



# PRAIRIE LAND COOPERATIVE

P.O. Box 309 • Hubbard, Iowa 50122-0309

- ACKLEY
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- HUBBARD
- NEW PROVIDENCE
- OWASA
- STEAMBOAT ROCK
- UNION
- WILLIAMS

## STRIVING TO IMPROVE COMMUNICATION

### *It Was a Great Spring*

The spring of 2010 will be one to benchmark against for years to come. I do not think we could have designed a better one than this. Thanks to all customers and employees for getting the 2010 crop off to a great start.

PLC is having a good year thus far. The spring season provided an excellent opportunity for the agronomy business to get lots of work done and that always provides opportunity. We are happy to see a new crop in the ground and are hopeful for the opportunity to handle a fully matured corn crop. The high prices of 2 years ago altered some of the traditional grain marketing patterns. Combined with increased local demand and together this has provided challenges to keep corn moving to all of the right spots at the right time.

PLC has combined most locations into an east and a west region. We did this for a multitude of reasons. Improved communication and accountability were the main reasons for the decision. Other reasons include improved opportunities to share employees and equipment. The cost of equipment continues to rise. We, like you, have to get more acres, gallons, tons and bushels through each piece of equipment. Ron Schachtner was hired to manage the west region. The west region includes Alden, Williams, Ellsworth, Garden City and Hubbard agronomy. Ron's office is in Williams. John Conlon managed the Greenbelt operation and is responsible for the east region. The east region includes Owasa, Faulkner, Geneva, Austinville, Cleves, Steamboat Rock and Union. John's office is in Austinville. John and Ron have been working hard to improve communication with the locations and I can attest that they are doing a better job communicating with the locations than I have been the last couple of years.

You may think the ethanol business is tracking well due to higher oil prices, but in fact ethanol prices have suffered over the last several months while oil prices have risen and corn prices have trended sideways to lower. The industry is awaiting

the anticipated action by the EPA to raise the ethanol blending allowance above 10%. There are many opinions as to what will happen, but the industry could use the boost in demand to improve the ethanol manufacturing economics. It is anticipated that the EPA decision will be made later this summer. In the mean time, the summer "busy" season for gasoline and ethanol demand has arrived and will provide opportunities.

Enjoy this beautiful weather. THANKS for your business!!!!



**By Rick Vaughan  
General Manager**

## AGRONOMY NEWS

### *The Crops are Progressing Nicely*

The crops look excellent as of this writing. We are progressing nicely through our growing season. John Holmes, ISU Extension Field Agronomist, states that from April 20th to June 1st we were at 485 heat units in Ames, IA. Side dress nitrogen is being applied and post emergence spraying is in full swing for corn and soybeans.

With the rain we have received recently it goes to prove, yet again this year, that we really need to be looking at products with residual to work with the glyphosate applications. Some of the chemistries to mention are Halex GT from Syngenta, Capreno from Bayer, and Surestart from Dow. These products have burn down with residual on both grass and broadleaves when used as your glyphosate application or in conjunction with glyphosate. These products allow for a wider range of application, so if we do get rain during the short window of timely glyphosate applications, we are able to get all of the acres covered before the crop gets too large. These products are a better resistance management tool as opposed to a straight glyphosate

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**By Tim Krausman  
Agronomy  
Department Manager**

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# A Good Start



**By Chris Phipps  
Seed Department  
Manager**

Wow, what a difference a year makes. We came off one of the worst winters on history and took off running. Planting progress was one of the earliest in history. Over all our crops look great. We have had excellent emergence rates and have good stands. We can also say something we haven't been able to say in a while, and that is, we are ahead of average on degree days. The frost hurt the corn stands more than anything. It looks like it took one to four thousand plants off stand counts, but not enough to worry about since our

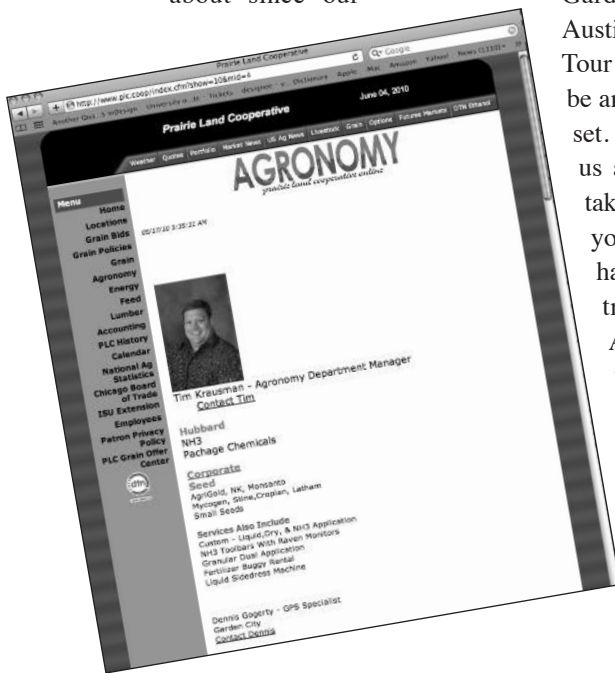
counts started out high. As I have been walking fields it is impressive to see how well your planters can space corn. Before I go any further I need to stop and say thank your for seed business this spring. Thanks for choosing us for your seed needs.

