looking ahead in this article at what I sincerely believe is a *Number One Priority* for all customers to address, and *The Sooner, The Better*.

The basic issue I want to focus on is crop inputs for your 2008 crop, and I can assure you *I am in no way Jumping The Gun* by bringing this subject up now, even though the crop is still in the fields, harvest is weeks away, and planning for crop inputs for next year may be the furthest thing from your mind at this time.

It is, I suppose, simply human nature to procrastinate for as long as possible on making decisions and/or making purchases for crop input supplies, and that includes seed, chemicals and fertilizers.

Part of the reason for that, I understand, is that we all hope that with the passage of time there will be lower prices and opportunities to save, and this makes us hold off making commitments as long as we possibly can.

But the industry has changed. The marketplace we operate in has

changed. The dynamics and fundamentals of supply and demand have been completely overhauled.

The Bottom Line is we can no longer rely on time to provide us with remedies to higher prices or to create unexpected savings opportunities.

Take, for example, the *Triple Stack Corn Hybrids* that have proven themselves to be such a valuable technology in recent years and, considering the pressures and damage we're seeing caused by rootworms this season, which are bound to be at the top of most everyone's *Must Have List for 2008*.

Not only have these hybrids shown their worth in the second year corn, or the corn-on-corn acres that so many of you planted this year, where using them was a virtual no-brainer to get solid protection, but we've also seen enough rootworm damage in first year corn to make these hybrids a strong candidate for those fields too, especially in fields with a rootworm history.

Obviously, the price of these Triple Stack Hybrids will be an issue, but with the added protection they provide and the performance/yield benefits they

bring to the fields they are planted in, securing your supplies will also be an increasingly important consideration.

And it's one I can assure you will not be improved with the passage of more time. In other words, if you're going to want these technologies in your fields, you won't want to procrastinate or delay locking them in.

Instead, you need to *Get With Our Seed/Agronomy Team*, and you need to do that sooner, not later.

I am probably even more concerned about the situation that's looming on the horizon regarding fertilizer prices and supplies, both of which I foresee as being serious concerns as we move into fall.

I fully realize how difficult it is to make crop nutrient decisions at such an early date, when in some cases you may still be up in the air on just what mix of corn and soybeans you're going to plant next year, and while there are numerous questions on your mind that affect fertilizer decisions, among them:

Will you plant the same number

CROP TALK

Continued On Page 2



Fuel Facts

By
Scott
Bensink

This will be the last month for you to *Contract Your LP Needs* for the upcoming fall/winter season of 2007/08, and I therefore encourage you to get in touch with us to firm up your orders before the August 31st Deadline arrives.

I also recommend that you take a good look at our *Diesel Fuel Contracting* program to lock in your fall needs with us.

As of this writing with just a few days remaining in July, gasoline prices are once again in retreat, continuing the yo-yo pattern they seem to have settled into this summer with 20-30 cent swings taking place over the course of just a couple of days.

Diesel fuel prices, however, have not been as changeable, but have instead remained fairly stable and, unfortunately, strong.

The flooding at the Coffeenville, Kansas, refinery was apparently not as severe as originally thought, although it will still keep this major Midwest supplier basically off line at least into the early-to-mid part of fall, and thus put pressure on supply.

We have, at least up to this time, escaped any threats from hurricanes to the highly vulnerable Gulf Coast region, but the peak threat period for storms is only now beginning, so we can't feel we're safely out of the woods from hurricanes just yet.

The entire industry still seems to quake any time big waves are spotted heading to shore from the Caribbean, and that also puts added volatility and uncertainty about prices and supplies into the marketplace.

You can be sure that if we have any of the normal tropical storms that develop in that area upgraded to hurricane status, we'll see an immediate response and soaring prices in the fuel/energy markets.

Contracting to lock in your supply is the best defense against a runaway market and mushrooming prices, so I again encourage you to contact the Fuel/Energy Team here at Two Rivers so we can get your needs covered.

And with the potential threat that a

Mark Your Calendar & Plan Accordingly TWO RIVERS COOPERATIVE FISCAL YEAR ENDS AUGUST 31, 2007

Our fiscal year concludes on August 31st and we ask for the cooperation of all customers in having account balances paid to the "current" status prior to this date so the business can be included on the books for the 2006/07 fiscal year.

A complete inventory of all grain, supplies and merchandise will be conducted in accordance with the end of the fiscal year, requiring the undivided attention of your Directors, the staff and all employees to complete it properly and accurately.

Therefore, we will need to set aside a specific time at each location to be closed for business for the short time during which this inventory is to be conducted. The exact time and date for each location to complete inventory will be posted at each office so you can plan ahead.

hurricane might strike at any time and send this market off on a wild ride to higher prices, I would also recommend you consider getting your on-farm storage topped off soon, because by the time a storm makes the news, prices will already be on the move.

I also want to remind all of you who dry corn on the farm that now is the time to have Jerry stop out if you need him to do any repairs or service work on your grain drying system.

