



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

October, 2009



Crop Talk

By
Robby
Wilson

With all that you have riding on the choices and decisions you make for crop production inputs these days, you need to be absolutely sure your supplier has **The Right Stuff** to assist you in selecting and using the very best inputs for your farm and for your fields.

It's not enough to simply put up a storage building, stock it with a selection of seed, chemicals or fertilizers, since just about anyone with a few resources can do that.

Just about anyone can sell you seed, nitrogen, Roundup and so forth, and just about anyone can show you yield data from a bunch of test plots, and then tell you the seed at the top of the charts is a great choice.

But when you are investing as much as you need to invest to produce a crop these days, and when the inputs you choose in the spring can make such a huge difference to the crop you'll harvest in the fall, you need to get a lot more than a sales pitch.

By now quite a few of you have already been introduced to the **R-7 Program** that your Two Rivers Agronomists have established to identify the most important characteristics that you need to have addressed by your crop input supplier.

In the weeks ahead, as we continue to contact customers on their farms and in the local offices to discuss this fall's crop plans and programs, as well as those for next spring, all of you will

Please Welcome Justin Huebner To Two Rivers

We are pleased to announce that Justin Huebner has been hired to serve as the Financial Services Representative to present the full complement of customer services contained in the recently developed Two Rivers Financial Services Project.

Justin received his Bachelor of Sciences Degree from Iowa State University in May of 2007 with a triple major in Agricultural Business, Economics and Agricultural Systems Technology. He then continued his education and received a Master of Sciences Degree from I.S.U. in August of 2009, majoring in Industrial and Agricultural Technology.

In the course of his studies, Justin served an internship with ADM at their Canola Biodiesel Plant in Velva, North Dakota, where he handled a diverse set of responsibilities ranging from the purchase and sale of canola seed and meal to hedging canola products. He also coordinated and organized customer production contract protection services and managed daily position reports.

As a Teaching Assistant at I.S.U in 2008 and 2009, Justin both taught and administered numerous laboratory sessions on a weekly basis, providing guidance on various lab experiments and class topics, and he also assisted and directed student groups working on final projects.

In 2006, Justin participated in a planned undergraduate program at the University of Swansae-Wales in the United Kingdom where he received course credits for classes taken there. Justin is a member of the Alpha Epsilon Honor Society, a Salt Company member, and he served as Vice-President for the Agricultural and Biosystems Engineering Graduate Organization for the 2008-09 year.



be seeing and hearing much more about this **R-7 Program** and how important we believe it is for you and for your farming operation.

The **Two Rivers R-7 Program** consists of providing you with the:

- 1. Right Genetics for your fields.**
- 2. Right Inputs for your soil types.**
- 3. Right Plant Populations to maximize performance and yields.**
- 4. Right Cropping System for your farm.**
- 5. Right Traits to maximize protection.**
- 6. Right Crop Nutrition rates and placement.**
- 7. Right Crop Protection, whether it comes from the seed, from a sprayer, or both.**

Using the **R-7 Program** as a foun-

ation, we will strive to help you be more efficient, more productive, more diverse and ultimately more profitable.

There are countless examples I could list to illustrate how we intend to make the **R-7 Program** work for you, and over time I am sure we will be discussing them with you as they relate to your particular and specific situation.

However in the limited space I have available here, let me offer just a few examples of what I'm talking about.

Let's say a seed salesman has shown you test plot data on corn, there are several numbers that really did great this year, and he recommends you plant them next spring.

It sounds like a good idea, but has that salesman fully investigated and

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Fuel Facts
By
Scott Bensink

As we go to press with the newsletter there are just a couple of days remaining in September, and at this time diesel fuel prices are moving in a fairly narrow trading range.

We've been as low as \$2.12 at times, and up to \$2.26 at others, and with not much happening around the world, or in the fields, the marketplace hasn't had anything of significance to push prices very far in either direction.

Fuel inventories are high, at least at this time, the dollar has been gaining a little strength, and the economy is at least making it appear things are slowly starting to improve.

Providing these conditions don't change much in the weeks ahead, whatever fuel supplies you haven't already contracted in can, most likely, be purchased "off the rack".

Having said that, however, we also know just how fast conditions can change in the fuel and energy markets, and how fast they often do, so you need to continue to pay close attention to what's happening with prices.

If it appears prices are taking off on an uphill climb, don't get caught with a significant portion of your fuel needs unprotected.

