

# Farmers Cooperative

## Cooperative News



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MARCH 2015

*Investing In Our Owners' Success!*

THANK YOU!

## Investing In Our Owners' Success

By Ron Velder, General Manager

Your Cooperative has many projects in the works this year. Additional grain storage of 5,400,000 bushels at Burchard, Cordova, Fairmont, Lushton, Ruby, Swanton, and Sterling. Also, new dry fertilizer sheds and completion of an updated pellet mill in Beatrice.

A new office building along with a truck scale is being added at the McCool Junction location along with a 2,500 ton liquid tank. As we continue to invest in your Company we want to thank you for all your patronage. Working together we continue to build our balance sheet so we can continue to invest.



Ron Velder

## Annual Meeting Recap

Farmers Cooperative annual meetings were held January 13 and 14 with over 1,000 patrons guest and staff attending the meetings. Once again Rob Blahavietz, Todd Ricenbaw, and Mark Due organized the meal with help from other employees.

Highlights from the report showed local savings of \$14,223,000 and regional patronage of \$7,233,000 making net savings after taxes of \$19,183,000.

Cash patronage this past year was \$3,556,000, and along with estates, equity pay back, and age 65 retirement, your Company returned in cash \$6,505,000.

Local Savings	\$ 14,223,000
Regional Patronage	\$ 7,233,000
Net Savings after tax	\$ 19,183,000
Cash Patronage	\$ 3,556,000
Returned Cash	\$ 6,505,000

## Board Election RESULTS

Your Cooperative has three new board members this year. With a great list of candidates for all the districts, voting was very close.

Election results are:

Darren Meinke for the Northeast at-large district

Mike Pracheil representing the Northeast district

Neal Onnen won the Southwest at-large district

Ron Holst was reelected in the Southeast district for another 3 year term.

We want to thank Todd Eggerling, Brian Eltze, and Ross Boeckner for their interest in running for the Board.



# Soybean Seed Treatment

By Scott Heinrich  
Agronomy Sales  
Manager

## – A Necessary Investment

As we move into an economic agriculture environment that is quite different than the past few years, many growers have asked: is there *value*, and what is the *real* difference in the seed treatment products offered today? Farmers Cooperative continues to analyze current products in the market today, and our experience is that CruiserMaxx with Vibrance offers the highest value of seed

protection to our patrons. Research has proven that a treatment of CruiserMaxx with Vibrance offers best-in-class fungicide and insecticide protection vs. the competition. Ask our agronomist about how CruiserMaxx with Vibrance can improve your soybean stands, emergence, and yield with our replant assurances.



### CruiserMaxx Beans with Vibrance: Best-in-class protection against insects and diseases

#### The market-leading seed treatment: CruiserMaxx Beans

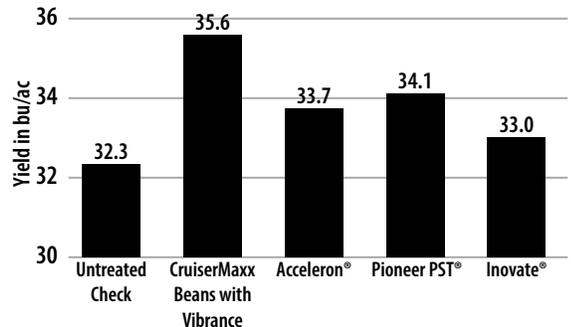
CruiserMaxx® Beans Insecticide / fungicide seed treatment, an on-seed application of separately registered products, is the market-leading seed treatment for soybeans. Its three active ingredients protect against a broad spectrum of damaging above- and below-ground insects, as well as all major seed and soilborne diseases. CruiserMaxx Beans also offers the patented Cruiser Vigor Effect. Scientifically proven, the Cruiser Vigor Effect offers more robust and vigorous plants even in the absence of insects.

