



# First Cooperative Association

Vol. 9 No. 2

Visit Our Web Site At: [www.firstcoop.com](http://www.firstcoop.com)

June, 2009



## MANAGER'S CORNER

By Jim Carlson

General Manager

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Once again it gives me great pleasure to be able to congratulate and introduce the **FCA Scholarship Recipients** to the members of our cooperative, and we have featured these outstanding young men and women from the **Graduating Class of 2009** elsewhere in a separate insert to this month's newsletter.

Since 1997 when this program began, **FCA has awarded in excess of \$93,000 to graduating seniors** from the area schools located within the 16 communities where we have offices.

Each \$500.00 scholarship is presented to assist these young people with their continuing education in pursuit of their chosen careers, and we're very pleased many of them elect to enter fields of study related to agriculture so they can continue to work within our rural communities upon graduation.

In congratulating all of these fine young people and extending our very best wishes to them as they move forward into the next phase of life, we also want to recognize their parents for the leadership roles they have played throughout the formative years of these young people.

All of these parents can be justifiably proud of their sons and daughters for their achievements and for the manner in which they've conducted themselves.

**SPRING REVIEW:** There were probably many more questions, concerns and uncertainties than usual as we approached the spring season of 2009, since so much of last fall's work was

### Advance Notice Of Holiday Closing For The

## 4TH OF JULY HOLIDAY WEEKEND

July 3rd - 4th - 5th

Please Mark Your Calendars And Plan Accordingly  
For The 3-Day Holiday Weekend Closing  
So We Can Serve All Needs Effectively &



being carried over and added to the **Things To Do** lists of spring.

We definitely needed to **Catch A Few Breaks** along the way, and fortunately we did just that, as fields were open early and a lot of work was actually able to start ahead of what is considered the normal timing for this part of Iowa.

Mother Nature came through and so did FCA customers, who responded to our requests for advance planning, cooperation in scheduling, and who were great in communicating their needs to their local FCA locations and agronomists.

As a result of all that you were able to contribute, we were able to maximize the all-out effort that the employees were putting forth to keep pace with you, and to keep things moving steadily, smoothly and on schedule for all.

In thanking all of you for your continued support and business, I also want to thank and recognize our employees who put in long hours and who all worked very hard to provide quality products and outstanding services to the customers.

These people absolutely do make a difference, especially in a season like this one, and we are very fortunate to have such a fine group of men and women in all capacities and all locations ready to pitch in and commit to customer service and customer satisfaction as their top priorities.

At the present time were needing moisture to give our crops and the chemicals that have been sprayed on them a performance boost, and it can sometimes be frustrating to hear about showers elsewhere when our fields need the rain.

Of course when we also hear about so many places with a considerable per-

centage of corn still unplanted, and with barely a scratch made on soybean planting as June arrives, we can feel fortunate to have our crops all in and confident the rains will eventually come our way.

**SUMMER PROJECTS:** FCA has a number of projects on the agenda heading into summer as we continue to focus on our commitment to upgrade equipment and facilities to better serve the needs of our members and, at the same time, remove older, unused facilities to eliminate their drain on resources, while also improving the image and appearance of the communities in which we have operations.

This year's projects include installing new 4,000 bushel per hour grain dryers at our Marcus and Cherokee locations, along with completing the installation of the new **Blend Pump** system that will enable our customers to purchase their choice of E-10, E-20, E-30 and E85 grades ethanol fuels at the Sioux Rapids Card-Trol. We are also installing new diesel fuel pumps at this site.

We will be having an **Open House** at the **Sioux Rapids Card-Trol** soon, so be watching for announcements on that event.

In Alta we have recently completed removal of the old feed mill, and at Linn Grove we will be removing the old wooden grain elevator and the office facility, which will be burned by several local fire departments who will use this as a training exercise.

Once the site has been cleared and graded, we will put up a new office and warehouse facility, and install a new 14 x 80 foot scale, all of which will represent much needed improvements to our Linn Grove facilities, and thus be a benefit to the entire community and its residents.



**AGRONOMY  
NEWS  
&  
NOTES  
By  
Jim Compton**  
jcompton@firstcoop.com

**BEES:** To begin with I would like to call your attention to the **“Bee Rule”** information that appears elsewhere in this issue of the newsletter.

