

CONNECTIONS

CHS Marshall

JUNE 2010

Arco • Balaton • Lake Benton • Marshall • Pipestone • Ruthton • Tracy • Tyler

Vol. 12, No. 2

Division of CHS Inc.



PRODUCER BOARD

Craig Deutz
Marshall

Steve Hansen
Tracy

Dale Johnson
Lake Benton

Steve Knott, Secretary
Tracy

Harlan Petersen, President
Tyler

Joel Vandeputte
Marshall

Richard Verlinde
Tracy

Tom Versaevel
Vice President
Marshall

Merle Zeinstra
Holland

OUR BRAND PROMISE

*Personalized Service,
Profitable Solutions.*

WHY OUR FOOTPRINT KEEPS GROWING

MANAGER'S CONNECTIONS

By Todd Reif, General Manager, todd.reif@chsinc.com



Today's technology-driven farming practices, bigger trucks, and communication advances allow you to spread your wings. Modern tools also enable us to go the distance—wherever you choose to expand your operation—with you.

Our footprint has grown and I find that interesting. This summer you might see our site-specific application equipment covering a field in another county or see another supplier here and ask yourself what they are doing clear over there.

That's easy. Supply lines always follow close behind an army on the move. As our customers pick up new ground to farm,

they're starting to appreciate our ability to follow along with familiar services. In addition, some customers willingly travel to us from further away. As we've built up our grain sites, producers are willing to travel further for the service and speed we can offer.

Apparently there are two forces at work. If you already feel comfortable with our service quality and personnel, you might encourage us to travel with you as your operation expands to new territory. Or, you might be one of those producers who would rather add a few miles to take advantage of our service.

Recently a producer told me he was skipping over some other grain delivery locations to get to us. Why? "My drivers like to haul to Ruthton because it is slick to deliver there." And while he was talking we saw our footprint growing again. ▸

Seed Processing Plant Under Construction

Improvements to our seed plant in Marshall are now underway. We'll be completing some new construction and installing upgraded equipment. Once Marlin Pieske signaled the end of the plant's busy spring season, Wurscher Construction went to work. Local contract seed growers have this year's supply of Croplan Genetics® seed, which was grown and monitored in tropical climates from Hawaii to South America. There are good reasons why Marlin looks for nearby farms where seed can be grown—reduced trucking cuts expense and saves time. In addition, the income from seed production stays in our local communities.



TAKING OUR STAND FOR LOCAL FFA CHAPTERS



AGRONOMY CONNECTIONS

By Brian Meier, Sales Manager, brian.meier@chsinc.com

Early this spring, local CHS agronomy employees raised over \$3,000 for FFA members in the towns we serve.

And we did it while providing a useful service for local producers.

Employees ran planter-stand clinics at two local John Deere dealerships—Southwest Implement in Tyler and D&M

Implement in Marshall. Our own Jim Fox, field marketer, made the smart suggestion we donate proceeds to the FFA.

Deciding how to assign the money was easy. Producers who attended the clinic voted with their checkbooks by making their checks payable to the FFA chapter of their choice.

Chapters receiving contributions from the clinic are in these school districts: Marshall, Minneota, Dawson-Boyd, Tracy, RTR, and Canby. The largest number of

producers contributed to the Marshall (\$1,184).

Measure twice, cut once

It's a famous saying among fathers and shop teachers, so you already know the reasons to "measure twice" when you're working with wood. Now it turns out measuring twice during the growing season is also a superior way to verify your fertility program actually cuts it.



