



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

May, 2010



Crop Talk

By
Robby
Wilson

We have made a tremendous amount of progress on this year's crop over the past several weeks, and it's been amazing to see how much progress has been made in such a short period of time.

A lot of corn has been planted, and with the recent showers we've received, once sunshine and heat get on these fields the crop is going to be taking off and making a lot progress in a very short time.

These next couple of weeks are extremely critical in helping to determine how things go over the remainder of the season, so it is very-very important for you to get out there to check on a number of things NOW.

Do you have any emergence problems shaping up following the showers? That's obviously one of the first things you should notice as you're out there inspecting your crop.

As you're checking on emergence, you can also check on planting depth, and that gives you the opportunity to take a close look at seedling vigor/health issues so you can determine if there are any disease problems shaping up.

The cool, wet soil conditions we have are favorable to pythium and phytophthora, so get out there to take a look for symptoms of these diseases.

While you're checking on how the seed and seedlings are doing, you also have the perfect opportunity to look



NOTICE OF HOLIDAY CLOSING

All Two Rivers Locations Will Be Closed

MONDAY, MAY 31st
MEMORIAL DAY

Please Plan All Of Your
Supply-Service-Business Needs
Accordingly So We Can Serve Your Needs
Smoothly & Efficiently Prior To The
Extended Holiday Weekend

for any of the below ground insect pests that can pose a threat to your crop, bugs like wireworms, seed corn maggots and white grubs are ones that we typically have problems with.

It wouldn't surprise me to see corn breaking the soil surface soon once these fields get some additional heat on them, since the moisture and nutrients are definitely there, and that means you'll need to be alert to threats from the above ground insects like cutworms and flea beetles.

Cutworms are attracted to grassy areas to lay their eggs, which makes the no till fields and those with more grass in or around them the areas where you need to be watching very close for any signs of cutworm activity.

Another thing you can be watching for as you're out there checking on fields is for any potential spray skips or areas you have questions about herbicide performance.

We try our best to avoid spray skips in the fields we spray just as you do in the fields you spray, but having a sprayer miss an area is something that occasionally happens.

You can identify any sprayer skip early as you check herbicide performance, emergence and the other things I've been talking about, and early is when we have the chance to easily and quickly correct the problem.

Don't cause an easy fix situation to

turn into a much bigger problem by failing to check on your fields for herbicide performance issues, or by not mentioning your concerns until the crop is mature, or harvested.

We have some customers who have put a few fields of beans in already, and I imagine by the time you're reading this there will be a lot more beans going in, so pretty much the things I've been talking about so far for corn will also be good advice to follow with your bean crop.

It does sound like we could have a problem with the over-wintering population of **Bean Leaf Beetles** this year, since as everyone knows the frost just didn't penetrate all that deeply into our soils this winter, so be especially alert to any signs of Bean Leaf Beetles in your fields.

Also remember that cutworms can and will attack soybean plants, so you need to check both corn and soybean fields as they emerge on at least a weekly basis until the plants are big enough the threat from these bugs has passed.

And I'll also remind everyone again, if there's any problem or question you see in your fields, bring it to our attention right away, since there is more flexibility, there are more alternatives

CROP TALK
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Fuel Facts

By
Scott
Bensink



With equipment costs what they are these days, everyone who buys a new or used tractor or combine wants and needs to get the maximum value, maximum performance and maximum years of dependable service out of their equipment investments.

The key to maximizing all of these expectations you have for your equipment starts with you, the owner, doing your part to protect your machinery by performing the recommended service and maintenance as specified in the owner's manual.

Inspecting and servicing equipment so the oil and oil filters are changed as recommended, grease and lubrication is performed thoroughly and regularly, fuel, air and other filters changed as specified will not only assure more efficient and economical performance, but also will extend the service life of your machinery.

Another valuable form of protection comes from the extensive protection provided by the **CHS Total Protection Plan Warranty** program we offer here at Two Rivers.

Eric Moorman, Two Rivers Certified Petroleum Specialist, along with Gary Van Kooten, Two Rivers Refined Fuels & Bulk Oil Delivery, have been doing a great job working with our customers as they add new or used equipment to their farming operations to have those machines covered by the **CHS Total Protection Plan**.