This is just one of the many environmental regulations and restrictions that are playing an increasingly vital role in dictating where and when we are allowed to spray products on our crops for weed, grass, insect and/or disease controls.

There are significant penalties for any violations of these requirements, and we therefore must be continuously alert to these issues, adhere to them completely, and do everything we possibly can to avoid any potential for problems to occur.

New rules are being passed each and every year, and not only do we have more regulations and stiffer penalties included in them, we have more scrutiny on possible violations.

Even though bee hives are supposed to be registered with the state annually, many authorities feel a significant number of apiary owners fail to register their hives.

Nevertheless, and whether registered or not, if any of our custom applicators even see an apiary (hive) as they are spraying products that are potentially harmful to bees, they are **“Required By Law”** to cease operations immediately.

**SPRING REVIEW:** We had an early start to this spring season and, for the most part, I believe everything went very smoothly as we progressed through the early stages of spreading, spraying and getting the nitrogen applied to your fields.

This was especially important this spring, since we had a considerable amount of carryover work from the previous fall that still needed to be done, thus increasing what is already a very heavy workload and time-sensitive schedule for everyone.

We can not, therefore, discount or downplay the huge role that advance planning, scheduling, cooperation and great communications between the customers and the FCA Team played in helping to get so

much work done in such a relatively narrow window of time.

On behalf of everyone here at FCA, therefore, I want to extend our thanks and appreciation to all of our customers for their support, for their spring business, and for the great teamwork that was displayed as we worked together through the spring season to get this crop in.

Obviously, getting it into the ground is the first important step, but as we all know, it is still just the first step and there is more critical and time-sensitive work awaiting us in the weeks ahead.

At the present time, for example, crops are being side-dressed with nitrogen, though I would imagine most of this work will be winding down as you read this.

If, however, anyone still wants or needs to supply additional units of N to their crop, we have the products, the equipment and the services available to assist you, so call on your FCA Agronomist for your needs.

I would like to comment on this spring’s pre-emerge herbicide applications, which had a significant increase in volumes this spring, especially in soybean acres.

There are many benefits from this strategy of getting a pre-emerge program out there to hold the line on weeds until it’s time for the post to be applied, including ...

... **Widening** the window of time for the post application.

... **Eliminating** weed competition for moisture, nutrients and sunlight for your emerging crop.

... **Having** a different mode of activity working to help in the effort to prevent weeds from building resistance to the post products, which are essentially a single mode of control in both corn and soybeans that’s being applied almost continuously.

FCA’s Agronomists continue to

promote these pre-emerge chemical strategies for these and other reasons, and when you get out to scout your fields in the weeks ahead, I am sure you can see just how well these economical pre-emerge products and programs are doing their job.

Speaking of which, we also did quite a bit of soybean seed treating this spring, and this is a protection strategy I feel we’re going to have farmers use more each year.

The costs for the protection are small, the value of the protection they offer is exceptional, and the risks of leaving a stand unprotected against diseases and, in some cases, early season insects, is just too great with seed costing what it does and your time to re-plant a disease damaged stand so limited.

As we get into the post season in the weeks to come, once again I urge everyone to **Double Check One More Time** to be absolutely sure you know and we know which seed technology is planted in fields before they are sprayed.

**There’s no room for guessing and no margin for error.**

Applying Roundup to a Liberty Link hybrid, applying Liberty to a Roundup Ready hybrid, or applying either to a conventional corn hybrid must be avoided.

As always, if you run into anything that doesn’t look right as you are scouting fields in the weeks ahead, contact an FCA Agronomist to come out to inspect the situation with you. We want to do everything we can to help you sustain the positive momentum this crop has going for it from being planted on time.

And finally, we are in the process of putting together our **Fall Fertilizer/NH-3 Contracting** program, so please keep in touch with your FCA Agronomist for complete details on this opportunity.

