



## UNITED FARMERS COOPERATIVE'S MISSION STATEMENT

*"To Provide Innovative Services, Products and Knowledge, for the Benefit of our Members, while Exploring Opportunities for the Future"*

# Managing Efficiency and Effectiveness



*by John Pruss,  
general manager*

Efficiency is doing things right. Effectiveness is doing the right things. We're focused on both at your cooperative as we work beside you during these uncertain times in agriculture.

While we can't control the grain markets or tariffs, we can influence the efficiency and effectiveness of United Farmers Cooperative (UFC). The numbers show we're on the right track. The end of August 2018 marked the end of UFC's second fiscal year. Sales and volumes have increased, which is good news.

On Aug. 1, UFC also unified with Taygold Cooperative in southwest Iowa. The vast majority of Taygold members who voted approved this unification. This has added two new locations (Lenox and Clearfield) to UFC this summer. (Read more about these new locations on page 2.)

Taygold brings some real assets to UFC. Their business was strong

financially. The cooperative is also strategically positioned near UFC's locations in Corning, Diagonal, Creston and Mt. Ayr. The Clearfield location will be a key asset for UFC this fall, since this site has 600,000 bushels of grain storage.

### Moving forward

While we've brought Clearfield and Lenox into UFC, we sold our Wiota location earlier this year as part of our efforts to increase efficiencies and effectiveness. I'm pleased that Ron Tvinnereim, the former general manager of Taygold, is staying with UFC to help us find more efficiencies we can capture.

Ron will be the operations manager and will focus on UFC's seven multi-function locations (with grain, agronomy, energy and feed). These locations drive a large percentage of UFC's sales, have the largest number of employees and stay busy year-round.

These locations can also create the biggest challenges, in terms of

staffing, plus they sometimes have major building projects underway.

Once the new grain bin and scale are built at Creston 2 at the feed mill, Ron will be in charge of that, too.

Going forward, it looks like we'll have a good crop in much of our trade territory this fall. Stay safe this harvest, and thanks for your continued support of UFC. We're here to serve you as efficiently and effectively as possible. 

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***"The end of August 2018 marked the end of UFC's second fiscal year. Sales and volumes have increased, which is good news."***

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# Welcome, Lenox and Clearfield Area Customers

Lenox location

The votes have been counted, and the results are clear. Members of Taygold Cooperative approved a plan this summer to unify their two-location cooperative with UFC. The agreement became official Aug. 1.

We'd like to welcome all our new customers in the Clearfield and Lenox areas. You'll still see many familiar faces at UFC in your area, including Cory Reed, the Lenox location manager; Nick Gray, the Clearfield location manager; Tracy Cameron, agronomist, and many other former Taygold employees. We look forward to serving you. 🌿



Clearfield location



## 9 Ways Premium Diesel Pays



by *Tianna Fisher, certified energy specialist*

If you've been using standard diesel for years, you may be skeptical about whether "premium" diesel fuels are worth the extra investment. We hear you.

Consider this: over time, your engine's fuel pump and injectors get dirty—a gradual, hard-to-notice process that reduces both engine performance and fuel economy. How do you combat this?

Standard diesel fuel contains no additives to reduce wear, extend storage life or reduce the formation of gum, varnish and corrosion. That's why we recommend Cenex® premium diesel fuels. They're specially formulated to clean your fuel system and keep it clean for maximum power and performance.

Cenex premium diesel fuels from UFC have been enhanced recently to optimize performance in modern diesel engines. Compared to standard diesel, Cenex premium diesel fuels:

- 1 Boost fuel economy by as much as 5%
- 2 Improve fuel lubricity by 10% to 15%
- 3 Increase power by as much as 4.5%
- 4 Offer a higher cetane number (typically 48)
- 5 Extend the life of injectors and injector pumps
- 6 Reduce maintenance costs
- 7 Promote quicker, more fuel-efficient starts
- 8 Reduce smoke and emissions for cleaner air
- 9 Operate better in modern diesel engines

Cenex premium diesel fuels also have a special additive to help prevent typical problems related to #2 diesel use, including injector damage, filter clogging, power loss, poor starting, engine failures and costly repairs.

Your diesel choice matters. Contact me at 712-370-8051 with any questions about Cenex premium diesel fuels from UFC. We appreciate your business! 🌿



# Do Corn Prices Hold the Most Promise?



*by K.C. Nash,  
grain department  
manager*

Although the markets plunged after the U.S. Department of Agriculture (USDA) released its Crop Production report on Aug. 10, there's still reason for optimism, especially with corn.

