

HANLEY FALLS ■ COTTONWOOD ■ TAUNTON

GRANITE FALLS



MINNESOTA FALLS

**Farmers
Cooperative
Elevator Co.**

MONTEVIDEO ■ ECHO ■ MINNEOTA ■ GHENT

FARMERS COOPERATIVE ELEVATOR CO.

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Cottonwood:
Mill Office:
507-423-6235
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Elevator:
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Hardware Store:
507-423-6231
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From the manager... Lots of happenings at FCE



By
Scott Dubbelde



Board of Directors

L to R: Dan Stevens, Steve Doom, Jon Thostenson, Brad Sunderland, Tim Gossen, Todd Lecy, Alan Enevoldsen-Secretary, Stan Knutson-Vice President, Mark Vandelanotte- President

It has been a whirlwind at FCE since the Annual Meeting last month. We reported to those in attendance at the Meeting that FCE had another good year. In fiscal 2015, FCE had a net margin of just over \$2.6 million. All in all a very good year. Our Management Team reported about each of FCE's Departments and I singled out the Feed Department's success because we right-sized our Feed Department during 2015 and are back making good returns again. Hats off to Ron, Gene and the Feed Team for all of their extra efforts!

We also went over a few of the benefits and safeguards of doing business with FCE, which is a Cooperative owned by you. One of the main benefits is that we are audited annually by an independent auditing firm, and the audit results are available to you. Feel free to pick up our 2015 FCE Audit at any location.

The Porter Elevator auction was held on March 31st and FCE was represented at the sale. FCE was the highest bidder for the Porter facilities. But between the banks involved with Porter and the bankruptcy trustee, they "No Sale'd" the facility. We

are not sure what is going to happen in the future with the Porter Elevator, but will keep you posted as the future unfolds.

The Montevideo expansion project is going great so far! There is a lot of activity going on at Monte and it is fun to see the progress. They are currently working on the scales, the scale building foundations, the new grain receiving building, the dirt work for the site and track, and of course CEEC of Wabasso has the grain handling facility way ahead of schedule. Our Grain Merchandising Team is looking forward to having access to the 191 new domestic markets and the 32 new Mexican markets. This may not have a dramatic effect on our markets right away, but you will get consistent added value from this venture now and into the future. As of right now we are on schedule to be up and running by September 1st.

We have a couple of

new hires to report to you. Sharon Ostlie has been hired to work in the Montevideo Office full time joining our existing Monte Team. She has worked for FCE Monte on a part time basis since last September. Jason Blankenheim will be joining FCE in the Hanley Falls Office as our new Grain Merchant. Jason has previous grain experience with the Scoular Grain Company and Columbia Grain. We welcome Sharon and Jason to our FCE Team!

If you are interested in ordering baby chicks or other poultry chicks to raise, please contact Allison Blake at the

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Scholarship winners

Left to right: Clay Newton from Echo attends Lakeview High School. He is the son of Tom and Amy Jo Remmele of Echo. Marit Alness from Clarkfield attends Lakeview High School. She is the daughter of David and Carol Alness. Natalie Abraham from Minneota attends Minneota High School. She is the daughter of Tom and Kim Abraham.



Cash market shifts

We should all be a little concerned when the entire cash market shifts to one side of the boat or are all huddled up in the same camp. We all know what the March 31 report said and though bearish on corn there was a silver lining. Feeders had an opportunity to buy some corn and beans rallied allowing checking accounts to be replenished just in time to pay some bills. Now it is April 12 and WASDA Report said corn for feed was down 50 million bushels but what about the break allowing for corn feed purchases? And why is the U.S. farmer going to plant 6% more corn acres in 2016 when the corn bean spread holds near 2.55:1 and the economics show ~\$100/acre incentive to plant beans rather than corn. Perplexing isn't it?

I am going to cut against the grain here so humor me with some patience. Today corn is \$3.17 and new corn is \$3.20. Neither are attractive or being sold. The

By
Ben Hedtke
*Grain
Merchant*



cash corn market has settled into the mindset that all the 2015 corn crop will come to town in J/J. Why some ask? Because it has to some says..... Or does it? Consider, cash flow needs are quenched with bean sales thanks to a conveniently timed bean rally. I am no farmer but I think the only constraint left is space/storage. With free P/L at your local elevator and/or processor clearly there is plenty of commercial space eager to fill up. If prices remain low the 2015 crop will either stay in the farm bin and the 2016 crop however large or small will be hauled to town out of the field. After all, there is a carry to New

Crop. Or it will get brought to town under free P/L late summer. Either scenario does not involve J/J deliveries. The best and more appealing solution to this diabolical corn market situation is June 30 USDA realizes that the March 31 report was based off of data pre-delta flooding and pre-bean rally values therefore recinding the 6% corn acre increase to 1% causing corn to spike for some selling opportunity.

