



First Cooperative Association

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MANAGER'S CORNER

By Jim Carlson

General Manager

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This photo shows the building which has been purchased by FCA to serve as the new home for the FCA main office, which will be relocating to that site in early June following the completion of remodeling and design projects to create offices and meeting rooms to accommodate on-going growth in your cooperative. (See "Manager's Corner" article for additional information).

This has been one of the most eventful winters we've had at FCA in a long time, therefore in this issue of the newsletter I want to provide all of our customers with a brief update on some of the exciting developments which have taken place as your cooperative continues to plan, position and grow for the future to better serve you.

GALVA-HOLSTEIN AG: In a vote conducted in late February of the membership of Galva Elevator and the Holstein Co-op Elevator, the members overwhelmingly approved by a margin in excess of 91% the unification of their operations with those of First Cooperative Association.

The effective date for this unification was April 4th, so by the time you are reading these words that date will have passed and our combined operations will be underway.

Galva-Holstein Ag's most recent year concluded with over \$62 million in total sales generated from operations in grain, feed and energy services at facilities located in Battle Creek, Galva, Holstein and Ida Grove.

On behalf of everyone here at FCA I want to extend a very warm welcome to all of the members, patrons and employees who have been associated with Galva-Holstein Ag over the years.

We are looking forward to meeting with you and to providing products and services to all of you, and we wel-

come the opportunity to serve as your source and supplier for all of your grain, feed, agronomy and fuel or energy needs in the future.

NEW OFFICE: I'm sure a number of you saw the article in a recent issue of the local media announcing the purchase of the site and structure in which the main business office operations of FCA will soon be relocated.

However, for those who missed that announcement and/or who have not become aware of it through other sources since it appeared, I want to give you a brief update about this equally exciting development.

The new office facility is located on the Hwy. 3 bypass north of Cherokee, directly across from the Hy Vee warehouse complex, which is a familiar site to any who travel along the route Hwy. 3 takes as it loops north of the main business and residential districts of the Cherokee community.

Last summer, when the tornado struck down in the area, the building we will be moving into sustained damage extensive enough to force the current business occupants to re-locate their operations to other sites.

When those re-location decisions were made permanent by those businesses, the building owner made the decision to put the building and property on which it is located up for sale.

This created a very attractive oppor-

tunity for your cooperative to purchase this property to accommodate the growth that has been experienced in FCA, and in the demands and needs that are placed upon our main office functions in Cherokee, which were becoming increasingly confined in the rental property which we have occupied since FCA began in 1997.

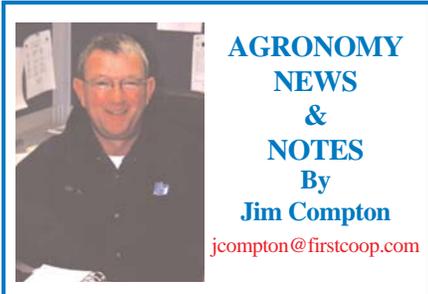
Indeed, due to the limits and restrictions of our current facilities, we have been seeking a viable solution for quite some time to meet both existing and future needs as your cooperative's growth continues.

Not only will the new main office facilities provide the additional space to more efficiently house and accommodate the vast network of computer and communication systems necessary for a company of the size and scope which FCA has grown into over the past 14 years, it also addresses continued and future growth as we move forward, while at the same time providing a convenient site from which to operate and to be easily accessible to customers from all FCA locations.

Since purchasing the facility we have been very busy with numerous remodeling and design projects for the interior offices, meeting rooms, communications and computer support systems, reception area and all the

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**AGRONOMY
NEWS
&
NOTES
By
Jim Compton**

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As of this writing with April only a couple of days off, the fields are open and there's reason to believe we may be able to get off to an early start on spring work.

With that in mind, I've once again included the **Things To Do Check List** elsewhere on this page to provide some of the basic reminders of items you can take care of before that first big push gets underway in the fields to help smooth and speed the pace of moving products and services to you.

Thanks to an absolutely tremendous fall season, we have put a big dent in the spring workload that awaits us in the weeks ahead.

Taking care of items like these before the major chores of the planting season get underway will be a huge help to maintain the momentum and head start we have from all the work we did last fall.

One thing I simply can not over-stress enough is the importance of everyone taking some time soon to get together with their FCA Agronomist to go over field maps, farm and field plans so we can be sure we're all on the same page to start the season.