USDA pegged national yield estimates at 178.4 bushels per acre on corn and 51.6 bushels per acre on soybeans. Carryout on corn is estimated at 1.7 billion bushels, which is comfortable but not burdensome.

It's a different story with soybeans, where the carryout is 785 million bushels—a record high. Then you look at the trade war, and it's clear China is the key to the soybean market. If

an agreement is reached soon, the situation will feel a lot better, since the market will start drawing down supplies of U.S. soybeans. If not, the tariffs will make it really tough for U.S. soybeans, especially as we get into harvest 2018.

By mid-August, I was hearing that China will need to buy soybeans as early as December, but I've also heard that China can wait until new-crop South American beans are ready. Nobody knows for sure. We do know China is trying to reduce some of their soybean demand by tweaking livestock feed rations.

## **Corn offers more upside potential**

Corn looks like it has more potential to rally on price. Our trusted advisors think USDA's 2018 national yield estimate of 178.4 feels a little high.

Also, corn exports have the potential to grow, due to dryness in Russia, which could trim their wheat crop and boost global demand for corn. There have also been dryness issues in South America, from Brazil to Argentina, which could equate to a smaller corn crop.

My recommendation? Try to store as much grain as you can on the farm. This fall it could also make sense to re-own corn with a minimum-price contract, especially since corn prices have some potential to rally in the next six to eight months.

I encourage you to contact me at 712-623-2575 with any grain marketing questions. I hope you have a safe, productive harvest. 🌽

***“My recommendation? Try to store as much grain as you can on the farm. This fall it could also make sense to re-own corn with a minimum-price contract, especially since corn prices have some potential to rally in the next six to eight months.”***

# Is That Farmer You?

How do you stay profitable in today's competitive ag environment? Hint—the grower with the lowest cost per bushel doesn't necessarily have the lowest input bill per acre.

Instead, the grower who consistently raises higher yields to spread across his or her fixed costs (land, rent, insurance, equipment costs, etc.) will have a lower cost per bushel. That equals profit, even when grain prices aren't where we want them to be.

This grower has figured out a system to sustain and continually improve production year over year to stay profitable. Is that farmer you?

## Analyzing the yield increase mystery

Even when things don't go perfectly, many farmers continue to produce excellent yields. Consider that 2018 had more heat and drought stress than 2017 in most areas (except in south-central Iowa), yet the yield potentials are still expected to be greater than last year.

The genetic potential of corn and soybeans has likely increased by 7 to 10 bushels per acre on corn and 2 to 3 bushels on beans in a year. So why does the national corn yield increase by only 2 bushels per acre

instead of 7 to 10?

If the yield increase is not just from genetics or the environment, then it must be that some farmers are getting better at raising a crop.

## Practices of the most successful growers

During the past year, many farmers have been improving their management practices by:

- 1 Looking at agronomic practices and equipment that will help them plant a higher percentage of their crop during the optimum planting window. This helps them take advantage of more days so their crops capture sunlight that converts into yield.
- 2 Trying things that their peers believe can't work or aren't willing to try.
- 3 Experimenting with new fertilizers, new application practices, biostimulant products, different planting dates and maturities, row widths, better crop protection herbicides, insecticides, fungicides and other agronomic practices that increase yield, improve profit potential and lower their overall cost per bushel.



by Stephen Eschenbach,  
seed agronomist

- 4 Learning from others and collaborating with a team of trusted advisors (including United Farmers Cooperative) to help them do better each year.
- 5 Developing plans, following through and making in-season adjustments to fine-tune their production.
- 6 Using technology combined with boots-on-the-ground information to know when to invest in their crop and when to put on the brakes, due to environmental challenges outside of their control.

These growers are figuring out ways to stay profitable. Is that farmer you? Would you like to be this farmer? UFC can help.

**Contact your local UFC agronomist to help you pinpoint the limiting factors in your operation and find the right solutions to help your operation succeed. We appreciate the opportunity to work with you and wish you a safe, productive 2018 harvest.**



# UFC 2018-19 Grain Policy

## Grain settlements/disposition of grain

There will be a 10-day grace period from first day of unload, unless there is a contract to apply to. If no disposition is given during the grace period, the grain will go to storage, subject to additional dry/shrink and storage charges. End of day will be at 5 p.m. Any unload after 5 will be accounted for in next day's business.

## Contracted grain

Grain delivered will be applied to oldest contract first. No early delivery of contracted grain is allowed without prior approval. If grain is delivered early, payment will be made at the originally contracted time.