Hard Red Spring Wheat continues to be burdened with ample supply from Canada. If truly about fundamentals wheat really may not be higher. Rains headed toward HRW country, spring wheat drills and airseeders don't waste much time. US carryout inches towards 1.0bb at 976 mb as USDA lowered Feed/residual 10mb and didn't touch exports which is bazaar. World wheat supplies grew nearly 1.7mmt as there really isn't a world wheat issue.

Select seed with the best yield potential

First of all, we would like to thank everyone for their continued seed business!

It looks like Spring is having a hard time warming up. With the low corn and bean prices, make sure you put the right hybrids on the correct ground to maximize yields.

If the hybrid you are considering produces big flex ears it will excel at lower seed population. If you have a fixed ear hybrid that produces smaller, consistent sized ears, it needs higher populations to produce maximum yield.

With corn-on-corn rotations becoming more prevalent, it is essential to plant hybrids with high health genetics that can tolerate the increased disease pressure. We still have a nice supply of:

3399SS 4099SS 5146SS
4199SS 5369SS

By
Steve Fry
*Seed Team
Leader*



Bean seed treatments pay off

Seed treatments help develop good plant health early on, and it all starts with a good canopy. The more leaves a plant has early on the more sunlight the plant can take in and the more shade it can create, improving plant strength and weed control/respectfully.

Seed treatments make a difference even when you are planting beans that have an Rps1-X or C gene. Even though these

genes carry resistance to early cool season diseases like phytophthora and pythium, the treatments complement the genes and improve protection against these diseases.

We do have a few bags of LG non-treated corn for the organic farmers.

We also have a good supply of these Croplan numbers on hand -
1873 1750 1950 2200

We have Mustang beans available as well. These are less expensive Roundup One's to consider also.

If you get around the Minneota area there is an Answer plot along highway #68 west of town that would be nice to look at.

Happy Spring Planting.

Grain markets vary

Sometimes the grain market amazes me. In the last 6 weeks the bean market has risen about 75 cents per bushel while the corn market has been in a sideways trend. Estimated bean carryout for 2016 at about 450 million bushels is unchanged from the last few months. Planting intentions for soybeans acres at about 82 million is down only slightly from last year. So why has the bean market rallied 75 cents since early March? There are a couple of rea-

By
John Brandts
*Grain
Merchandiser*



sons. First palm oil production has been lowered because of adverse weather. In

addition the funds have been huge buyers of beans and soybean oil futures. Whether funds are buying or selling often determines market direction. On the corn side funds are very short while the market has been relatively flat. Watch fund activity and weather this growing season for market direction.

Planting season is here

Weather models are predicting a quick transition from El Nino to La Nina. The latest information has that full transition taking place by July of this summer. Historically that lends to some type of a crop issue somewhere in the US. However, it does not mean we will have a supply issue. There is plenty of US corn and soybeans to go around, and we still have to deal the value of the US dollar being high.

But on the bright side, it is time to plant. Producers are ready and willing to give it another go 'round. It has been quoted that the well equipped US farmer can plant his spring crop at the rate of 1% per hour. If you think about that it is 100 hours of planter time. No wonder the crop progress numbers swing so fast in the 2nd and 3rd week of May. What used to be a good benchmark of 50% planted in corn by the 2nd Monday in May is now blown through at the speed of light.

Thanks to all who attended the Annual Stockholders Meeting in Cottonwood. Another great turnout and a successful year for FCE. In the speech I gave, I con-

centrated on explaining how the Hippocratic Oath gives us reasons to think about all we do in risk management of your cooperative and of your respective operations. "Do No Harm" carries a lot of weight in making those decisions. It can also be called risk/reward tolerance and conservatism. Any way you look at it, many decisions need to be made and as producers you need to be informed to help make those decisions.