#### Building upon the best-in-class seed treatment: CruiserMaxx Beans with Vibrance

Syngenta offers CruiserMaxx Beans with Vibrance® fungicide seed treatment. The Vibrance component optimizes root health through best-in-class *Rhizoctonia* protection and increases the potential for a larger root surface with more root tips and forks. Vibrance combines systemic movement throughout the plant with optimal soil mobility, which are results of its active ingredient having been developed specifically for seed treatment.

#### Proven Performance

CruiserMaxx Beans with Vibrance is backed by extensive testing, use and proven performance. For the past 10 years, CruiserMaxx Beans has consistently delivered increased yield potential on more than 80 million acres, across environments. The No-Till Farmer's Conservation Tillage Guide honored CruiserMaxx Beans as the 2013 No-Till Product of the Year in the seed treatment / inoculants category. Since being introduced to the market in 2013, Vibrance has been adopted on more than 12 million acres. High-performance growers trust CruiserMaxx Beans with Vibrance to protect their investment in high-value seed and maximize soybean yield potential.



# To Seal, or Not to Seal... That is the Question

By Brent Colgrove  
TBA Manager

By the time you read this we should be in warmer weather and thinking about pulling the planters out and getting them ready for the planting season. With that said, you all know that planter tires sitting all winter could be flat from stubble damage. This year we have a new alternative to the stubble trouble. Titan/Goodyear has tested a new tire that is being built with Kevlar belting in the tread and is a 16-ply tire with 4 layers of Kevlar. This new tire is the way to go and not that much higher than a poly-belted tire.

If you have a new planter this year and the tires that are on it are factory standard tires, give us a call and we can trade you into a new set of these bullet-proof tires.

If you have old tires on your planter and you are having trouble with stubble, yet they are going to last a while before they need replacing, bring them in and we will pump a tire sealant called Amerseal into them which will cost you about \$0.55/ounce. You will not have near the trouble during the season with flat tires caused by corn or bean stubble. The sealer rolls around in the tire and seals any punctures, and it works great.

Sealers such as these are made for low-speed applications and not recommended for high-speed applications such as a car or pickup tire. You should never use a sealer in any wheel that has a sensor in it; if you do, you will ruin the sensor which has an average value of about \$50.00 depending on the vehicle.

We at the coop are also stocking a new tire/wheel assembly that is airless for your center pivot called the Mach II. This new tire/wheel assembly is a new alternative to a rubber tire and will not go flat in the field. This new assembly, I feel, is a great idea if you are tired of replacing tires or are sick of flat tires. In my opinion it will not pull through the mud like a tire. The tire we like to sell and that has worked for years is the Titan tire with a 45-degree bar. This tire is the #1 tire used by the pivot manufacturers. We also stock the wheels to go with the tires for your center pivot in 10x24, 12x24 and 10x38. If you need to upsize or downsize a tire, give us a call and we will help you with this project. We will also come to the field to replace the tire on the pivot for you so you don't have to unbolt the assembly and bring it in. We will again be offering pivot tire inspections this spring. This service has worked well for years. For \$25.00 a pivot we will come to the field and inspect the tire to make sure it will last the growing season, as well as air up the tires on the pivot for you. If a tire needs replaced or repaired, we will fix or replace the tire and bill you for the tire or the tube or the repair that we performed on the pivot. This service ensures you that your tires will last through the growing season. If you would like us to perform this service, give us a call at any of our tire centers and we will get you on the books for service.

Give us a call today if we can help you with your tire repair or replacement needs.

*Thank you for your support and see you next time.*



Brent Colgrove

*“.. You should never use a sealer in any wheel that has a sensor”*

## Irrigation motor incentives are back again

Because they have been so successful the past two years, NPERC & NePERC are offering incentives for new propane-powered irrigation motors again this year. The NPERC incentive is \$400.00 per liter on the size of the motor, and NePERC is offering an additional \$750.00 flat incentive regardless of the motor size. With propane prices at very low levels, it is definitely worth your time to look into the savings available.