Report Number: 123test123
Report Date: 11/24/2009
Grower: Corey Nelson

Crop: Corn
Stage: V4
Post Herbicide: Y

Field Name/ID: Back 40
Sample Location: Santiago

| RESULT | COMPARATIVE | RECOMMENDATION |
|----------------------------------|---------------------------|---|
| Nitrogen—4.5% / N – Adequate | Normal: 4.2% - 5.0% | Adequate. Under high yield conditions, incremental nitrogen may be required to attain production goals. Genetics have an impact on nitrogen utilization. Some genetics may require higher levels of nitrogen to be Adequate. Consult your local agronomist. |
| Phosphorous—0.4% / P – Adequate | Normal: 0.35% - 0.06% | Adequate. Under high yield conditions, incremental phosphorous may be required to attain production goals. Consult your local agronomist. |
| Potassium—2.5% / K – Deficient | Normal: 3.0% - 4.5% | Deficient. Potassium is essential for the plant's ability to move water and products of photosynthesis throughout the plant as it is developing. Earlier potassium deficiency almost always results in lower yields. Apply 5-7 lb./A of AgriSolutions™ Gainer WIF 'K'. More Information: http://www.rsamicrotech.com/documents/WIFKTechnicalBulletin.pdf |
| Magnesium—0.15% / Mg – Deficient | Normal: 0.19% - 0.50% | Deficient. Magnesium is essential in the formation of chlorophyll and therefore essential for photosynthesis. This makes magnesium essential for the production of starches and carbohydrates (plant dry matter). Apply 2-4 qt./A of AgriSolutions™ Liquid Magnesium 4%. More Information: http://www.rsamicrotech.com/documents/RSALiquidMagnesium4TechnicalBulletin.pdf |
| Calcium—1.01% / Ca – Excessive | Normal: 0.35% - 1.00% | Excessive. Under high yield conditions, incremental calcium may be required to attain production goals. Consult your local agronomist. Some nutrients, when excessive, can cause issues with the uptake utilization of other nutrients. Please talk to your agronomist about the issue. |
| Sulfur—0.05% / S – Deficient | Normal: 0.24% - 0.35% | Deficient. Sulfur is essential for the formation of amino acids and proteins. *A more accurate measurement of the sulfur status of the plant is the nitrogen to sulfur ratio (N:S). An ideal N:S ratio is 12:1. Consult your local agronomist for foliar sulfur options. More Information: http://www.agrisolutionsinfo.com/Docs/42211_Sulfur90_SS_LR.pdf |
| Iron—150 ppm / Fe – Adequate | Normal: 105 - 178 ppm | Adequate. Under high yield conditions, incremental iron may be required to attain production goals. Consult your local agronomist. |
| Manganese—80 ppm / Mn – Low | Normal: 89 - 105 ppm | Low. Certain herbicides, like glyphosate, affect the plant's ability to utilize manganese. Manganese is essential for photosynthesis, the formation of nodules, and nitrogen metabolism. Apply 1-2 qt/acre of AgriSolutions™ MAX-IN® Manganese NF. More Information: http://www.agrisolutionsinfo.com/Docs/41260_MaxIn_MangNF_vend.pdf |
| Boron—26 ppm / B – Excessive | Normal: 14 - 25 ppm | Excessive. Under high yield conditions, incremental boron may be required to attain production goals. Consult your local agronomist. Some nutrients when excessive can cause issues with the uptake utilization of other nutrients. Please talk to your agronomist about the issue. |
| Copper—8 ppm / Cu – Adequate | Normal: 8 - 20 ppm | Adequate. Under high yield conditions, incremental copper may be required to attain production goals. Consult your local agronomist. More Information: http://rsamicrotech.com/documents/RSALiquidCopper5TechnicalBulletin.pdf |
| Zinc—38 ppm / Zn – Low | Normal: 45 - 60 ppm | Low. Certain herbicides, like glyphosate, affect the plant's ability to utilize zinc. Zinc is essential for root and leaf development as well as the plant's vascular system. Due to corn's strong response to incremental zinc, apply 1 qt/A of AgriSolutions™ MAX-IN® ZMB. More Information: http://www.agrisolutionsinfo.com/Docs/41776_Max-IN%20ZMB_SS-VB.pdf |

Apply 3.2 fl. oz./A of AgriSolutions™ Ascend® to attain maximum yield in high production scenarios. AgriSolutions™ Ascend® has been shown to increase root growth and development, and crop size, leading to overall yield improvement and attainment of high performance production targets. Consult your local agronomist. The recommendations provided above are only recommendations and any decisions you make as a result of reviewing any material presented on this tool are exclusively your decisions. Winfield Solutions, LLC, disclaims any and all liability or obligation to you based upon your use of the above recommendations. Excessive Nutrient Levels- above the level for optimum growth and development. Some nutrients, when excessive, can cause issues with the uptake utilization of other nutrients. Please talk to your local agronomist about the issue. Always read and follow label instructions.