## **We Must Follow “The Bee Rule” When Spraying Crops**

**By Jim Compton**

*Effective January 22, 2009, Iowa adopted new provisions that changed the “Pesticide/Bee Rule” for the Iowa Administrative Code (Chapter 21-45.31(206) to require owners of apiaries to register the location of their hives with the state, which provides the forms to use to register. This registration expires December 31st of each year and may be renewed the following year.*

*As “The Bee Rule” specifically pertains to us, it states that custom applicators **Shall Not Apply** any pesticides labeled toxic to bees to blooming crops when the applicator is within one mile of a registered apiary.*

*Therefore, if you have hives or a neighbor has hives, we are not allowed to spray most products within a mile from those hives, registered or not, and if an applicator sees a hive while spraying that falls within this 1 mile range, he must immediately stop application.*

# Congratulations To The 2009 FCA Scholarship Award Recipients

(See "Manager's Corner" On Page 1 For Details)

## Andrew Braun



*Andrew is the son of Roger and Renee Braun and a graduate of Washington High School in Cherokee.*

*He plans to attend Iowa State to receive a degree in Business.*

## Jessy Bibler



*Jessie is the daughter of Rick and Cindy Bibler and a graduate of Alta Community School.*

*She plans to attend Morningside and major in Business.*

## Justin Depew

*Justin is the son of Jerry Depew and Dorothy Lamberti and a graduate of Laurens-Marathon Schools.*

*He plans to attend Iowa State University to major in Engineering.*



## Hannah Fordyce

*Hannah is the daughter of Matt Fordyce and Gretchen Miller.*

*She has attended Alta Community School and plans to attend Drake University to major in Law, Politics and Society.*



## Ashley Garton



*Ashley is the daughter of Jimmy and Denine Garton and a graduate of Laurens-Marathon Schools.*

*She plans to attend Mount Marty to obtain a degree in Nursing.*

## Jason Glienke



*Jason is the son of Keith and Marcy Glienke and a graduate of Aurelia Community School.*

*He plans to attend Iowa Lakes Community College then transfer to Iowa State to major in Ag Business.*

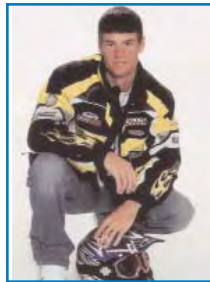
## Caleb Husman



*Caleb is the son of Rodney and Becky Husman and a graduate of Alta Community School.*

*He plans to attend Iowa Central Community College and major in Ag Business.*

## Jerad Letsche



*Jerad is the son of Kenneth and Laura Letsche and a graduate of Marcus-Meriden-Cleghorn Schools.*

*He plans to attend Iowa State University to major in Horticulture and Turf Management.*

## Tyler Lundsgaard



*Tyler is the son of Tim and Joyce Lundsgaard and a graduate of Washington High School in Cherokee.*

*He plans to attend Iowa State to major in Aerospace Engineering.*

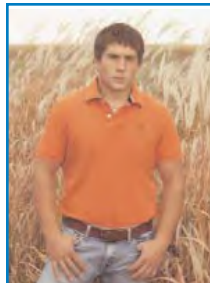
## Samantha Madsen



*Samantha is the daughter of Ron and Karla Madsen and a graduate of Sioux Central Schools.*

*She plans to attend NIACC and Iowa State to obtain a degree in Animal Science, Veterinary Medicine.*

## Alec Ohlson



*Alec is the son of Kent and Lori Ohlson and a graduate of Aurelia Community School.*

*He plans to attend DMACC then transfer to Iowa State to major in Agronomy and Ag Systems Technology.*

## Scott Patten



*Scott is the son of Alan and Phyllis Patten and a graduate of Sioux Central Schools.*

*He plans to attend NW Iowa Community College to become an electrician.*

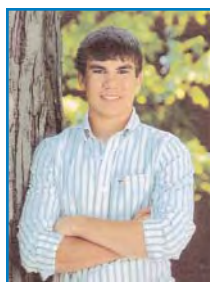
## Andy Pickhinke



*Andy is the son of Gary and Karla Pickhinke and a graduate of St. Mary's School in Storm Lake.*

*He plans to attend Iowa Central Community College to major in Agricultural Technology.*

## Raymond Wedeking



*Raymond is the son of Lance and Jackie Wedeking and a graduate of Schaller-Crestland Schools.*

*He plans to attend Iowa State University to major in Ag Systems Technology.*

## Kyle Wester



*Kyle is the son of Eric and Sara Wester and a graduate of Marcus-Meriden-Cleghorn Schools.*

*He plans to attend Iowa State University to obtain a degree in Agricultural Engineering.*



**FEED  
&  
LIVESTOCK  
NEWS**  
By  
**Dwayne Naab**  
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It historically takes any segment of the livestock industry longer to recover from a downturn in the market than it takes for good times to turn sour, and that is the situation unfolding in this recent downturn.