It will be a while before we know how much of the crop will need to be dried or how much moisture may need to be taken out, but planning and preparing ahead of time so your grain drying system is operating at peak performance and efficiency is still the best insurance you can have to avoid being put into a corner as harvest heats up.

The same value of advance planning and preparation holds true for all of your oil, grease and lubrication product needs, since having these supplies on hand to service your hard working engines and machines before putting them in the fields is the best form of preventative maintenance.

We have a good inventory of all your needs on hand and ready to serve you, and now is the time to have these supplies laid in on your farm so you can get your harvest equipment serviced and at-the-ready for that first push into the fields.

CROP TALK

Continued From Page 1

of acres to corn this year?

Will you plant even more corn acres than you did in 2006?

Will you go back to your conventional corn/soybean rotation?

But as you ponder these questions and try to find the answers, I ask you to also consider the fact that fertilizer prices for fall are already higher than a year ago, and the farther out we look, say towards next spring, the higher these prices go.

I would therefore again urge you in the strongest terms possible to *Get With Our Team* as soon as you can to talk about your fertility plans and needs so you can make the best decisions, the most timely decisions, and the ones that will lock in the best price and assure you of the supplies you need for your fields.

ADVANCE NOTICE HOLIDAY CLOSING

*All Two Rivers Locations
Will Be Closed*

MONDAY, SEPTEMBER 3rd

LABOR DAY

*Please Plan Accordingly
For This 3-Day Holiday Weekend*

We Invite You & Your Family To Join Us For AG IN THE CITY/FARM FEST

Thursday, August 23rd - 5:00 To 9:00

*Antique Tractor Displays * Local Machinery Displays*

FUN & PRIZES FOR THE KIDS

*Pedal Pull * Train Rides * Merry-Go-Round * Pony Rides * Games*

Check For Additional Activities/Events

Which Were Being Planned At Press Time

REGISTER TO WIN DOOR PRIZES

Seed & Stuff

By
Jay
Van Woerkom



This month I want to focus on the current and potential insect problems for our crops in the weeks ahead, specifically the *Soybean Aphid* and, to a lesser degree at least for now, *Bean Leaf Beetles*, and perhaps even *Spider Mites* in beans, *Grasshoppers* in corn/beans and *Rootworms* in corn.

Everyone needs to be scouting for *Soybean Aphids*, and doing so repeatedly and regularly, since populations can multiply into alarming, crop damaging numbers in just a few days.

Even if you have already sprayed, you still need to watch your bean fields closely, as aphids can re-populate in just a few weeks.

If you see 250 or so aphids per plant on 80% of the plants inspected, we need to get the field sprayed.

This number is a bit below the normal threshold level mentioned, but the rapid rate at which aphids multiply makes it our target for treatments so they don't get too far ahead.

Spraying at this level, if present, would also allow us to take care of treating any *Bean Leaf Beetles* that are present before they have a chance to come on strong later.

Grasshopper numbers seem to be edging higher as we scout grassy areas, field borders and waterways, especially in the driest areas.

As always with grasshoppers, the sooner we can spray the better, since the bigger a hopper gets, the tougher he is to kill.

All of these leaf feeders also become more of an economic threat when they begin to feed on the pods that are developing, so early treatments offer the best protection.

Spider Mites are always a potential threat in August if conditions turn off hot and dry.

We're seeing a considerable amount of *Corn Rootworm* feeding, and therefore now is definitely time to be *Digging Dirt* to inspect roots for rootworm damage so you can get a handle on crop vulnerability.

You need to be alert to the threat of large numbers of rootworm beetles

PLOT TOURS 2007

MORNING PLOT TOUR - PAUL HJORTSHOJ FARM

(West Of Monroe Off Hwy 163)

Breakfast Served At 8:30 With Tour Of Plots To Follow

EVENING PLOT TOUR - GLENN VAN WYK FARM

(East Of Pella Off Hwy 163)

Meal Served 5:00 To 7:00 With On-Going Tours

See & Compare The Performance Of Our 2007 Seed Line

Asgrow * DeKalb * Croplan Genetics * NK

The Leaders In Genetic Technologies For Corn Hybrids & Soybean Varieties

feeding on silks in late-pollinating corn.

Seeing 5 beetles per silk on anything above 25% of the plants, and/or silks clipped down to one-half inch, means problem levels have been reached.



Feed For Thought

By
Jason Smit

We're starting to see some steady increases in the cost for various micro-nutrients and medications, so I wanted to give you a heads up that these increases will be reflected in ration costs as we move forward.

As consumption has been declining in swine in response to the heat, demand for fat to include in rations to compensate for reduced consumption has caused fat costs to edge higher as well.

Hopefully, we'll see fat costs ease back once we get some relief from Mother Nature.

Heat stress is also responsible for an increase in the number of DOA pigs, which can take a big bite out of profitability in your operation.

Keeping sows and pigs as cool and comfortable as possible in the heat really pays off well, and in many cases there are ways to provide effective relief from the heat that will cost you little or nothing.