©2009 Winfield Solutions, LLC. AgriSolutions is a trademark. MAX-IN and Ascend are registered trademarks of Winfield Solutions, LLC. All other trademarks are owned by their respected companies.

Green highlights good fertility, red...not so good; that's the key to this tissue sampling evaluation from NutriSolutions,™ a new program we're offering this year.

Plan to take an early look at current research at Answer Days June 16 and July 22 from 9 to noon in the Answer Plot south of Marshall on highway 59.

This year we're offering customers the option to enroll in the NutriSolutions™ Tool. It's a tissue sampling system we'll use to check twice for the actual effects of your fertilizer program. Here's how the new program works:

- Test number occurs at V5 stage and test number two at either V12 or tassling.
- One of our field marketers or summer agronomy interns will collect the tissue test.
- We'll send that test to a lab equipped to work with NutriSolutions.
- Your results will reach us by email in 2 to 3 days.
- We'll upload results into the NutriSolutions tool online to get specific nutrient recommendations
- Together we'll review your test results and recommendations.

* There is a charge for NutriSolutions enrollment but proof of how your fertilizer program works should make it worth the money.

We believe in first things first

Lately you've been hearing a lot about micronutrients; we're interested in helping you find the right balance of those performance boosters. But first let's make sure we have N, P, and K right!

Tissue testing will tell us whether we're correctly handling first things first. If your current fertilizer program is in good working order, we'll move on to talk about a program with ZMB™ microessentials. Plus, we'll have in-depth knowledge of your crop's needs so we can focus our micronutrient recommendations for your fields.

Our 2010 product research is underway

Meanwhile, in other fields, we'll be watching for outcomes that might also interest you. This year our own CHS test plots will include an emphasis on corn so we can offer data when you're wrestling with next year's planting decisions.

Our plots will also feature tests of Smart Stax and seed treatments. We'll also evaluate Ascend,® an EPA registered plant growth regulator.

Ascend is a biological plant stimulator delivering growth regulators, micronutrients, and hormones. It can be used as a seed treatment early on or applied later with starter fertilizer.

WinField™ research has logged a 19% corn yield increase for Ascend when it teams with Advanced Coating® Zn as a seed treatment. We'll be watching this

product in our own test plot on both corn and beans.

We'll also be able to monitor the progress of new aphid-resistant beans through our own side-by-side trials. In addition, we have the opportunity to take a first look at RR11 beans before those are available for sale in 2011.

Plan to take an early look at current research at Answer Days, June 16 and July 22 from 9 to noon in the Answer Plot south of Marshall on highway 59. ▸



Douglas Fischer, president of the Marshall H.S. FFA chapter accepts a donation from our Agronomy Division. His visit to our office was a good opportunity to discuss his upcoming summer internship since Douglas is our 2010 Scholarship winner.

MEET OUR FEED NUTRITIONIST

We're counting on Tim Cantrell to clean house. Yes, we realize that phrase sometimes carries negative connotations, but this time the meaning is straightforward. Today there are too many products in our inventory; when Tim gets busy we expect to see less confusion and more order.

Tim has the experience. His 30-year swine industry career began when he managed farrow-to-finish swine facilities. Fifteen years ago he decided to concentrate on nutrition and says he learned a lot by just doing the job. He's now consulting for feed mills in Iowa and Nebraska, too.

"We're in the process of putting together a vitamin and trace-mineral inclusion pack that will exceed industry standards. If all rations call for vitamins and minerals at the same

rate, operations will be simpler." Tim says. "First we're focusing on grow/finish rations but we'll review and streamline every type of ration eventually."

On Wednesdays and Thursdays you may see Tim around the Tracy mill, but he's going to be busy. "Rod wants me to work through all the existing rations before I spend any time in the country meeting producers. The objective is eliminating some products to keep costs down while still providing quality products."

Tim lives in Beemer, NE with his wife of 31 years. The Cantrells are parents of three children and grandparents of one child—with another grand-baby on the way. ▸

SOLVING A CASE OF MISTAKEN IDENTITY

FEED CONNECTIONS

By Rod Benson, Feed Division Manager, rod.benson@chsinc.com



It didn't take a detective to figure out we were producing too many rations and undermining our own efficiency. The evidence was there in our warehouse—too many ingredients—and in our computer, where we housed too many recipes. So we launched an effort to clarify our identity.