To do a fuel cost comparison, go to [www.propane.com](http://www.propane.com), then click on the Agriculture tab. About one-third of the way down is a cost calculator for propane versus diesel. It is a very useful tool in that it will let you put in actual usage and costs like horsepower needed, hours of use, cost of motors, and cost of fuels. Remember to deduct the above incentives when putting in the cost of the propane motor.

For more information on the incentives, you can contact Lynne Schuller with the Nebraska Propane Gas Association at 402-475-3996.

**PROpane IRRIGATION ENGINE CALCULATOR**

Horsepower Required: 100

Hours of Usage per Year: 750

Propane Engine Purchase Amount: \$10,000

Diesel Engine Purchase Amount: \$10,000

Price per Gallon: \$0.95 (Propane), \$1.38 (Diesel)

PROpane FUEL SAVINGS: \$2,911

TOTAL SAVINGS USING PROpane: \$14,555

# Anatomy of a Balance Sheet



Brian Bohling

By Brian Bohling, Controller

The accounting balance sheet is one of the major financial statements used by accountants and business owners. The other major financial statements are the statement of savings (income statement), statement of cash flows, and statement of members' equity. The balance sheet is also referred to as the statement of financial position, which most of you prepared or reviewed while completing your 2014 income taxes.

A balance sheet shows the financial position at the end of a specific date, in other words a "snapshot" of the financial position at a point (a moment or an instant) in time. For example Farmers Cooperative's fiscal year ends August 31. The balance sheet reflects that instant when all the transactions through August 31 have been recorded.

The structure of a balance sheet is comprised of assets, liabilities, and equity. The first section gives a detailed list of a company's assets, including long-term assets (such as real estate and machinery), current assets (anything that can easily be converted to cash in less than a year), and cash. The second section goes over the company's liabilities, or what it owes others – creditors, suppliers, employees, etc. This is always an important section for patrons/investors to read because even the most stable of companies will face problems if it has an unusually high amount of debt on its books (especially if it has to pay it back

sooner rather than later). The third section outlines members' equity, and provides information on stock, deferred equity and retained savings.

The relationship of these items is expressed in the fundamental balance sheet equation:

$$\text{Assets} = \text{Liabilities} + \text{Equity}$$

The term *balance* means that the sum of the entity's assets must equal (balance) the sum of its liabilities and members' equity. This holds true regardless of whether the company's financial position is good, or poor. Analysts evaluate the "health" of the company's financial position not by the overall magnitude of the assets number, or its balancing counterparts, but rather by the relationships between numbers on the sheet.

A key financial metric which measures both a company's efficiency and its short-term financial health is working capital. Working capital is calculated as:

## Current Assets – Current Liabilities

Working capital management ensures a company has sufficient cash flow in order to meet its short-term debt obligations and operating expenses. Farmers Cooperative had working capital of \$62 million on August 31, 2014.



## PROPANE NEWS

# Budget Billing For House Propane Customers



Rob Blahauvitz

By Rob Blahauvitz, Credit Department Manager

Are you interested in a budget-billing program for your purchases of house propane? This would allow you to make 11 equal monthly payments throughout the year instead of making large payments in the winter months.

Together we will estimate your total house propane purchases for the upcoming 2015-2016 season. Then we will divide that figure by 11 and set up monthly payments starting in June 2015. Settlement date will be in April 2016 when we will settle your account by payment or refund and/or adjust your payments for the next year.

Whether or not you go on the budget program or one of our other contracts, you can still be on a "keep full" basis. This will avoid the possibility of

you running out of propane. The number one reason for propane-related accidents is when your tank runs out of propane. If this occurs, a leak test is required which will cost you an additional fee and possibly an after hours fee as well. If you want to be on "keep full", please contact our propane order department at 800-473-4579.

If you were on the budget program this past season, we will automatically send new contracts to you. There is no need to contact the office to be on it this year.