For example, installing drip systems or sprinklers, loading and/or feeding pigs earlier in the morning and later in the evening hours when the temperatures are at their lowest levels will all help provide needed relief for the sows and pigs so they perform more efficiently.

Finally this month I want to again mention the great success our local producers are having feeding Altosid for fly control to their cattle.

This is a proven product and it does a tremendous job controlling flies, particularly horn flies that cause so many problems. *Use It!*

An Introduction To Ashley Paddock

Ashley Paddock has joined your Two Rivers Team as our Beef Specialist and has been contacting customers to introduce herself since early July, when she began her duties working out of the Pella location.

Ashley is a May, 07 graduate from Southern Illinois University in Carbondale with a Bachelor of Sciences Degree in Animal Sciences. Her main focus of study was on Animal Health & Nutrition, and during her studies she worked on the SIU dairy farm, bull testing station and beef farm.

At SIU she was a member of the Block & Bridle Club, Pre-Vet Club and the Academic Quadrathlon Team.

Ashley grew up on a cow/calf operation in Illinois which had a registered Brangus and Simmental herd, and started showing cattle at the age of 5. She is a member of the Illinois Beef Association and the International Brangus Breeders, participated in 4-H and F.F.A., and was a member of the Jefferson County Judging Team for 8 years.

She and her husband Travis were married in June, and currently Travis is working for Vance Beyer. The couple has rented a home in Pella as they look for an acreage where they can bring in some of their cattle from Illinois.





As I See It
 By Tracy Gathman
 General Manager

MONROE UPDATE: As is customary with the August issue of the newsletter, this one is chock full of announcements for *Special Events & Activities*, plus *Newsworthy Items Of Interest* taking place in the weeks ahead, and I therefore encourage you to be sure to take note of all that is and will be happening.

Obviously, we're very excited about this year's *Customer Appreciation Day*, which is always a very special highlight of each year here at Two Rivers, and this year we're also incorporating the *Grand Opening* of our new office facilities, grain storage and scale at the Monroe location into this enjoyable Family Event.

As you can see in the photo elsewhere on this page, the work on this project has been progressing at a remarkable pace.

The tower and grain leg for our new storage facilities are in place, the grain distributor has been installed, the bins are up and most of the work remaining on this portion of the project is on the final details to finish up, and those will be completed soon.

As far as the office portion of the project is concerned, the framing has been completed and work is underway as of this writing on the roof.

The interior walls are in place, and as soon as the roof is on and the facility is covered, we'll begin putting the finishing touches on the interior.

Work on the scale has also progressed nicely, with the flooring poured and walls to the scale pit formed, and I anticipate we will be pouring these concrete walls before the end of July.

Once concrete work has been wrapped up at the scale, we will begin final grading of the site, including the scale access and exit, and I'm sure once the grading has been completed, any concerns expressed about the slope will evaporate.

CONDO STORAGE: I want to call your attention to the fact that *The*

Monroe Expansion Project Is Rapidly Nearing Completion

Workers have continued to make remarkable progress on the office, grain storage and scale remodeling and expansion projects in Monroe, and we're excited about showing them to all of our customers at this year's Customer Appreciation Day & Open House on September 4th.



Deadline for purchase of condo storage at Two Rivers will be August 15th, thus you have only a very short period of time to take advantage of this very attractive long-term opportunity to secure added flexibility and convenience for storing, handling and marketing your crops.

We sincerely feel when you look at all the advantages owning space in the Two Rivers Condo Storage Project offers to you and to your farming operation, and when you evaluate the merits of this project as a viable, long-term investment with a rock-solid return to you and to your farm for the future, you will agree this is an opportunity you definitely need to consider.

The recent showers have served to brighten and broaden the prospects for this year's corn crop to be a very large one, and with the additional number of acres that have been planted to corn this year, there is no doubt in anyone's mind that the demand for storage space this fall will be immense.

It is also a virtual certainty that with space at a premium and a huge volume of old and new crop to satisfy demand during the harvest and post-harvest period, both the Board and

Basis will be facing extreme pressure for at least several months.

Therefore, providing for additional storage space for your crop by owning condo storage can give you the added flexibility you may need to minimize and perhaps even eliminate altogether the need to sell bushels at these heavily pressured harvest season lows.

So please, take time to investigate how and why owning condo storage can help you address your grain storage, handling and marketing needs for this upcoming fall, and for many years to come, **and remember, August 15th is the Deadline** to purchase space for this harvest season!

CONGRATULATIONS: On behalf of all of us at Two Rivers I want to extend a *Hearty Congratulations* to the area's young men and women of 4-H and F.F.A. for their outstanding performance at the year's County Fairs.

The dedication, commitment, time and effort all of them put in on their Fair Projects, livestock and otherwise, help sustain the traditions of agriculture we all treasure, and we can be proud of the way these young adults represented themselves, their families and farms, our communities and co-op.



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