In a lot of cases it may have been a number of weeks since we last talked to you about specific products and programs you intended to use in different fields.

And during that time you may have made some changes in those initial plans, products or programs which we would not be aware of unless we take time to talk and confirm things before work begins in those fields.

It may be something minor, and in most cases it is.

But there have also been situations when current and/or future grain prices have caused farmers to switch planting intentions and to plant an entirely different crop in a field.

Additionally, some of you may have taken advantage of this winter's fairly open conditions at times to do some type of work on your fields (tile, terraces, waterways, or whatever).

Every year we have a number of changes in who is actually farming certain farms or fields due to changes in ownership or rent agreements.

Any of these issues may or may not

bring about changes for those farms and fields from what has normally been done in the past, or in what you may have discussed or planned with your FCA Agronomist weeks ago.

So it's very important to get together now to go over all of the information, confirm everything and to be sure we start out the season having all the details about products, programs, services completely nailed down.

The **FSA Aerial Field Map** is the logical starting point for virtually all of this information, so **Please Be Sure** you have made the most recent copy of field maps available to your FCA Agronomist, and **Please Take Time** to sit down and go over those maps to verify all the information is up to date and accurate for the 2011 season.

These maps are essentially the **Work Order** each custom applicator uses to provide all the necessary information needed so your crop nutrients and crop protection products are spread or sprayed correctly and accurately, and so work can be planned, scheduled and completed for you in the most timely and efficient manner.

As always, the list below includes all-important reminders about **Pesticide Applicator Licenses**, one of those little details which can be the source of big delays and frustrations if not done in advance.

Something else you need to be sure to take care of soon is to communicate with your FCA Agronomists about any **Soybean Seed Treating Services** you need, since we want to be able to plan, schedule and coordinate these services with maximum efficiency to take care of all seed treating requests.

With the investments you have in soybean seed these days, and the value of each and every bushel when market prices are what they are, protecting your seed and seedlings from a host of insect and disease threats during the early stages of the season when the crop is the most vulnerable makes treating your seed a tremendously sound economic decision.

And remember, treating your soy-

bean seed prior to planting is one of the best strategies to deal with a soybean diseases we've been seeing more and more of in many areas in recent years: **Sudden Death Syndrome**.

This disease infects weakened and/or stressed stands early in the season, but it does not demonstrate any visible signs or symptoms until much later in the summer, and of course by then it's too late.

Finally, if you haven't already made space available to store the corn and soybean seed orders you've placed with FCA, please do so soon.

Then give your FCA Agronomist a call to arrange for **Seed Delivery** to your farm or, if you'll be picking your order(s) up, we can have them separated, stacked and ready to load.

Have A Safe Spring

THE PORK REPORT

By Doug Davis

FCA Swine Consultant

The **"Producers Of The Month"** for this issue of the newsletter are brothers **Bernard and David Arnts** of Alta.

Bernard and his wife Peg have four children, David and his wife Cheryl (pictured elsewhere) have five children.

In addition to the beef calf enterprise of this third generation farming operation they also have a farrow-to-finish swine enterprise that was originally built in 1988 and expanded to its current 250 sow size in 1991.

The Arnts' currently have their sows being fed the Ultra Care High Mineral Line-With-Phytase sow feeding program, along with NEWtraStart and PUSH products.

Dave credits PUSH with "litters becoming more even", and goes on to report that since they started feeding NEWtraStart they've seen an estimated 15% increase in sow feed intake during the lactation phase. They also feed Gentle Lax Pak to lactating sows.

The Arnts' sow herd is 100% AI

PORK REPORT

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**Start Your Spring "THINGS TO DO" List Now
So You'll Be All Set For Spring To Arrive**

Item	Check When Done
Pesticide Applicator License Renewed	<input type="checkbox"/>
License Number On File At FCA	<input type="checkbox"/>
Current FSA Maps Delivered To FCA	<input type="checkbox"/>
Maps Updated For All Spring Service	<input type="checkbox"/>
All Custom P & K - NH-3 - Spraying Orders Finalized	<input type="checkbox"/>
Acres/Fields & Services Scheduled	<input type="checkbox"/>
Seed Pick Up Or Delivery Lined Up	<input type="checkbox"/>
NH-3 Equipment Needs Arranged	<input type="checkbox"/>



THE PETROLEUM REPORT

By
Jim Bieber

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BIG SAVINGS: As you can see in the announcement below, we will once again be offering our LP customers an outstanding opportunity to lock in savings and supplies for the future with our **LP Summer Fill** and the **Fall LP Contracting** programs and services that FCA customers have used with great results for a number of years now.