This is the most comprehensive and complete warranty protection program available anywhere in the industry.

It is so complete and offers such extensive protection that it exceeds even the warranty programs offered by the equipment manufacturer, as demonstrated by Titan Machinery in Pella, which recommends the **CHS Total Protection Plan Warranty** on the equipment they sell.

New equipment is covered for up to 10 years or 10,000 hours, a full 72 months longer than most manufacturers' original equipment warranties.

Used equipment is covered for up to 8 years or 8,000 hours, and this is the only program of its kind offered in

agriculture.

Most major components of your tractor and combine are protected when you use Ruby Fieldmaster fuels along with the CHS line of lubrication and fluid products.

There is no deductible, a minimal enrollment fee, and there is no "burden of proof" requirement for the equipment owner to meet to have this protection pay off.

Another very attractive feature is that the **CHS Total Protection Plan** is fully transferable should you decide to sell the equipment, a valuable selling point that gives added assurance to a prospective buyer.

I'm sure everyone knows how costly repairs to a diesel engine, the injector pump, the transmission, hydraulic, final drive and differential/hubs can be, so the value of the **CHS Total Protection Plan** is obvious.

So if you're buying any new or used equipment for your farm, take time to visit with Eric or Gary about enrolling your machines in this program.

DIESEL NOTES: We've seen prices edging higher in recent weeks as **The Funds** come into the fuel/energy markets, as well as the grain markets, and once again the massive sums of dollars **The Funds** manage and can therefore use to impact and influence various markets has brought them some additional attention from Uncle Sam.

There is again talk of Congress establishing some form of limits/controls on **The Funds** in markets like grain, fuel and energy to lessen their influence, and it will be interesting to see what this could lead to.

Let's keep in mind that the presence of **The Funds** in our markets creates price movement in both directions, and while we may not like the added volatility that comes with it, we also benefit in many ways from the added value they bring into the grain, financial and investment marketplaces.

LP NOTES: We will be coming out with a **LP Contracting** opportunity in late May to give customers the chance to start locking in some of their fall/winter needs, so be watching for that information.

I also want to remind all of you who are on the **LP Budget Billing** program to get in touch with us in May so we can make a smooth transition to the **New Budget Billing Cycle** in the weeks ahead.

We always send out letters to **Budget Billing** customers to remind them of this, however with the hectic pace of spring those letters often get stacked up a while longer and we certainly don't want you to miss out on the convenience of being on **Budget Billing** as we start the new cycle.

So if you've been on **Budget Billing** for this past season, be sure to set aside a few minutes to contact Robin in Pella, or get in touch with me at Monroe.

Also, if you haven't been on **Budget Billing** but would like to enroll for the upcoming season, get in touch with one of us in May.

CROP TALK

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and options, they are all more economical and effective, and the results are far better when we can address a situation sooner, not later.

Finally, I want to recognize and thank all the guys of your Two Rivers Agronomy staff for the fantastic job they've done taking care of this spring's work for our customers.

These men were at times working around the clock and more to keep products, equipment and services flowing smoothly to your farms and fields, and I think it's pretty obvious to all that we could have never caught up on so much carryover work from last fall plus all of this spring's workload in such a short time without the total commitment these men gave to serving the needs of our customers.

I appreciate them and all of the long hours and hard work they put into this effort, and I want them to know that.

I hope all of you also appreciate the service they have given and their hard work on your behalf, and I know a word or two from you to let them know you respect and appreciate what they have done to serve your needs would mean a lot.

Please Contact Your Two Rivers Agronomy Staff

24 HOURS IN ADVANCE

(Or More Whenever It Is Possible)

To Help Us Coordinate The Corn/Soybean
Spraying Services For Our Customers
With Maximum Efficiency & Timeliness

Seed & Stuff

By Jay Van Woerkom



When we put the previous newsletter together at the end of March, I would have never imagined or believed that when the time rolled around to put the next issue out just 30 days or so later I would be able to talk to you about things like population counts, crop emergence and stand evaluation.

Not only did we still have a lot of snow that needed to melt, and let's face it, some of those drifts and piles were huge, we also had a ton of catch up work from the previous fall to get out of the way before we even started to think about the normal heavy schedule of spring field work.