A major question this spring yet again involves certain seed traits and their acceptance into the export channels. FCE as a company needs to have a high degree of certainty that the products our patrons grow are appropriate for the markets we supply. Our producers also need to have a high degree of certainty that the products they grow can be marketed. At issue is the question of whether the seed being planted (and the treatments applied) are approved. Quite likely, approval will be granted, but until that time good risk management may be to wait for that approval before planting. In the event that approval would not hap-

By
Bill Doyscher
*Assistant
 Manager*



pen, then no harm has been done.

Be safe and smart this planting season. Maximize your opportunity for your crops without taking on too many extra risks. This is not a year to be a thoroughbred, it is a year to be a plowhorse.

Bill Doyscher
 riskmanager@mvtwireless.com

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Use "Over the Counter" tool helps get a premium for grain

Hello, I am sure most of you have the itch to get in the fields. I remember the old timers telling me. The way to tell if the ground is ready to plant corn is to sit on the ground for five minutes with your bare butt, if it is comfortable, it's ready to plant.

One tool for marketing your grain is an Over The Counter (OTC). It is a tool for the producer to take advantage of a premium

for their grain. There are many types of OTC's and all are set off of the current futures market price. There is some risk, for example it could double up or get knocked out. An OTC is a good tool for the producer's toolbox to market a portion of their grain.

I wish you a safe planting season.
 Grant

By
Grant Velde
*Grain
 Originator*



Hardware Hank's May Specials

Crabgrass Preventer with Lawn Food 16 lb Bag	\$10.99	Submersible Sump Pump	
Kid's Character Fishing Combo	\$10.99	1/3 HP Cast Iron.....	\$99.00
Soft and Supple Garden Hose		Ultra Pro Wet/Dry Vac	
5/8 x 50'	\$19.99	16 Gallon	\$99.00
Light Duty Sprayer		18v Milwaukee Drill Driver	
1 Gallon	\$9.99	combo.....	\$169.00
Roundup Grass & Weed Killer		Kilz 2 Primer/Sealer	
after sale & rebate.....	\$12.99	Gallon.....	\$17.99
Low Temp Dehumidifier		Trash Can with Hank Logo	
30 Pint	\$124.99	32 Gallon.....	\$14.99
		Opti-Stain	
		Paint Sprayer	\$59.99

Antibiotics requirements keep changing

There has been some scrutiny over antibiotic use in livestock production, particularly for the use of medical and growth promotion. The FDA formed guidelines outlining new practices that will become effective in 2017 for feed manufacturing. In a nutshell, any antibiotics used in any way for humans can't be used for growth promotion and will require a VFD. This requirement will encompass ALL animals, not just beef. This will include all feed grade antibiotics except Bovatec and Rumensin. Some of the drugs requiring a VFD as of Jan. 1, 2017 will include (CTC, Tylan, Neoterra, Stafac and Lincomycin) to list a few. Producers will be required to align themselves with a vet and FCE before December 2016 or they will not have

By
Ron Hodges
*Assistant Feed
Department
Manager*



access to a supply of VFD antibiotics.

What is effective fiber? It is the percentage of NDF that is effective in stimulating chewing and salivation, rumination, and rumen motility. If there is not sufficient fiber in cattle diets, permanent damage can be caused to the rumen wall, causing higher levels of lactic acid, acute acidosis, and decreased feed intakes. Feeding enough

fiber and the right size particles in your diets will help maintain rumen health and promote salivary flow. The result will be a higher pH in the rumen, making the diet more digestible, and there will be less risk of acute acidosis. Feeding a higher fiber diet does not always reflect an adequate amount of fiber. Diets need to have "effective fiber" to make the rumen work efficiently.

Talk to Beth Feller about feeding the correct levels of fiber in your diets. Ron or Beth would be happy to visit with you about VFD's. The feed mill would like to thank everyone for their business. FCE Feed Mill at 1-800-423-6230 * Beth at 507-479-0072 * Ron at 507-829-0308.

Years of Service Award Winners:

L to R: Jessica Laleman, 5 years; Ron Hodges, 5 years; Beth Feller, 5 years; Allison Blake, 5 years; Scott Beukelman, 5 years; Chad Downing, 5 years. Not pictured John Holien, 10 years.

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Cottonwood Office at 507-423-6235. She will be glad to coordinate the ordering and delivery dates for you.

All of us at FCE wish you a successful and safe planting season and we sincerely Thank You for your business!



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Temp-Return Service Requested
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Farmers Cooperative