As far as LP is concerned, the situation is significantly different as we're moving deeper into the fall and the grain drying and heating seasons start pushing demand and use higher.

As you know, our LP contracting program deadline has passed, and with prices steadily advancing I hope you didn't let the opportunity to contract slip by without covering your needs.

With temperatures already starting to slip into the 40s for lows, and with many still anticipating there will be a lot of corn that needs to be dried, you'll need to keep a close watch on what's happening on the LP price and supply fronts.

Everything is pointing to this being a very big crop and a very busy fall season, so it will be especially important for all of our fuel and energy customers to work with the Two Rivers Team so we can provide you with the most timely and efficient service.

Please, check your on farm inventories regularly, and try to give us as much advance notice as possible when you call to place orders for delivery.

A 24 Hour Advance Notice Is Great, and if and when you can give us 48 Hours Advance Notice, That's Even Better!

This will allow us to coordinate deliveries by specific areas and routes so we're able to get the maximum gallons out in the most timely manner possible, controlling our costs and your costs in the process.

Once again this year I've included a separate reminder of some of the most important **Fuel/Energy Delivery Policies** that we have established to help us better serve everyone, so please look that information over.



Livestock Production
By
Nick Steinbach

Ever since the market responded to the news of this year's corn and soybean crop likely to be approaching record or near-record levels, with prices steadily slipping lower, Joe and I have been receiving calls asking: **Is Now The Time To Contract?**

There are three days remaining in September as I write this month's article, and even though prices have been steadily working lower, it's really impossible to give a solid yes or no response to those questions.

Like you, Two Rivers continues to look for opportunities to lock in our inventory costs on these inputs, and as this market begins to settle out I am sure we will be taking a long look at covering our needs as well.

Obviously, we both have similar objectives in mind, namely to try to get in on prices when they are at their lower range.

And I think we both understand that trying to hit the low is an exercise in

futility, and frustration, since in volatile markets things change fast, and a person is only really able to identify the low in the rear view mirror.

With that in mind, one thing I would like to suggest is that you get together with Joe or me to try to nail down some definite pricing targets for your operation.

That way if/when the market gets to those levels we can try to contact those who have that target price so they can pull the trigger.

We all have to remember, of course, that with the busy fall harvest getting underway, it can sometimes be difficult if not impossible to contact customers to advise them of these opportunities.

Therefore, you also need to be sure to check in with us periodically and, of course, be sure you give us numbers where we can get in touch with you if you're in the fields.

Speaking of communicating, please be sure you give us the maximum advance notice possible when you place feed orders in the weeks (and months) ahead as we move through a busy harvest season and on into the winter season.

There are fewer hours of daylight as the seasons change, kids are in school and the busses are out weekdays, harvest and numerous other activities on the farm and in our communities jam everyone's schedule to the limit - and beyond.

It's easy to get lax on ordering feed and to find yourself running very short and having to call in an emergency order, but those situations need to be avoided because they end up costing everyone.

With everyone's cooperation we can keep feed flowing smoothly and efficiently to all of our producers, and we're definitely counting on each and every one of you to help us out in this, because it takes everyone to be on the same page to make it work.

In closing for this month I'll remind you to be sure to visit with Joe or me about the QLF liquid products and our bale pouring program that allows you to get the most benefit from the different forages you're feeding to cattle.

FUEL DELIVERY POLICIES FOR FALL

- 1. Surcharge Will Be Added To All Orders That Do Not Meet The Minimum 200 Gallon Order Requirement**
- 2. We Will Not Fill Tractors/Combines In The Fields**
- 3. Surcharge Added For Same Day Delivery Orders**
- 4. Keep Full For Fall Is Available - Call For Details**

Seed & Stuff

By
Jay
Van Woerkom



This fall we did not have our conventional test plot tours as in the past, however there is a lot of interesting, worthwhile and valuable information that you can get by checking out and comparing the different hybrids and varieties there are in the test plots.

Feel free to stop by the plots at your convenience to take a look-see to compare how different corn and soybean seed products look at these final stages of the season.

You can also contact your Agronomist or me and we'll try to set up a mutually convenient time to go through the plots with you individually and/or with small groups.

As always, I'll include some of the yield highlights from the plots in a future edition of the newsletter, and your Two Rivers Agronomists will all have the complete test plot results available as soon as we have everything compiled so you can visit with us about your seed selections for 2010.