To think we'd have a lot of corn planted, and even some soybeans, before the end of April was a thought we dared not even mention.

Yet here I am writing this with several days still left before we turn the calendar page to May, and with a lot of corn planted in the past couple of weeks, plus the rest of the corn and the beans likely to go in before our next newsletter, those issues need to be addressed here and now.

Robby has already talked about the **Number One Item Of Importance**, but since there's never any harm in repeating any message as long as it's a good one (and this one is definitely that) I will also remind everyone that **Now Is The Time** to get out to check your fields to see what is going on.

Early detection potential insect or disease threats to your crop, any problems it may have in terms of emergence due to heavy rains, washouts or standing water, any mechanical or operator errors such as planter or sprayer skips, can all be handled efficiently, effectively and economically the sooner we know about them.

Next, I will once again encourage all of you to please **Give Us 24 Hours Advance Notice** (at least) and more if and when it's possible, to arrange for **Bulk Soybean Delivery**.

This enables us to coordinate the manpower, delivery trucks and schedule to keep bulk beans flowing to your farms/fields as smoothly as possible, saving time and thus helping everyone

keep things rolling along better in the process.

As fast as the corn has gone in thus far, it looks as though any and all **Seed Corn Returns** will need to be taken care of **By May 15th**, so if you have bags that you did not plant, **Please Get Them Back** into us by that date to receive proper credit.

On a similar note, please remember that the **Seed Pallets** belong to the seed companies and **They Want Them Back!** So please take care of **Seed Pallet Returns** as soon as possible as well.

Changing gears a bit, you will definitely want to take time to **Scout Alfalfa Early** this year, not only to see what the heavy and prolonged snow cover did to your stand that needs to be addressed, but also to see if alfalfa weevils are causing any early season defoliation.

Obviously, if there are any questions you have on these or any other issues you come across as this crop gets off to a very good start, please do not hesitate calling or stopping in so we can get someone to take a look-see at the situation with you.

There's an old saying that states: The only **Bad Question** is the **One Never Asked**, and to that I'll add the only thing that might be **As Bad Or Worse** is a question that is **Asked Too Late** for any good solution or action to be taken to solve it.



Marketing Analysis
By Justin Huebner

As we talk to our customers about their marketing objectives for corn and soybeans, and about the necessary crop protection programs and coverage they need to manage against both natural and market volatility risks, one of the most frequently asked questions is: **How Much Coverage/Protection Do I Need?**

It would make life much easier on

everyone if there was a single, all-encompassing answer to give to that question, or even one that would generally cover most everyone, but unfortunately there is a different answer for every person who asks the question.

You, your farming operation, your family, your needs, it's needs, their needs are not the same as your folk's needs, your son's or daughter's needs, your friend's or your neighbor's needs, and that means the marketing goals and the risk protection you need are just as different.

In order to answer that question, therefore, we must first ask you a question of our own: **What Are Your Costs?**

After all, that is what you want and need to cover when you make a grain sale.

Therefore, that is what you need to have covered against the risks you're facing from natural perils, as well as what you need to protect yourself from the risks we all face in a volatile marketplace where prices change quickly and often dramatically.

It is a fundamental item that every business, no matter how large or small, must know precisely what it costs to produce the products they sell and/or the services they provide so an accurate and profitable selling price can be established to enable the business to make sound, profitable selling decisions.

If you do not know the price you need to sell at to cover your costs, and you sell at a price lower than what it takes to cover them, you have sold at and have thus locked in a loss.

There may have been a time in the 60s or 70s when prices didn't change all that much from season to season, year to year, a time when a lot of things were much more predictable.

Farmers paid about the same for crop inputs year to year and they got about the same prices for corn and beans each and every year.

Some years things may be a little higher, some years a little lower, but by and large everything remained pretty much predictable year to year.

Those days are long gone and they

MARKETING
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Do You Have Any Seed/Seed Pallets/Shuttles Or Any Tool Bars/Nurse Tanks That Still Need To Be Returned To Two Rivers? PLEASE RETURN AS SOON AS POSSIBLE To Receive Full & Proper Credit On Your Account

Hybrid Vigor

By
Joe Toillion
Swine & Beef
Specialist



As we're turning cattle out into the pastures, we need to pay attention to their mineral needs. Land O' Lakes and your Two Rivers Co-op has everything you need to get the best performance from your animals.