First we hired our own nutritionist. Tim Cantrell will be the sole source of rations in our lineup. We're pleased to welcome Tim, a nutrition consultant, who will review our rations and condense our supplies until we have a menu of essential formulations.

While Tim is determining which rations will be in our cupboard, he'll be streamlining our shopping list of essential ingredients to make those rations. Then we'll empty the warehouse of minerals, vitamins, and additives we don't need.

What else are we doing?

Once we decided to stop doing it every way and start doing it our way we knew we'd need equipment. A rigorous quality-assurance program works best with an efficiency-assurance program.

We just finished installing enhancements to our computer batching system. We added high-bin indicators on load-out bins and fully automated our roller mill. Is that good? You bet! In fact it's so cool I'm not sure I can do it justice by merely describing it.

Downstairs in the mill all you'd notice is an unassuming control box. But that box contains components needed to help the roller mill do all the following state-of-the-art stuff.

The high-bin indicator is a checkpoint that helps us know all feed got to the right bin leaving behind no residue that might go into another batch of feed. In the past, Charlie Deshepper raced up and down the stairs to visually check levels.

Full-featured enhancements make our roller mill self-monitoring. It anticipates orders coming in, shuts-off corn supply, and implements a cleaning process. Once it completes a new batch the controller automatically moves the distributor sending the output to a different bin.

Now a new system watches for bin height overflow or under-fill and eliminates possible cross-contamination. We made a tedious process simple.

Since the high-bin indicator works so effortlessly, there's nothing to see in that improvement. And you probably won't see our roller-mill improvements either, but you will be able to notice results from our ability to roll corn to more specific sizes.

Achieving a certain micron size has always been a compromise. No matter how much we adjusted the settings, we ran the risk of creating feed too coarse for some and too fine for others. Amazing new components automatically control the flow of grain and determine roller adjustment. Once rolled grain goes directly to the correct ingredient bin.

A micron shaker-table—another new tool—gives us the ability to check output for uniform size. We'll do that hourly at first, and once we're more confident of our settings, we'll sample sizes once a day.

The new controller anticipates orders coming in, shuts off corn supply, and implements a cleaning process. Once it completes a new batch, the controller automatically moves the distributor sending the output to a different bin. We don't have to touch it or think about it.

We've gone from a system full of compromises to a system that gives everybody exactly what they want. It's our goal to create the feed we want you to associate with our mill—and quality will be the cornerstone of our local identity. ▸



ANOTHER TEST THAT CENEX FUEL IS THE BEST

ENERGY CONNECTIONS

By Marla Verlinde, Energy Division Manager, marla.verlinde@chsinc.com



Here at CHS we only deliver our customers Cenex Premium Diesel Fuels. Buying standard #2 Diesel is not an option and we plan to keep it that way. Here is another testament of how Cenex has stepped up and proven it's committed to bringing you a product that is one step above the rest.

New diesel engines (2007 and newer) have been built in response to new EPA emission standards. Engine manufactures have developed an engine with a fuel systems called the "common rail fuel system" to meet these standards. Common rail fuel systems store fuel under pressure in a central container "common rail" and delivers it to individual injectors on demand. Benefits of common rail are optimized performance, improved emissions and great efficiency.

These new engine technologies can create complications related to operation and maintenance. The higher temperatures and pressures in these engines can literally "cook" typical #2 diesel fuel resulting in fouled fuel that recirculates in the fuel system, which can damage engine parts. Other common problems are degradation in the fuel resulting in power loss, plugged filters, injector deposits and ultimately damage to the injectors requiring expensive replacement.

Cenex has been working behind the scenes with equipment manufactures for the last 18+ months and have developed an additive that will be in the fuel we are delivering to our customers starting June 1st. This new feature is an injection stabilizer which addresses fuel oxidation problems, reduces the frequency of filter and injector replacements and prevents injectors fouling in equipment with new engine technologies. This injection stabilizer coupled with the other additives that have been in the Cenex Premium Fuel we have been delivering to you can assure you are putting the best product in your equipment. We know that keeping your equipment running out in the field is a priority to you and keeping better diesel in the tank is the CHS answer.