If you are interested in the budget program, you must contact Rob Blahauvitz in the Dorchester office by April 30, 2015 at 800-642-6439. If you do not go on this program, you will be required to pay according to our normal credit terms.

Call 800-473-4579  
For All Of Your Propane Needs

# 2014 was a Big Crop... Sell into Market Rallies



Dale Hayek

By Dale Hayek, Grain Manager

It's the end of February and the bulls in the market are still looking for something to grab onto. There has been minimal opportunity in the corn market so basis had continued to do some work to get ownership and our domestic demand served. Seems lately corn

has been catching a ride with the wheat or soybeans, but can't stand on its own. The strong US dollar has been a negative for exports also. The local ethanol markets are all moving along steadily and are still positive margins on spot markets. However, locking up deferred profits continues to be a challenge for them.

Soybean exports are winding down with China's demand being fed from South America. We have seen some rallies due to noise in the market like South American truck lines, US and SA port strikes, etc. Local processors will more than likely be the market for the remainder of the year, and with a carryout of soybeans this year, (unlike recent years) they won't be too nervous about where their ownership will come from.

Resolving the port strikes on the west coast has finally freed up some congestion for exports, especially container business. The BNSF has finally been running effectively. Due partly to a milder winter in the west and manageable grain shipments to execute. Aside from the soybean programs off the PNW (Pacific Northwest), export wheat and corn have been pretty much non-existent off the PNW and Gulf Ports. There is no doubt the accelerated spending on the BNSF and UP has reaped benefits for their business as of late. The UP has allocated approximately \$4.1 billion dollars in 2015 and the BNSF has allocated over \$6.0 billion dollars. Also, all US rail expenditures for 2015 are \$29 billion, which is one of the largest rail budgets overall.

Milo continues to be a premium due to tariffs in China on corn. DDGs and Milo aren't subject to import tariffs, so they prove to be a replacement for corn in China. Whether this continues into the fall remains to be seen. Texas acres will definitely be up as they will harvest in our summer months and take advantage of the premiums.

Operationally, we have been shipping aggressively since harvest. Our piles were picked up sooner than normal, plus we have seen the benefits of building additional storage throughout the company. Even with the weather issues last year, our fall handle was a record due to the fact of being empty going into harvest, and the harvest being long. With the additional storage we are building this year, we are on the right track to handle a large 2015 harvest.

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*We have free delayed pricing on corn, milo, and soybeans until September 30, 2015 at all our facilities.*

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Plymouth will undergo a huge rail load-out upgrade starting in late summer and going into the beginning of harvest. The timing will be a challenge for us, but it is definitely needed to continue to load-out grain for the time restrictions needed by the railroad. We will be in contact with Plymouth area farmers in the future to

further explain the upgrade.

We have definitely put a lot of pressure on our UP loaders in Plymouth, Jansen, and Hanover the last few years, and with the addition of the previous Southeast NE Co-op branches, that will only increase.

We have free delayed pricing on corn, milo, and soybeans until September 30, 2015 at all our facilities. If you are not pulling loads out or moving farm stored bushels, make sure you are checking your bins. I feel like a preacher saying this every year, but no one likes the cost of damaged bushels. Unlike recent years, 2014 was a large crop and we are facing a carryout this year in which demand is currently stagnant. Don't be too proud of your bushels, ....reward board rallies and sell.

# Rolling up your sleeves to ‘Get-R-Done’

By Dennis Kenning,  
Sales and Marketing Manager

Almost everyone knows the comedian, Larry the Cable Guy. Larry Whitney grew up on a pig farm, near Pawnee City, Nebraska. Larry developed that famous slogan, ‘Get-R-Done’, in reference to getting a job done. As a comedian, you may or may not like his brand of comedy. I do respect “Larry the Cable Guy” for the good service work he is doing with his charity, Get-R-Done Foundation. This Foundation has helped children in many ways such as hospital rehabilitation, brain cancer research, and childhood vaccines. Through his Foundation he has demonstrated his commitment to community and his ‘Get-R-Done’ attitude in helping others.