The unfortunate difference in this case is that all segments of the industry were struck simultaneously, pork, beef, poultry. If it eats grain, costs soared and the demand destruction was unprecedented.

As producers everywhere continue to struggle against these forces, it's increasingly clear we are operating in a vastly changed industry, and that the one emerging from these harsh economic times will in many ways be significantly different from the one we had going into them.

I encourage pork producers to work closely with Doug Davis so he can review and evaluate all rations being fed to make sure you're taking full advantage of alternatives to create savings when formulating ingredient options into your rations.

As for our beef producers, Marc Hinners has put together some good information for our producers, who also operate in an ever-changing environment, so please read on.

**Cow/Calf:** With cow numbers shrinking and inputs going up for a second consecutive year, there are many questions our producers have.

**What will feeder calves be worth this fall?**

**Should I creep feed calves?**

**If so, what type of creep should I feed?**

**What segment of the cow/calf business do I fit into?**

At FCA we understand your concerns and the questions you have, and we have many tools available to offer that can assist you in addressing them.

For example, there is the Beef Cow Ration Balancer; Creep Feed Spread Sheets; Markets for your Feeder Cattle; we even have Creep Feeders for sale or rent.

**Feedlot:** The best word I can think of to describe the feedlot segment of the industry is WOW!

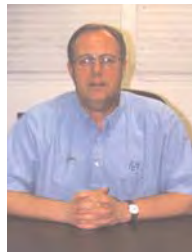
Today's costs and prices are putting added pressures on the feedlots. With the cost of feeders a concern, inputs wanting to continue running higher, and more bunk space available than there are feeders to fill them, producers are facing big decisions.

FCA wants to help our feedlot producers every way we can, and in these very challenging times one of the most important things is to do a projection when we are buying cattle. We also need to be tracking the cattle we buy.

Here again, we have many tools that we can offer to assist you, such as Ration Balancing; Feedlot Record Keeping; Least-Cost Comparisons, Buyer's Cards, etc.

We can also assist you with Custom Lot Spaces, Split Ownership and Feeder Cattle.

Our suppliers include the leaders in the industry: Land O' Lakes, Purina, QLF and Kent, and I encourage you to **Contact Me, Marc Hinners, at 712-348-3695**, or visit with any FCA Location Manager.



**THE  
PETROLEUM  
REPORT**  
By  
**Jim Bieber**  
jbieber@firstcoop.com

This year's **LP Summer Fill** program is **Now In Progress** and the drivers will once again be offering you a good opportunity to lock in savings on your 2009/10 season energy needs in the weeks to come.

These programs have worked very nicely for our LP customers over the years, and this year's programs are similar to those we've offered in the past, with one notable

exception I'll discuss in a moment.

Briefly, the highlights of these programs are as follows:

You receive a **10-Cent Per Gallon Discount** off the daily posted price **for June Summer Fill** with billing deferred to August.

This drops to a **7 cent discount for July Summer Fills**, and to a **5 cent discount for August Summer Fills**, so to get in on the maximum savings, be sure you order for June.

Here is where the change in **LP Summer Fill** occurs.

This year, instead of the 2 cents per gallon savings we have been giving to customers who paid for **Summer Fill** within 5 days from the date of delivery, we will now be offering a **10 Cent Cash Discount for payments received within 5 days of the delivery date ticket**.

Our **LP Contracting** for the fall and winter of 2009/10 once again features added flexibility and convenience for customers to choose from the 3 separate **LP Contracting** programs we offer.

Again, these are very similar to the **LP Contracting** program we've offered in past years, however here too we have made a change for this year's **LP Contracting**, which I'll note after listing the three options.

**Program 1: 100% Pre-Paid Contract**

**Program 2: Maximum Price Contract**

**Program 3: Firm Booking**

The change we have made in this year's **LP Contracting** program is that we are now requiring a **20 cent per gallon down payment to be made with the Firm Booking Contract** that is offered.