Fly control is always important, and the mineral we recommend is one that features Altosid, which kills fly larvae hatching from the eggs flies lay in cattle manure.

To get the maximum benefits from the fly control program, you need to feed this product right from the start (NOW) and then continue to feed it all the way through the fly season, since continuous intake of Altosid means there is no gap that allows a population to develop after the larvae hatch.

Our producers who have used this fly control strategy are satisfied with Altosid's results and you will be too.

As we enter the breeding season for cows, a breeding season mineral with tetracycline needs to be in front of them, since that will improve conception rates and be beneficial to overall health. Plus, tetracycline is a good pinkeye control.

Land O' Lakes Rangeland lineup now has a new addition called **Availa 4**, which contains organic zinc, copper, manganese and cobalt.

Availa 4 is especially formulated for those **"High-End"** purebred and/or show ring animals that many of our customers will be feeding this spring and summer.

It works especially well in stress situations and is a solid alternative to feeding antibiotics, since the increased nutritional values in the mineral keeps these cows healthier.

The Land O' Lakes and the Purina lines of feeds are available through your Two Rivers Cooperative.

So if you have been using a particular Purina product that you're satisfied with and want to keep using it, we hope you'll give us the opportunity to be your supplier.

Finally, I just want to note it's good to see some profitability back in pork production following one of the longest down cycles ever for all of our local producers..

Livestock Production

By
Nick Steinbach



The FDA has recently issued a ruling that prohibits a neomycin and oxytetracycline medicated combination in milk replacer products, and as with all FDA mandates, we need to be sure everyone is in full compliance.

Your options now include feeding Bovatec or Deccox, or you can go with a non-medicated product, and we would appreciate receiving the input of our producers about which of these options they prefer us to handle for the future.

We are leaning toward the non-medicated option so that each producer can choose the medication of choice, but if there's overwhelming support over either of the other options, we also need to know that.

Speaking of the FDA, your Two Rivers Feed Mill received it's annual FDA Inspection, and we had their inspector here for between 5 and 6 hours conducting a very comprehensive and thorough inspection of our feed manufacturing equipment and safety procedures.

Those basic items are just the beginning, however, as the FDA also includes inspection and checking on our sequencing procedures, medication assays, mixer performance, record keeping and housekeeping, along with numerous other areas to assure the highest standards of performance, consistency and quality, and of course safety.

I'm very pleased to report that your feed mill once again passed all of these inspections with flying colors, and in the words of the inspector as he concluded the day: **"Great job. Keep up the good work."**



MARKETING

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will not return.

You can't make sound or profitable business decisions - either buying or selling - based on what it cost last year, and certainly not the year before that.

Your costs have changed, your needs have changed, and the market you will sell this crop to has and will continue to change.

You can not afford to guess or estimate your costs.

The consequences of anything less than accurate figures can be expensive if your costs are even slightly higher than what you figure, and a disaster if you are way off the mark.

You can not afford to go by some old rule of thumb, use the costs of your best friend, your brother or your neighbor, nor the estimates of production costs that the universities or trade magazines suggest.

You need to establish **Your Costs!**

Right now is the ideal time to get a firm, accurate grip on crop production input costs, the seed, fertilizer, fuel and so forth. You then can include your land costs in terms of taxes, rent etc.

Don't forget to include a return to labor and your family living costs, as well as an equipment depreciation expense, since new or used, you'll need to maintain, service and ultimately replace tractors, planters, combines.

The objective of this process to identify your costs is to eliminate all the unknowns, the estimates and averages so you know where the true break-even point is for selling corn/soybeans, and that lets you sell to lock in a profit rather than have a sale that will lock in a loss.

I know this is a busy time of the year for everyone, and yet this is a process that can be done much easier at this time of the year when so many of your costs are becoming known.

I welcome the opportunity to discuss our programs and services so you can sign up to let us assist you in making sound, profitable business decisions for your farming operation.