## Direct ship

All grain delivered to any other destination than United Farmers Cooperative will be discounted using that destination's discount schedule and fees.

## Treated grain

Any load that has treated grain either in the probed sample or found at the dump pit will be rejected.

## Plugged loads

Loads with obvious grade differences that are observed at unloading are subject to re-inspection and possible rejection.

## Storage charges for corn:

15 cents/bushel for 1st 60 days (minimum).  
3 cents/bushel per month thereafter (prorated).  
Storage will be billed monthly.

## Storage charges for soybeans:

15 cents/bushel for 1st 60 days (minimum).  
3.5 cents/bushel per month thereafter (prorated).  
Storage will be billed monthly.

## Price later charges for corn:

15 cents/bushel for 1st 60 days (minimum); 3 cents/bushel per month thereafter (prorated).

## Price later charges for soybeans:

12 cents/bushel for 1st 60 days (minimum); 3.5 cents/bushel per month thereafter (prorated).

**Please note:** Price later bushels must be sold using the **spot bid only** at the time of the sale of grain. No forward contracting of price later bushels. **Please note:** There is no longer a Condo Price Later Contract (Condo PLC)

## Grain bank storage charge

No charge for 1st 60 days; 3 cent/bushel per month thereafter (prorated). Grain bank can only be used in feed rations or as processed grain.

## Moisture

Corn going into storage (all types of storage including Condo, House Receipt, or Warehouse Receipt) or grain bank must be 14% moisture. Corn sold or going to Price Later contract must be 15% moisture. Corn moisture will be averaged on loads 16.5% and below per settlement. Soybean loads are not averaged and any applicable discounts are load by load.

## Payments

No grain checks will be made on weekends. Grain will also not be paid the same day of delivery. Grain checks will be available the next business day. United Farmers Cooperative will buy grain during regular business hours, Monday through Friday 7:30 AM-5 PM, no weekends or holidays. However, we reserve the right to have "basis only contracts" or "no bid" outside of CBOT trading hours if necessary due to market conditions. 🌿

# Control Weeds with Cover Crops



by *Kevin Rugaard,*  
*agronomy manager*

What if you could manage weeds better, control erosion and improve your soil, all by doing one thing? It's possible with cover crops.

We're in the midst of seeding cover crops across our trade territory. In fact, our cover crop acres are up 30 to 50 percent this year. More farmers are learning that cover crops:

- **Help control weeds.** Growers in our area who use cover crops are seeing better control of problem weeds with waterhemp. While we still need to control winter annuals, cover crops can help manage some yield-robbing weeds.
- **Capture nutrients in the soil.** Cover crops help store nutrients from manure and other fertilizers until the crop can utilize them. Cover

crops also go a long way in controlling erosion, which keeps phosphorus and potassium in the soil and helps protect water quality.

- **Improve organic matter.** Cover crops increase your soil's organic matter, which reflects soil health. Organic matter acts like a sponge in the soil. A 1% increase in soil organic matter content can boost your soil's water-holding capacity by nearly 20,000 gallons per acre.

We can provide whatever cover crop seed mixes you need, plus we can line up aerial seeding. Contact your local UFC agronomist for details.

## Lime alone can pay for grid sampling

While cover crops can help retain nutrients in the soil, it's also important to know what nutrients are—and aren't—in your soil already.

Grid sampling is the key.

Did you know a lime application alone can pay for the cost of grid sampling? Think of this way. We're trying to get our soil in the 6.4 to 6.8 pH range. Otherwise, nutrients can be tied up in the soil, making them unavailable to the crop. When a lime application helps the soil reach the proper pH level, nutrients become readily available to plants, which translates into higher yield potential.

Speaking of yield, grid sampling often reveals that our highest yielding areas tend to be the lowest nutrient areas. Thanks to grid sampling and variable-rate fertilizer, we no longer have to spread the entire field the same. We can apply the right nutrients where they are needed, which helps you maximize your fertilizer investment.

Talk to your UFC agronomist to get a grid sampling strategy in place. Have a safe harvest. We appreciate your business and look forward to serving you. 🌿

# Feed Delivery Made Easy

Time is money, and our new feed route truck is all about saving you time. This truck is going to be a great resource for you, especially if you're a UFC member or customer in the eastern half of our trade territory.

With its attached forklift, this new feed truck allows our driver to drop off your order at your shop or feed shed, without you having to be around. We can palletize your feed, shrink wrap it and drop it off. No more waiting for the feed truck to arrive or having to run to town for feed.