Like your fields, our Prairie Land Hybrid and Variety Comparison Plots are also up and looking good. We have three main corn plots by Alden, Ellsworth, and between Austinville and Cleves. We also have soybean plots by Ellsworth, Garden City, and between Austinville and Cleves. Our Plot Tour dates are not set yet but will be announced as soon as they are set. Feel free to stop by and ask us about the plots, or stop and take a look at what is in them at your own convenience. We have added a couple of seed treatment comparisons in Alden & Austinville and a trait comparison in Ellsworth, which is corn on corn.

Viptera from Syngenta has gained US approval and will be available next year. Viptera is another form of lepidopteron con-

trol controlling the six major pests of the Multi-pest Complex which are Corn Earworm, Black Cutworm, Fall Armyworm, Western Bean Cutworm, Stalk Borer, and Sugarcane Borer. Together these pests cause \$1.1 billion of injury in the U.S. every year. I will pass along more information like yield comparisons, comparisons to other traits, and what hybrids it will be available in. I was just in a field today that had very high Black Cutworm pressure and is now being sprayed and will have replanted areas because of them.

We are aware that growers are asking for us to pass on more information about new products, technologies, and general updates about the crop. We are going to start passing along more emails with this content in mind, but we need your email address if you would like to be involved in this. The best way to do this is to log on to our website at [plc.coop](http://plc.coop), click on Agronomy, find your location and then click on the contact for your agronomist. Send him your email address telling that you would like to receive email updates from him. We look forward to hearing from you.



## We're Proud to Offer Archer Oil & Grease



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## A Commentary from Cenex Harvest State's COO

This isn't my typical newsletter that I give the latest and greatest news about the Energy Department at PLC. I would like to share a commentary from June

2, 2010 that Leon Westbrook who is the Cenex Harvest State's executive vice president and chief operating officer for their Energy division wrote:

"There's been much cussing and discussing about deep well drilling in the Gulf, the tragedy with the faulty blowout preventer, loss of 11 lives and the resulting record-setting spill. Ultimately, this situation will go down as a very defining time in energy business history and the ramifications to the hydrocarbon industry will be very significant.

How did we get into such a situation? On a very, very high level, we simply need to observe the fundamentals of supply and demand, as well as the continuous pressure on earnings, to generalize on what happened.

First, each of us consumes hydrocarbons every day and never very efficiently. We take them for granted. We consider fuel an entitlement to burn at our discretion. We all know there are countless ways to travel less, heat more efficiently and otherwise conserve, yet convenience and comfort, along with cheap fuel, results in less efficient choices.

Second, shareholders look at quarterly reports for their investments and make their short-term decisions on not only how the company did that quarter, but also its near-term prospects. Major oil companies are judged on their sales growth, quarterly performance and dividends, as well as proven reserves. When any or all of these measures do not meet expectations, investors are dissatisfied and stock prices fall.

To meet shareholder needs, company leaders strive for sales growth to show a healthy business in the present and build reserves to sustain profits and growth longer term.

History has proven many times that drive for growth and profits leads to risk taking and cost cutting. In order to minimize these risks, governing bodies and company leadership establish regulations and policies for safety and "good" business practices. These efforts are always in conflict, as companies attempt to produce a good bottom line while practicing safe and environmentally friendly business practices. When they get out of balance, we have a tragedy.

In my opinion, every company, whether large or small, needs a "blowout preventer"—one that has been proven to work, is tested continuously and "installed" properly. I'm not talking about a piece of equipment, those four-story metal contraptions familiar to those of us in the energy business. By "blowout preventer," I mean a well-defined set of policies outlining and measuring how a company and its employees will behave.

Many companies today label this their "balanced scorecard." It starts with the company's value statement and is driven deep into the organization's culture through continuous training, enforcement and rewards for doing the right thing. It must start at the top with the board of directors and senior leadership and become engrained in each employee. Ultimately with such a "blowout preventer" in place we can relieve any unusual pressure that creates an imbalance between profits and safety.