As in the past, we will continue to offer a 2 cent per gallon discount for LP contracting customers who sign

**PETROLEUM**  
Continued On Page 4

**BUY 4 TIRES DURING THE MONTH OF JUNE  
GET A FREE BARBECUE PACKAGE FROM FCA**  
Qualifying Tires Include

<b>COOPER TIRES CS 4 TOURING</b> As Low As <b>\$86.9</b>	<b>COOPER TIRES DISCOVER CTS</b> As Low As <b>\$137.95</b>
<b>HANKOOK TIRES H727</b> As Low As <b>\$88.95</b>	<b>HANKOOK TIRES RF10</b> As Low As <b>\$148.95</b>

**YOUR FREE BARBECUE PACKAGE WILL INCLUDE**  
A Cooler And 6 Pack Of Pop  
**\$30.00 Pound Meat Bundle From The Marcus Grocery Store**  
Sale Ends June 30th At Mr. Tire In Marcus



## HEDGERS' HOTLINE

By  
Randy  
Dunn

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Since our last newsletter was published at the beginning of the planting season, world grain supplies have tightened considerably, and as a result of the shrinking supply, our corn and soybean prices have finally climbed back up to levels not seen since this past January.

Three major events around the world have turned the trend higher for the time being.

First, about the time our planters hit the fields, Argentina started their corn and soybean harvest and found yields much worse than expected.

We had been hearing reports of their drought, but few traders realized how severely their crops were affected, and as they moved through harvest their crop estimates kept getting smaller and smaller.

By the end of their harvest, it was becoming evident Argentina would have very little corn or beans to export the rest of this year.

The second world event has been Chinese soybean buying. The short Argentinean supply by itself wouldn't have been that much of a market mover if China hadn't been on a bean buying spree at the same time.

Information coming out of China is always limited, but all indications are the Chinese are intent on building their domestic beans reserves.

With the South American bean crop coming up short, that pushed record amounts of world bean exports toward the United States, and as of June 1st we have already exceeded the USDA projections for annual soybean export sales, and we have 25% of the marketing year left.

The third major crop event has been the wet Eastern Corn Belt planting conditions. From Missouri to Ohio, producers have struggled to get the corn crop planted, and much of the corn that is in the ground has been put in under much less than ideal conditions.

The Illinois corn planting pace has been one of the slowest on record, which has caused many experts to project as much as 1 million acres or more that were initially intended to

be planted to corn will now go to soybeans, or possibly not even be planted at all this crop year.

So what does this all mean for summer grain prices?

With the current world soybean supply being very tight, and the U.S. corn surplus a lot smaller than earlier thought, it makes raising at least a trend line average crop of corn and beans very important.

Anything less than trend line yields will most likely lead to rationing world grain consumption at some time during the 2009-2010 crop marketing year.

Therefore, if it even looks like we could have reduced yields at any time this summer, today's grain prices are not yet sufficiently high enough to ration much demand.

This would be the logical thought process when trying to guess what grain prices might do.

**BUT**, as we saw last summer, logic can often take a back seat when matched up with various economic influences outside agriculture

That match up can be good or bad for Ag prices, depending on where the cards fall, and with the inter-connection of the markets and marketplaces we now operate in, the world economy, U.S. government

policy decisions and crude oil prices will continue to be the best indicators of how profitable U.S. agricultural operations will be this coming year.

## PETROLEUM

*Continued From Page 3*

up to be included on one of the **Keep Full Routes** for the heating season, and there is also a Budget Billing option for our residential customers, as in the past.

In addition to offering **LP Summer Fill and Contracting in June**, as we have in past years, I'm also pleased to announce we are **Coming Out Early** with this year's **Fall Diesel Contracting** program featuring the same **3 Contracting Options** our customers have.

We also require a **20 cent per gallon down payment to be made with the Firm Booking Contract**.

We are also giving our fuel customers a **10 Cent Cash Discount** for payments received within 5 days of the delivery date that is on the ticket for liquid fuels that are delivered to their farms after July 1st.

As always, accounts must be current to participate in any of these programs and to receive the savings that are available. Please contact your local FCA office to order.

## NEW CASH DISCOUNT PROGRAM FOR FCA LP & FUEL CUSTOMERS

Pay Cash For Your LP Or Fuel Delivery

Within 5 Days Of Date On Delivery Ticket

**RECEIVE 10 CENT CASH DISCOUNT**

Cash Discount In Effect June 1, 2009 On LP

Cash Discount In Effect July 1, 2009 On Fuels