She's Not In Kansas Anymore

Marla Verlinde, our new Energy Division Manager, is clearly enjoying her new role. "The last 3.5 years as Certified Energy Specialist has given me the chance to be out in the country establishing relationships with our current customers and building a base of new customers. I have a comfort level with our programs as well as our products," she explains. "During my two months as interim manager, the other employees in the division helped me make the decision to take this job. It's easy to be the manager when everyone knows their job and does it. The energy team represents a lot of years of experience."

And it's not as if Marla is exactly new to the Energy Division or to CHS. The award plaque on her wall testifies to the

enthusiasm and work ethic Marla brought with her when she came to the co-op in 2006. In 2009 Cenex named her a Top Gun for her ability to share our energy story.

General Manager Todd Reif is glad he found a highly qualified candidate already working here. "I performed due diligence in searching for candidates and reviewing their qualifications. Marla's abilities made her a standout and I realized her dedication to her work has earned her respect within the company," he explains. "We've done a lot of things right in Energy over the past few years and I believe Marla will keep us progressing."

Yes, Marla replies. She intends to look for new ways to improve the customer experience and hopes she'll soon have time to get out of the office and meet with people who use our products and services.

Marla grew up on a northwest Kansas farm and graduated from Fort Hays State with an ag business degree. She met Ryan Verlinde while they were both showing cattle and became a Minnesotan 10 years ago.

In addition to that plaque on her office wall, Marla has other impressive evidence of her time in Minnesota. She and Ryan are parents of Lauren, 7; Lawton, 2; and Nolan, 1. ▶



48 hrs without detergent



48 hrs with detergent



2712 County Rd 6
Marshall, MN 56258

PRSR STD
U.S. POSTAGE
PAID
VISTACOMM



ARE THE CHINESE IN FOR THE LONG HAUL?

GRAIN CONNECTIONS

By Nick Olson, Assistant Grain Department Manager, nick.olson@chsinc.com



There's new corn demand coming from China and its helped prop up our export numbers. So everyone seems to be pondering the same question: "Will the Chinese be consistent purchasers of US corn?"

Look at their track record as soybean importers. They've been steady buyers and, at times, their interest has been robust (especially when their own crop fails or when poor logistics make it trickier to move beans out of South America.)

Recently grain futures have reacted to new business from China and stayed volatile as weather factors slowed planting progress in some places. The markets have had a difficult time finding a reliable direction. Values will stay range-bound until marketers can form opinions about the current crop.

In the May 10 USDA report you'll notice reduced carry-out numbers for corn while soybean and wheat numbers hold steady.

Throughout most of May basis stayed primarily weak because number three yellow corn (#3YC) has been discounted compared to number two yellow corn (#2YC). Thanks to China's interest, demand for #2YC shot up. Where does that leave smaller markets such as Taiwan and Japan?

Currently the market is pushing much of the #2YC toward the export markets which sends a lot of #3YC shopping for a home in the U.S. feed and ethanol industries. It's been a logistical mess since plants can only grind a certain number of bushels per day.

Recent market opportunities have been local

We're already firing up our rail program for this summer, shipping #2YC and #3YC mostly. Movement has been local for the past several months—to ethanol plants especially—not by rail. Through May and June we'll continue shipping close to home.

Already we're gearing up to work with the new crop and we're marketing to make room for what you recently planted. It's time to start reviewing our storage policies for fall so we'll know what we're going to do and how much grain we have left.

I'd advise you to speak for the space you're going to want, knowing some producers weren't able to deliver all they wanted last fall. Toward the end of season there was no more room—based on a big crop, a lot of grain to dry, and what the markets wanted to buy at that time. The same thing could always happen again.

You've got some opportunities right now to make up for time you lost during a harsh winter. If you weren't able to move grain to town before, you will be able to pick up the pace now.

Marshall-area farmers have the chance to deliver direct to the Marshall south elevator this June through August. Even if you've grown accustomed to delivering directly to ADM you might want to look into this opportunity. Though we're not looking for huge grain quantities, we have a specific use for a certain number of bushels in Marshall.

Always feel free to call our offices in Marshall, Ruthton, and Tracy with your grain-related questions. ▀