If you'd like to take advantage of this new resource, contact your nearest UFC location for more details. We look forward to serving you. 🌿



## IS IT TIME TO OVERHAUL YOUR OIL?

We're with you when it comes to reducing maintenance costs. That's why we carry Cenex® premium lubricants, which are formulated to withstand the intense challenges of today's high-tech engines.

They'll keep your engines running smoothly and provide heavy-duty protection. Best of all, when you use Cenex lubricants and Cenex Ruby Fieldmaster® premium diesel fuel together, you can enroll your equipment in the best warranty protection in all of agriculture—for up to 10 years or 10,000 hours—all at an amazingly affordable price.

For your convenience, we offer bulk delivery of Cenex lubricants. Contact your UFC energy specialist or Tianna Fisher at 712-370-8051 to learn more. We look forward to hearing from you. 🍀

## Struggling with Sufficient Forages?

by Doug Hays, retail feed manager



It looks like 2018 will be remembered as another year of extremes. We've seen nearly perfect growing conditions to extreme drought, depending on where you farm in our trade territory.

If you're struggling with sufficient forages, don't go it alone. Your experienced UFC sales and support team members are here to help. We work with a diverse group of vendors who supply livestock nutrition products, and we can connect you with a variety of beef nutritionists.

These experts will help you build a diet that best utilizes the feedstuffs you can access. If you haven't tapped into these resources, call me (712-370-8030), and we'll get the ball rolling. Thanks for the opportunity to serve you. 🍀

## MEET Ron Tvinnereim

operations manager



Our unification with Taygold Cooperative this summer has brought new talent to United Farmers Cooperative (UFC), including Ron Tvinnereim, the former general manager of Taygold.

Ron will be the operations manager and will focus on UFC's seven multi-function locations (with grain, agronomy, energy and feed). These locations drive a large percentage of UFC's sales, have the largest number of employees and stay busy year-round.

### Q: What's your ag background?

**A:** I grew up on a farm near Webster, South Dakota, and earned my college degree in ag business. I've focused on agronomy and grain throughout much of my career, which has taken me from South Dakota to Illinois to Iowa. I've specialized in wholesale fertilizer to management. I served as the general manager for Taygold Cooperative for the last five years before joining UFC.

### Q: What do you appreciate about UFC?

**A:** Taygold has been a strong agronomy company. Joining UFC gives us a chance to move into grain. It also gives us more access to personnel and equipment than we had when we were a two-location cooperative in Lenox and Clearfield. Being part of a larger cooperative opens up new opportunities to serve local farmers more effectively.

### Q: What keeps you motivated?

**A:** I like helping agriculture grow in southwest Iowa. I appreciate the diversity of the beautiful landscape and the variety you see in the farms here. It's satisfying to watch the crops grow and help farmers and rural communities succeed. I look forward to growing UFC's business and helping keep the cooperative strong for generations to come. 🍀



**CONTROL WEEDS  
WITH COVER CROPS**  
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**AFTON**  
641-347-8428

**CORNING**  
641-322-4310

**DIAGONAL**  
641-734-5303

**HAMBURG**  
712-382-2016

**MACKSBURG**  
641-768-2436

**RED OAK**  
712-623-2575

**ANITA**  
712-762-3217

**CLEARFIELD**  
641-336-2311

**ESSEX**  
712-246-2474

**INDIANOLA**  
515-961-6300

**MOUNT AYR**  
641-464-3821

**SHENANDOAH**  
712-246-2474

**ARISPE**  
641-347-8428

**CRESTON FEED  
RETAIL**  
641-782-7202

**FARRAGUT**  
712-385-8176

**LENOX**  
641-333-2202

**OSCEOLA**  
641-342-2139

**STANTON**  
712-829-2117

**VILLISCA**  
712-826-2232

## Welcome Home

Before you start on your next building project, let our team at the UFC Country Store and lumberyard in Red Oak show you how easy the process can be, whether you're building a simple shed or a new house.

With our turnkey solutions, we can help—from design to construction—and can supply all the components, from trusses to windows to cabinets. We build about three to four new houses a year, although we're building five this year.

We can also connect you with area contractors like Matt Urban from Hastings, Iowa. Urban and his crew are building a new home east of Tenville and are getting the materials from UFC's Country Store and lumberyard in Red Oak.

"I work with UFC, because they provide great service," Urban said. "I always know I can count on them."

Enjoy convenient, one-stop shopping locally. Contact us at our Red Oak Country Store at 712-623-2575 and at our Country Store in Mt. Ayr at 641-464-3821. 



*Contractor Matt Urban uses supplies from UFC's Country Store and lumberyard in Red Oak to build this new home east of Tenville.*