Contact your nearest location or visit with your FCA Energy Team driver soon so you do not miss these attractive savings opportunities and the flexible, convenient programs we are now offering.

CONTAINMENT: In the December issue of the newsletter I included information about the **Oil Spill, Control & Countermeasure Program** (SPCC) enacted by the EPA which sets forth requirements for "any facility" that stores oil or oil products in above ground storage tanks in a quantity of 1,320 gallons or more that could "reasonably be expected" to discharge those products into water sources must establish an SPCC Plan.

Mandatory compliance with this legislation is set to begin November 10, 2011, and if you are one of the many customers who falls under these requirements, it is time to take the necessary steps to comply.

FCA has now made arrangements with a system supplier that will meet all specifications as a **Fuel Containment & Dike System**, with systems available to accommodate both single tank or multiple tank systems, including those with tanks of different capacities.

If you want additional information, pricing details or have questions about this important issue, please contact your FCA Fuel Salesman or feel free to give me a call at the main office in Cherokee.

CARDTROL REPAIRS: In mid-March we discovered a leak in the E-85 ethanol storage tank at the Sioux Rapids Cardtrol.

The containment system performed its task to prevent any contamination, however the E-85 pumps have been shut down as we remove the faulty tank and replace it with a new one, a project we hope to have completed by

mid-April.

We apologize for any inconvenience this may have created, and we thank our customers for their cooperation and patience until such time as the Sioux Rapids E-85 pumps are back in service.

THE BEEF REPORT

By Marc Hinners

FCA Beef Consultant

As cow/calf and cattle feedlot people, we need to look ahead into the new crop year and evaluate how things appear to be shaping up.

How are we going to play with the cards we are being dealt?

Included in the deck of cards are:

* **Feed Cattle** price nearing the \$120.00 mark

* **Grass Feeder Calves** priced at \$160.00

* **Yearling Cattle** in the \$120.00 to \$130.00 area.

Also included are higher feed input costs with corn looking to be at \$6.00 to \$7.00+, and by-products over \$200.00 per ton on a dry matter basis.

The Bottom Line is that everything we feed to cattle has doubled in price in the last six months, except Hay and Supplements.

Among the other cards we see laid out on the table are:

* **Feed Cattle** have been profitable the last 12 to 14 months.

* **Feeder Numbers** will be tight the next few years.

These are all facts we know. And we also know that we can't control a lot of them.

What we can do is work on the **Feed Efficiency** of the cattle we're feeding.

We can not buy our way into cheaper cost of gain, therefore we must produce more beef with less total feed (F/Lb. gain).

Other factors we control that also enter the picture include:

- * **Bunk management**
- * **Pen conditions**
- * **Quality ingredients**
- * **Feed to proper weight**
- * **Match cattle type with your management type.**
- * **Proper formulations.**
- * **RECORDS - Know your production cost!!!!**
- * **Hedge Protection**

Give yourself a chance. Work with your local beef advisors at FCA to make the best out of cattle feeding in 2011, and also to set the stage for the best start in 2012.

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and they raise their own replacement stock, feeding the replacement gilts the UltraCare High Maternal Line program starting at around 200 pounds of body weight.

Nursery pigs are fed the UltraCare nursery program, which Dave says provides an easy transition from one phase to the next for the pigs.

As pigs come out of the nursery at 50 to 55 pounds they're fed the 6 phase EcoCare grow finish program. One they've had great success with, and which made a significant difference in manure and odor levels even when fed to pigs in a 31 year old partially slatted facility that contained no ports for pit agitation.



DAVE & CHERYL ARNTS

Lock In Big Savings On Energy Now With FCA's Money-Saving Programs & Discounts

LP SUMMER FILL SPECIALS

10 Cents/Gal. Discount * 7 Cents/Gal. Discount * 5 Cents/Gal. Discount
May-June Summer Fills July Summer Fills August Summer Fills

Receive An Additional 10 Cents Per Gallon Discount When Paid Within 5 Days Of Delivery, Or Have Your Summer Fill Billing Deferred Until August With Payment Due September 20th

LP CONTRACTING FOR THE 2011-12 SEASON

Program 1: 100% Pre-Paid Contract

Program 2: Maximum Price Contract

Program 3: Firm Booking (20 Cents/Gallon Down Payment Required)

FCA ALSO OFFERS A BUDGET BILLING PROGRAM FOR RESIDENTIAL CUSTOMERS

As in the past, we will continue to offer a 2 cent per gallon discount for LP customers who sign up to be included on one of the Scheduled Delivery Routes.