MAY IS BEEF MONTH

Please Join Us As We Say

THANK YOU NEIGHBOR

To Our Local Area

Beef Producer Families

IOWA BEEF

THERE'S NONE BETTER



As I See It

By Tracy Gathman
General Manager

There's really only one word that comes to mind when I think about all that has changed, all that has happened, in the past 30 days since we wrote the last newsletter.

That word is **WOW!**

However, if you want another one, I will simply add **AMAZING**. Or I could use **FANTASTIC**. The choices are numerous, but the meaning still takes us right back to that original choice: **WOW!**

A month ago at this time the snow blowers and snow shovels were still at the ready, and for good reason, since there was still plenty of snow on the ground and everyone knows we're never completely out of the woods when it comes to a late season snowstorm surprise from Mother Nature.

A lot of the local rivers were already out of their banks and threatening to spread much further if all of the snow that still remained melted all at once and was accompanied by rain, and of course it was cold, with temperatures barely able to bust past 40 most days.

Today, April 27th to be precise as I am writing this, I am sure everyone has mowed their lawns at least once, if not twice, and following the rains of this past weekend, another tour of the home place with the lawn mower is probably in order already.

Those same showers are also arriving at just about the perfect time to get the chemicals that have been sprayed activated, and to move the P & K that has been applied into the soil profile.

And no doubt about it, with a little more sunshine and heat, there's going to be a lot happening out in the fields, since during a seven to ten day period as we were closing in on the final week of April there was a remarkable number of acres of corn that were planted by our Two Rivers customers.

There may have been previous springs that clicked as smoothly and early as this one, but not many of them.

I know we are all grateful, thankful and appreciative for the blessings that we have had to get such a good and early start on the workload we had left over from the previous fall, and such a steady and solid amount of progress



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made as we have moved on into the normally heavy workload of spring and planting the crops.

A good start alone does not make the crop, I will agree with that.

However, getting so much corn in as early as we have, plus having such a large jump on our work as we do, are the first all-important steps in which in most years leads us to believe we can have a very good crop at the end.

Like all of you, therefore, I am hopeful we will see continued steady and strong progress as we transition from April and move into May, another very crucial month for our crops when so much happens so quickly,

To help sustain the fine momentum this crop has going for it at this point, I therefore encourage everyone to continue to work very closely with the Two Rivers Agronomy Staff, since they are **At The Ready** to be of service to your developing needs as we move forward.

I can not thank everyone enough for the tremendous cooperation, the great communication and the teamwork that has been on display between our staff and our customers thus far,

It would have not been possible to get this much work done this quickly if we had not had everyone on the same page and pulling together.

With a similar approach to getting the remainder of the corn planted and then sprayed, the beans in and the spraying that needs to be done to bean ground, this could very well be one of the best seasons you and we have ever put in.

I hesitate to mention it because we all know how quickly things in our corn and soybean markets often turn, but perhaps as amazing as the fast start we have had on this crop has been, we can be even more amazed the markets have shown the strength and staying power they have thus far.

Let's not forget that not only has our

part of the state been blessed with a very good start on this crop, so too has virtually all of Iowa, as far as I have been able to determine, and from what I see and hear in the trade, so too has virtually the entire Grain Belt.

Therefore to have the market still holding values of \$3.27 on corn and \$9.41 on soybeans as I write these words, rather than in a complete nose-dive as one would logically anticipate given the circumstances, makes this an even more remarkable time for everyone in agriculture.

I sincerely hope you have been taking time to review the comments and suggestions Justin has been offering in his **Marketing Analysis** article in this and previous newsletters so you can give full consideration to the marketing services which Two Rivers is now offering to help you capture your best opportunities when the markets are presenting them.

You do not farm the way your fathers and grandfathers did. You do not even farm the way you did 10-15 years ago.

Your approach to marketing the corn and soybeans you grow needs to reflect today's realities rather than yesterdays fond memories, and Justin is just the person to see to help you with that process.

In closing, I ask you to join with me in expressing thanks and appreciation to all of the Two Rivers Employees for the outstanding job they have done in meeting and serving all of you and the needs of your farming operation.

Many of these people were working very long hours for many consecutive days in a row, at times around the clock, so the products and services you needed would be there in the most timely and efficient manner.

They have done a great job, and I both thank and commend them for their hard work and efforts to serve you and to serve your cooperative.