Every community has needs that are supported through donation activities. Sometimes it can be a contest of which group or business can donate the most dollars. At times it may seem like the project itself gets lost in the shuffle of raising money as people or organizations sometimes brag about what they are giving financially to the project. While raising money for projects is important, supporting the community goes beyond that. Maybe a far greater giving is the gift of time, labor, or energy to help others. Farmers Cooperative tries to take the approach that support is not just about funding, but also about community service work. When I interviewed for my position at Farmers Cooperative, I was impressed that this company wants and expects employees to be involved in community. It’s about giving back to the community in which we live. Farmers Cooperative supports communities through grants, donations, labor, and people that want to make a difference. It’s about *rolling up your sleeves to ‘Get-R-Done’* in order to better your community.

Farmers Cooperative is investing in communities through a wide variety of ways. I would split our donation program into three different areas. The first would be supporting youth, especially in the area of agriculture. This includes our involvement primarily with 4-H, FFA, and county fairs. The reason for our involvement is pretty simple; we really believe these kids represent our future patrons, employees, and leaders.



At our Producer meeting, Lewiston FFA Chapter presents a program on the Importance of Fertilizers. Lewiston FFA earned a chapter improvement grant through our donation to the Nebraska FFA Foundation. Nebraska FFA members and chapters will be honored for their accomplishments at the 87th Nebraska State FFA Convention held April 8-10, 2015. The convention will be at Pinnacle Bank Arena and the University of Nebraska-Lincoln East Campus. Best of luck to all our area FFA Chapters.

We try to help 4-H in a variety of ways such as support to the Nebraska 4-H Foundation, UNL Extension, and the Nebraska State Fair. Several of our employees have helped by serving as club leaders, or helping with club projects.

This past year we made a strong push to support Agricultural Education and the FFA. Thanks to our supplier partners, Land O’Lakes, and CoBank, we have contributed \$15,000 to the Nebraska FFA Foundation. This support helps the Nebraska FFA Association with the Chapter Officer Leadership Training program, the Nebraska State Fair, State FFA Convention, and a new local chapter grant program. This local chapter grant program has already provided funds to 3 local chapters in our area. We have helped to start a new Agricultural Education program at Auburn. We provided funding for the Lewiston FFA Chapter to update equipment, and curriculum. We supported the Syracuse FFA in attending an educational trip to learn more about the livestock industry. Through the Nebraska FFA Foundation we have supported the State FFA Convention as well. Farmers Cooperative is the sponsor for the Agricultural Sales contest, while also supporting the Ag Career Show. We also support the state FFA Convention by providing judges for contests, and workers at the career show. Farmers Cooperative is helping Youth in Agriculture by *rolling up our sleeves to ‘Get-R-Done’*.

Another facet of supporting Ag Youth is our involvement with county fairs. We

continue to donate to county fair activities such as the livestock auction or trophy sponsorship. At many of the county fairs we go well beyond the cash donation. For example, I see the hard work of Farmers Cooperative at the Jefferson County Fair where Kevin Wittler, Feed Department Manager, serves as the swine superintendent for the fair. Kevin brings in an entire crew to weigh, scan, and mark swine before the show. Other employees will help with other shows in the Junior Fair Division. I know you will find Mike Stephens helping with the Dairy Show. Mike will be lining up the classes and recording results. Our Jansen Branch Manager, Rolan Knust, will put together a breakfast for all Junior fair exhibitors. I know you will find this high level of involvement from Farmers Cooperative employees at other county fairs. Farmers Cooperative is supporting county fairs by *rolling up our sleeves to ‘Get-R-Done’*.