CONTACT YOUR FCA LP TEAM FOR ADDITIONAL DETAILS



HEDGERS' HOTLINE

By
Randy
Dunn

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First Cooperative Association
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Cherokee, Iowa 51012

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Des Moines, Iowa
Permit No. 2929

ADDRESS SERVICE REQUESTED

Recent world events have caused some wild gyrations in our grain prices at a time when markets are normally more calm.

These limit up limit down days are usually seen during summer weather events, not in late winter before the crop is even in the ground.

Japan had three events all in one:

- 1.) **The earthquake**
- 2.) **A tsunami**
- 3.) **Ensuing nuclear problems.**

The initial reaction was that these events would cause major disruptions in corn shipments to Japan, and with Japan being our largest corn export customer, this was a critical factor in determining what the U.S. corn surplus might be at the end of this marketing year.

Traders immediately assumed Japanese corn imports would drop dramatically. However, we are now two weeks past the earthquake and amazingly, corn exports continue to flow to Japan.

Some ships have been diverted to alternate ports, and there have been some unloading delays, but the overall corn business has not seen the disruptions most had feared.

Libya and the rest of the Middle East continue to be front page news.

Though that part of the world doesn't buy much grain from the U.S., other than some wheat, what happens there has an effect on our grain prices because our grain prices are influenced indirectly by crude oil through our biofuels industry, and higher oil prices generally mean higher prices for corn and soybeans.

The third of these world events effecting grain prices are the ongoing rumors that China has already or will soon buy corn from the U.S.

So far China has denied any corn purchases, and no one in the U.S. grain industry can confirm any sales. But traders continue to trade corn as if some business has been done.

If a corn sale to China ever actually happens, this would be very bullish for both corn and soybeans because China continues to maintain they will be self sufficient in corn,

and that they will continue to import record amounts of soybeans.

The real fireworks will start as we move into the planting and growing seasons. We will know a little more after the March 31st USDA Planting Intentions Report, but at this time it doesn't look like there will be enough total acres to plant in the U.S. to build up any sizeable surplus of anything this crop year.

In fact, we will need a perfect growing season with trend line yields or better to maintain today's tight supply of grain through next year.

Traders are starting to turn their attention away from the 2010 crop and starting to focus more on the 2011 crop. Many feel we have seen high enough old crop prices to ration demand by a sufficient amount for this year.

If this is true, we may have seen the high prices for the 2010 crop, but we have a long way to go before the 2011 crop is in the bin.

I would guess there is plenty of room for higher new crop prices this summer, particularly if we encounter any kind of adverse growing conditions along the way.

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rest, and our goal is to have these projects completed so we will be able to move in by early June.

Of course any of you who have ever undertaken any remodeling projects of your own are aware the timetables for completing such projects are always extremely fluid and changeable, so we will do our best to keep you aware of more specific details as a more precise date to move into the new main office

can be determined.

FACILITY PROJECTS: It seems as though every spring and summer finds some type of expansion project or projects underway at one, two and at times several of FCA's locations, and the spring/summer of 2011 will certainly be no exception to that trend.

We have another very aggressive facility construction and upgrade agenda planned for this year as we continue the process of keeping FCA at the forefront of being able to serve the grain receiving, handling, drying and storage demands, needs and expectations of the customers who haul their corn and soybeans into FCA locations.

As soon as the weather breaks and work can begin you will see a lot of work underway on various projects at FCA's Alta, Aurelia, Linn Grove and Schaller locations, and as the time for those activities arrives we will provide everyone with more specific information about the nature of the projects we are undertaking at those locations.

It promises to be another very busy season for all of us with so many things taking place, and on top of all of the exciting developments I have been discussing in this article there is also the primary objective ahead of us of serving FCA's customers as the 2011 corn and soybean crops are planted.

We're coming off one of the biggest, most productive fall seasons in a number of years to hopefully provide the head start that will smooth the transition into spring and a new crop season, and I can assure you all of the people of FCA, its equipment, custom services and the many other assets you can draw upon will be ready to provide you with the very best each and every day until the crop is in.