I believe it is safe to say that the tragedy that is now unfolding in the Gulf will create fundamental and lasting change. But it probably didn't have to be that way. Corners may have been cut or best practices not followed for a number of reasons. Vigilance may have been compromised for speed and profit. I do not know if this is the case. I do know, however, that the future cost of energy will reflect this tragedy, and the cost to the environment and our economy will be profound. The cost to the company involved will be devastating and disastrous.

Let us hope that the rest of our industry, and other industries can learn from this and vow, if they haven't already, to make certain fully functional "blowout preventers" are in place."



**By Randy Swenson**  
Energy Department  
Manager

What Leon has said is so typical in today's society. Just when we feel all warm and fuzzy in our daily lives, something catastrophic happens and our lives turn upside down. This is so true in the commodities world. A sale or purchase we did one day, may be completely opposite the next. Customers have put their faith in us to manage their risk and we do the best we can, but some days we feel like we

are shooting from the hip. Let's hope that bullet comes close to the bull's-eye.

We are in full force for our LP summer fill and contracts will be coming out soon. This would be a great time to fill your diesel tanks for fall. The carry in the market is worth the interest on your money. Check with your location to put in an order and to see when we will be coming out with a fall diesel contract.

*Thanks for  
your business!*

## Be Aware of Your Grain's Condition



By Ron Barkema  
Grain Department  
Manager

### Markets

The grain markets have been trading in a fairly tight range the past couple months. Corn has now dipped below some key support areas and may now test some contract lows (another 10 – 15 cents lower). Hopes are fading for a significant rally since we have been experiencing ideal planting and growing conditions the past several weeks. Fund liquidation, the lack of any fresh export news, and the stronger US dollar are all weighing heavily on corn market. July corn futures have hit the lowest level since September 22nd of last year, at the time of this writing. With all that said, we still have a long growing season ahead of us and anything can happen. Climatologist Elwyn Taylor has been projecting a La Nina to set in which would produce a much warmer summer?? The first

vessel of US corn has been loaded and destined for China. Total sales are a guess but most grain analyst feel that there is more to follow. Old crop soybeans remain snug. Basis levels have been strong and expectations of a bio diesel tax credit have been keeping soybean prices elevated at this time.

Those of you with grain on the farm need to be extremely cognoscente of the quality of that grain. We have taken several bushels across the scale that has already gone out of condition. Last years crop has several things going against it which will shorten its shelf life/storability. Low test weight, high f.m. and many bushels that had damage straight out of the field are all factors contributing to the storability problems. Prairie Land is still offering a Price Later program with no service fee through August 31st. Please take advantage of this if you have any quality concerns.

Grain Bid History		
Date	Corn	Beans
6/02/2010	\$3.16	\$ 8.90
Week Ago	\$3.39	\$ 8.96
Month Ago	\$3.45	\$ 9.32
6 Months Ago	\$3.61	\$ 9.81
1 Year Ago	\$4.17	\$ 11.68
5 Years Ago	\$1.80	\$ 6.32
10 Years Ago	\$1.93	\$ 5.02
20 Years Ago	\$2.44	\$ 5.60
30 Years Ago	\$2.22	\$ 5.46

### Summer Capital Expenditures

Millwright crews are busy working on needed repairs and capital improvements this summer. Two new dryers are going up. A 5,000 bph tower dryer in Garden City and a 3,000 bph tower dryer in Lawn Hill. Both new dryers are replacing 1973 and 1975 models. After the past couple of harvest seasons it was time to replace some of the older dryers. Hopefully for all of us, we won't have the extreme wet corn crop this coming harvest that we have experienced the past two seasons!

Thank you for your grain business!!

### AGRONOMY NEWS

*Continued from page 1.*

application as well.

There have been reports of Black Cutworm in the area. There will be traits coming to the market in the near future to help control them. For now, insecticides can be sprayed with varying degrees of success.

We are seeing some white striping in the corn plants. The majority of the reason for this is because of the rapid growth. The roots below ground are not keeping up with the above ground foliage due to the heat that we are accumulating. Hopefully, the roots will catch up under ground as we go through the rest of the season.

We will be applying fungicides on corn and soybeans before we know it. Past history says that an application of fungicide has been economically beneficial in our particular growing area. Some of these benefits are increased yield, better stand ability, and better grain quality. The application of fungicide helps the plant stay alive longer and go through the life cycle slower with less pressure from diseases. It is possible we could be spraying fungicides two to three weeks ahead of the past couple of years.

The corn aphid is another pest to keep an eye on this summer.

There have been some cases in other parts of Iowa where insecticide applications have been needed. This usually occurs around the same time frame as fungicide applications so we may be able to save a trip if an insecticide application is warranted.