One of the things that is standing out in the plots this year, and which I am sure all of you are also seeing quite a bit more of in your own fields as well, are the different corn and soybean diseases we're dealing with.

Cooler temperatures for the bulk of this growing season, along with abundant amounts of moisture, have provided a virtually ideal environment for some of these diseases to flourish.

Some of these diseases have the ability to over-winter and therefore come at us again in future crops, and it would therefore be a good idea not only to monitor any particular crop disease problems you encountered in your fields this year, but to also investigate the various control and/or treatment strategies that are available to deal with them.

Another thing you'll want to pay close attention to in the soybean test plots this fall will be the yield and performance data from the **Roundup Ready 2 Yield Soybeans**.

Based on early evaluations we've done on these new soybean varieties, as well as those I'm hearing about that have been done elsewhere, it appears

the seed counts and therefore yields are very high.

There's been a lot of buzz about the new Roundup Ready 2 Yield Soybeans, and it appears at this time it's all been justified, so you'll definitely want to visit with your Two Rivers Agronomists and me about which varieties will be the best fit to your fields.

There has also been a lot of talk about Monsanto's new **SmartStax Corn Hybrids** coming out for the 2010 growing season, and a lot of customers are very interested in the increased protection from insects the multi-stack genetics bred into these hybrids, as well as the additional refuge acre alternatives they offer.

Again, be sure you set aside some time to visit with your Two Rivers Agronomists or me about these exciting new corn hybrids before you get too busy with your harvest work, since as always, the best selection of numbers in both corn and soybeans will be for those who place seed orders early.

On a similar note, if you haven't checked into the very attractive promotional offers that **NK Seed** is offering at this time, be sure you take time to investigate them soon, as these are some very attractive opportunities you need to consider as you're filling out and firming up seed orders.

Finally this month, I am sure all of you have been driving by your fields to monitor corn maturity and dry down so you can start setting a few priorities about which fields you need to get that combine into first.

As I mentioned earlier, this year has been a banner year for many diseases, therefore stalk quality issues are definitely going to play an important role in your harvest plans and schedule.

A lot of the fields that are still appearing green/purple in color have more starches built up in the stalks, and these should have fewer stalk quality issues than the fields that are in the fast die and fast dry hybrid families.

Last October I had a short article

about those fast die and fast dry hybrids, and I have included it again at the bottom of this page for you to review so you can take the appropriate action to minimize the risk of losses.

As always, if there are any questions on this or any of the other issues I have discussed this time, don't hesitate contacting me or any of the Two Rivers Agronomists.

CROP TALK

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explained genetic diversity to you, or is he just selling you a group of high yielding hybrids that could all be from the same genetic family?

With the genetic advances in seed, planting different hybrid numbers that are in the same genetic family today is comparable to planting all or most of your farm to a single hybrid 10 to 15 years ago. **It's A Huge Risk.**

Here's another example.

As I said above, just about anyone can sell you crop nutrients, but have they also considered the crop removal rates, the soil pH, and do they have a solid background in soil sciences to know the role different soil types play?

Or consider this. What about the link between plant populations, N rates and different hybrids that are nitrogen driven, and those that aren't?

If you plant a N-driven hybrid and you have made the decision to cut back on your nitrogen rate, the consequences will likely be very costly.

Likewise if you apply N at a higher rate but plant a hybrid that's not N-driven, you're defeating the purpose of applying more nitrogen, since your hybrid would not get the full benefit from the extra N applied.

There are countless other examples, but I think these give you an idea of the focus of the **Two Rivers R-7 Program** and our objective of using it to be sure our customers will be getting **The Right Stuff** for the individual farms and fields Two Rivers is providing the inputs and services for.

HARVEST THE FAST-DIE FAST-DRY HYBRIDS FIRST

Different corn hybrids have different genetic backgrounds, which helps explain in part some of the variations in color and appearance of the fields at this time.

Even though much of the corn is still green and moisture may still be higher than normal desired harvest moisture levels, the fast-die and fast-dry genetic hybrids will turn fast and, due to their poor late season standability, they need to be given a priority for harvesting first.

These same hybrids are noted for big ears and higher yields as a result of the increased levels of sugars transmitted from the stalks and leaves into the ears, which contributes to their poor standability as the season deepens.

Do not risk loss of the added yields these hybrids are famous for due to stalk rot problems and more down corn. You're money ahead harvesting earlier at higher moistures.