The second area of support is our Hunger Program. Farmers Cooperative takes a great deal of pride in helping those people less fortunate that have a basic need for food. Our Hunger Program includes supporting local food pantries, and school back-pack programs. We support these programs through our company Christmas party with our Board of Directors, Mr. Velder and employees, who all contribute money for this project. Once again our partners, Cenex Foundation, Land O’Lakes Foundation, and the “Invest an Acre” program through the Howard Buffet Foundation, join forces with us to combat hunger. In 2015 we expect to



Monty Johnson, Beatrice Grain Terminal Manager, presents a check to the Beatrice Fire Department.

Our third area of support is to our local fire departments. Almost all of these departments operate, serve, and protect through volunteer membership. We count on these volunteer fire fighters to protect us. Many of our employees serve on these fire departments. It only makes sense for us to support our fire fighters because they protect our homes, property, and businesses. Farmers Cooperative has been supporting fire departments for several years, by helping purchase equipment and providing training. We have provided funds for gas monitors and grain engulfment equipment. Furthermore, we have provided the training and procedures on how to use this equipment. Providing this fire department training is another way that Farmers Cooperative is *rolling up our sleeves to 'Get-R-Done'*.

I am very proud to work for a company that has this very strong commitment to community service and truly cares about people. It's not always about funding projects. Sometimes it's about giving up one of the most precious resources we have while on earth, time. God willing, Farmers Cooperative will continue to provide community support and help people in need. As Larry the Cable Guy would say, let's work together to 'Get-R-Done'.

Farmers Cooperative made a check presentation to "Creating Captains" at Tri-County High School. Pictured are Farmers Cooperative employees with their children and Matt Davison.

raise over \$30,000 which will be used to help 12 local food banks in an 11 county area.

Another part of our Hunger Program is the School Back-Pack Program. Often this program provides children from low-income families the opportunity to take food home for the weekend. This year we were able to double the impact of our gift through the "Creating Captains" Program, a Foundation developed by former NU football player, Matt Davison, to combat child hunger utilizing the School Back-Pack Programs. The Davison Foundation matched Farmers Cooperative and Land O'Lakes funds, dollar for dollar. This provided a total of \$20,000 that will serve all rural schools in Southeast Nebraska. Twenty seven schools will be served through this project. At this time, Farmers Cooperative is the largest corporate

donor to the project.

I would like to thank our C-stores employees, store managers, and Robin Hahn, C-stores Manager, who collected funds for children in need this past Christmas. Through our Husker Sports Ball Raffle our six C-stores raised over \$3,500 to help kids. This program provided 1 Christmas toy and a warm winter coat for children from low-income families. Farmers Cooperative handled all the expenses associated with this promotion, including the purchase of autographed items.

In 2015, our Hunger Programs and helping children in need C-store project should raise over \$54,000. Farmers Cooperative is helping people less fortunate, by *rolling up our sleeves to 'Get-R-Done'*.

## INVESTING IN YOUR SUCCESS



Farmers Cooperative's Agronomy staff has been busy this winter completing training for the upcoming season.



# “Enough is Enough Already!”



Chris Foree

By Chris Foree, The Oil Guy

As the youngest of four brothers, I got quite an education. We all worked in my dad’s tire shop from early ages. At the end of a long, dirty, hot summer day at the shop, my mom would fix up a big meal for all of us. Mom made the best gooey brownies in the world; with Texas sheet cake fudge for icing. My folks demanded proper table manners, making the anticipation unbearable on those nights we could smell brownies. When at last that aluminum cake pan made its way to the table, hungry boys couldn’t help but celebrate with a little foolishness. We all did what we could,