Like always, your past business is very much appreciated and we look forward to working with you throughout the summer and into the fall.

*Please enjoy the rest of your summer and stay safe!*

# Are Too Many Choices a Bad Thing?

Sometimes we like to keep our patrons informed on new or not-well-known products to make sure you have “too many choices”. One product is Dryspace by Timbertech. It is a deck drainage system that installs on the underside of a second story deck. This product collects and channels the rainwater from the deck board spacing by putting a ceiling on the underside of your upper deck, giving you another area below for a dry patio or storage for lawn and garden equipment.

Installing an insulated entry door is a great way to keep your home more climatized and take advantage of the Energy Tax Credit. They are available in paintable steel or fiberglass, stainable steel or fiberglass for a wood look, or real wood veneer on the interior side. All surfaces can be pre-painted or stained. There are also choices in glass styles & profiles, hinge colors, jamb options, etc. Some specifications do apply to qualify for the tax credit. The 5-page door book of 10 years ago is now 50 pages. Call us for assistance.

Considering siding? Choose from cedar wood, fibered cement board, steel, vinyl, insulated vinyl or LP Smartside. The LP Smartside has the beauty of real wood, durability of engineered wood, resists fungal decay & termites, and can be prefinished. Check it out at [www.lpsmartside.com](http://www.lpsmartside.com). The insulat-

ed vinyl has a thermal benefit, more durable than standard vinyl and easy maintenance. The overlap seams are less visible, the face has the look of wood, it is available in a multitude of colors (again more choices), and profiles are in double 6”, single 7”, double 4”, and double 4-1/2” dutchlap.

Why are we talking about warm doors and warm siding in June? Ever try getting a carpenter in October to get the work done before cold weather?

Recently, the EPA implemented the Lead: Renovation, Repairs, and Painting Rule on Apr. 22, 2010 which requires contractors & remodelers who will do any work on a structure built before 1978 to be certified by the US Environmental Protection Agency.

Problem is there are not enough certified renovators to carry out the jobs AND not enough trainers for the contractors that want to be certified. If the program is enforced, most remodelers will be in violation of the federal law OR most remodelers will not be able to legally do the work. This truly involves any of us with a pre 1978 home that wants any remodeling or repair work. And also involves any of our local contractors who want to do the work. The saga continues.....

*Thank you for your support.*



**By Tim Dreier**  
Lumber Department  
Manager

## Quick Facts

*Lumber pricing has climbed steadily since Jan. (about 48%) but now is declining.*

*Sheathing and panel pricing has climbed steadily since Jan. (about 75%) but now is declining.*

*Steel pricing has had several increases this spring, another one this month, but rumors are that it should settle down for awhile.*

## Old Tips

*Make a magnetic rake to keep nails picked up on your place and driveway. Cut in half a dozen horseshoe magnets from a Ford magneto, bolt to a 2x4, attach wheels on the ends, and a long handle in the middle. Go, man, go.*

*To stop a horse from chasing other livestock in the pasture, fasten a short chain or plow clevis to the horse's front leg behind the knee. Make sure no one is watching.*

**Open to the public!**

## Lumberyard Specials

**We will have a Dewalt truck here Tuesday June 15 from 7:30- 10:00 a.m. for special pricing on tools.**

**Orders will be placed that day for later shipment.**



## Wit and Wisdom

*"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel."*  
Maya Angelou

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## FEED DEPARTMENT NEWS

# ***We Can Help Maximize Your Livestock's Potential***



**By Rich Groepper**  
**Feed Department**  
**Manager**

Markets for hogs and cattle have been a lot better than they have been for awhile. A recent quick downturn is always a reminder that we still face a lot of volatility and we will always be in a global market. All commodities are showing a response to the stronger dollar in the world market. Exports generally slow down with the higher cost of the dollar.

Summer is about upon us and the warmer days are a good thing after last winter. Recognizing that feed consumption goes down along with average daily gain and feed efficiency it is important to keep animals as cool as possible. If diets need changed to help performance, please let your feed team know so we can help you maximize your livestock potential. We can add fat and dense up the diets to help. Paylean is also a very good additive used prop-



erly to pick up performance. The return is about \$4 to every \$1 spent for paylean.

There are a lot of events going on this summer - World Pork Expo, county fairs and the Iowa State Fair. Prairie Land Cooperative handles a complete line of show feeds to meet you and your kid's needs to exhibit the best livestock projects possible. Purina Show Feeds, Purple Bound, Honor Show Feed and Vigortone products are all available. If you need some help please contact us.

My youngest son was married in May. Lynnette and I are very blessed to have four grandchildren living very close and they entertain us quite a bit. I am sure in the future you will see Grandpa at pig shows a lot more.

Thank you for your business!