As I See It
By Tracy Gathman
General Manager



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WELCOME JUSTIN: As I have been discussing with you in recent newsletter articles, Two Rivers has developed a comprehensive new **Financial Services Project** we believe will enable our customers to consolidate financial management, crop input planning and purchases, grain marketing and risk protection from both natural perils and economic volatility in all agricultural markets and marketplaces.

With the basics of this **Financial Services Project** established, the next step in the process was to bring on board an individual with a background and understanding of these diverse services to present it to our customers.

I am pleased to report that individual has been identified, and this month we are pleased to introduce **Justin Huebner**, as the **Two Rivers Financial Project Representative**.

In the weeks ahead, Justin will be familiarizing himself with the different services that will be offered through the new **Two Rivers Financial Services Project**, getting to know more about the products, programs, services and personnel of Two Rivers, and of course familiarizing himself with our area, our communities and customers.

Once this process has been completed, Justin will begin contacting customers to set up appointments to present the full range of services that he will be overseeing through the **Two Rivers Financial Services Project** and, of course, answering your questions and assisting you with those services.

HARVEST-READY: With September about to end, the anticipation on the farm is starting to build even more, with everyone anxious to get a good start on harvesting this year's crop.

Those same feelings are obviously being felt at all Two Rivers Co-op locations, since all of our employees are also very anxious to get the ball rolling on what is shaping up to be a very busy fall.

Over the past 45 days or so there has been a tremendous amount of planning and preparation underway at all of our locations as we have been readying facilities and equipment to serve you as the grain starts to move in from the fields.

It feels like we're as ready as we can be, I am sure we have tried to think of every contingency and possibility, and I believe we have all of the grain receiving, handling, drying and storage assets of Two Rivers all set to serve you when the bushels start to come to town.

As we all know, of course, all the plans and preparations we have made, as well as all you have made on your farm, may look great on paper as we await the start of harvest.

But then there is one "minor" detail that we always have to contend with, the one we probably talk and think about the most, and at the same time the one that we have the least ability, and in fact no ability to control - **The Weather!**

Mother Nature can turn the best-laid plans and preparations into so much scrap paper at any time during the course of the harvest season.

I know I've been through enough harvest seasons in my years in this business, and I am sure many of you have probably been through even more, so that we both know that while we may not be able to change or alter that fact, we can at least be ready for it to happen, and have some alternatives in mind if it does.

There are a lot of people predicting this could be a huge crop, and if there is one absolute certainty that we can expect if those predictions come true it's that a very big crop brings some very big challenges with it.

For one thing, a big crop takes more time to harvest, and if the talk of 225, 250 and approaching 275 bushel per acre corn that we've been hearing about this fall comes true, your combines are going to be staggering rather than surging as they slowly inch their way through fields with yields that massive.

Additionally, while many of the hybrids you're planting these days have remarkable dry-down characteristics, the kind of year we've had this year, with so few high temperature days, so much rain

and such mild weather, could translate into having a lot more corn needing to be dried down.

Only time will tell, of course, but if there's one thing I know it's that in the long run a person is usually much better off and money ahead to invest a few cents on drying corn down a couple of percentage points, rather than risk a late season storm that puts corn on the ground, or that tangles it in knots.

The speed with which grain can be handled is, naturally, governed to a great deal by the part of the overall system that has the least capacity, and that stage has historically been the grain dryer(s).

I can assure you Two Rivers employees will be working hard to keep pace with whatever grain drying demands we encounter, but I also ask you to keep in mind that moisture content of the corn and dryer capacities dictate just how many bushels we're able to dry in a day.

Naturally, a very big crop is also a challenge to put away, and here again I can assure you that the Two Rivers employees have moved grain out, they have prepared all storage facilities to serve you, and they will be working long hours as necessary to get your bushels put away in the most timely and efficient manner possible.

The main thing we all need to keep in mind is that regardless of what this season brings to our farms and fields, and to the facilities at all Two Rivers locations, the only **Right Way** to harvest this crop is to **Harvest It The Safe Way!**

There is absolutely no amount of time you can save that is so valuable or important to you if it also causes you or someone else to be put at greater risk of being injured in an accident.

Take every possible safety precaution you can so you do not become the next farm accident statistic. Those statistics may just look like numbers on a page, until you, one of the members of your family or a friend are one of them.