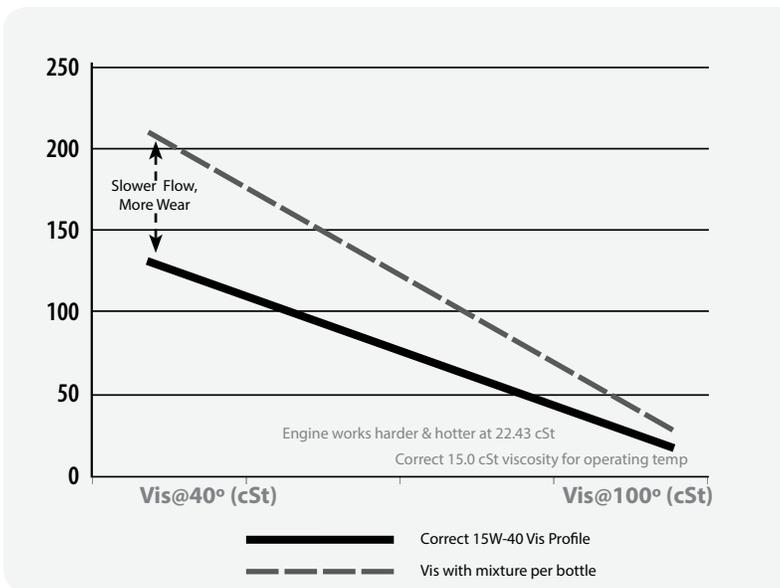
within the bounds of my dad’s very strict tolerances, to get a rise out of the ladies at the table. If one of us could get my sisters or Mom laughing (without getting killed for poor table manners), it was an acknowledged victory.

I won’t forget the polished crudeness of one of my older brothers. His favorite stunt was to stuff one of Mom’s famous fudge brownies in his mouth, then open wide and squirt Hershey’s syrup right on top of the whole chewy mess. I guess he thought there was no such thing as too much chocolate. I think he had a special “in” with Dad, because I could never get away with such antics. Anyway, when he’d open his gooey maw at my sisters, it would make them squeal, to the delight of every male at the table--save one. “Enough is enough already!” Dad would snap. Back home we didn’t have the “high five” in those days, or we surely would have slapped hands... much later, in a place far, far away; out of earshot of the Old Man.

My brother’s performance art with chocolate syrup sort of illustrates

a thought about after-market oil treatments. You’re right, this isn’t the first time I’ve written about this; but the “miracle motor syrup” makers keep advertising and slapping stickers on race cars, and our patrons keep asking us what the truth is. We are here to serve our owners, so we’ve done a little experimenting to see if we can find some solid answers.

My old friend Larry Williams, innovator of several lubricant formulas we offer at Farmers Cooperative today, compares the process of manufacturing high-quality lubricants to baking. “It’s like baking a cake,” he’ll say. “Every cook has a little bit different recipe, every kitchen has its own utensils and appliances, and you have to follow carefully the rules of cooking in order to produce consistently good cake.” Diesel engine oil of sufficient quality to achieve licensing from the American Petroleum Institute (API) is a precise balance of base oils, additives, and viscosity index improvers; carefully blended at pre-determined speeds



The line graph to the left illustrates that a mixture (as recommended on the bottle) of a specific after-market oil additive, dramatically changes the viscosity profile of 15W-40 diesel engine oil. The black line is normal for SAE 15W-40; the gray line shows the viscosity of the mixture of the original oil and the after-market additive. Note that the altered viscosity is extremely high at rest (up to 200 centistokes @ 40°C, rather than 100-130 as is average for SAE 15W-40 oils we tested), and remains 25-30% out-of-range at operating temp (averaging over 20 centistokes at 100°C, rather than around 15 as is correct for SAE 15W-40).

and “baked” at the right temperatures and pressures. The best oils (called *premium*) endure rigorous bench tests in real engines, proving they can perform up to established standards, right out of the bottle. Anything you add “after the cake is baked” changes the recipe; and doesn’t mix right, since it wasn’t added during the “cooking” process. No wonder the “cook” is offended. It’s sort of like pouring chocolate syrup in your mouth after you’ve started chewing up Mom’s signature brownies...which my sisters thought was gross...

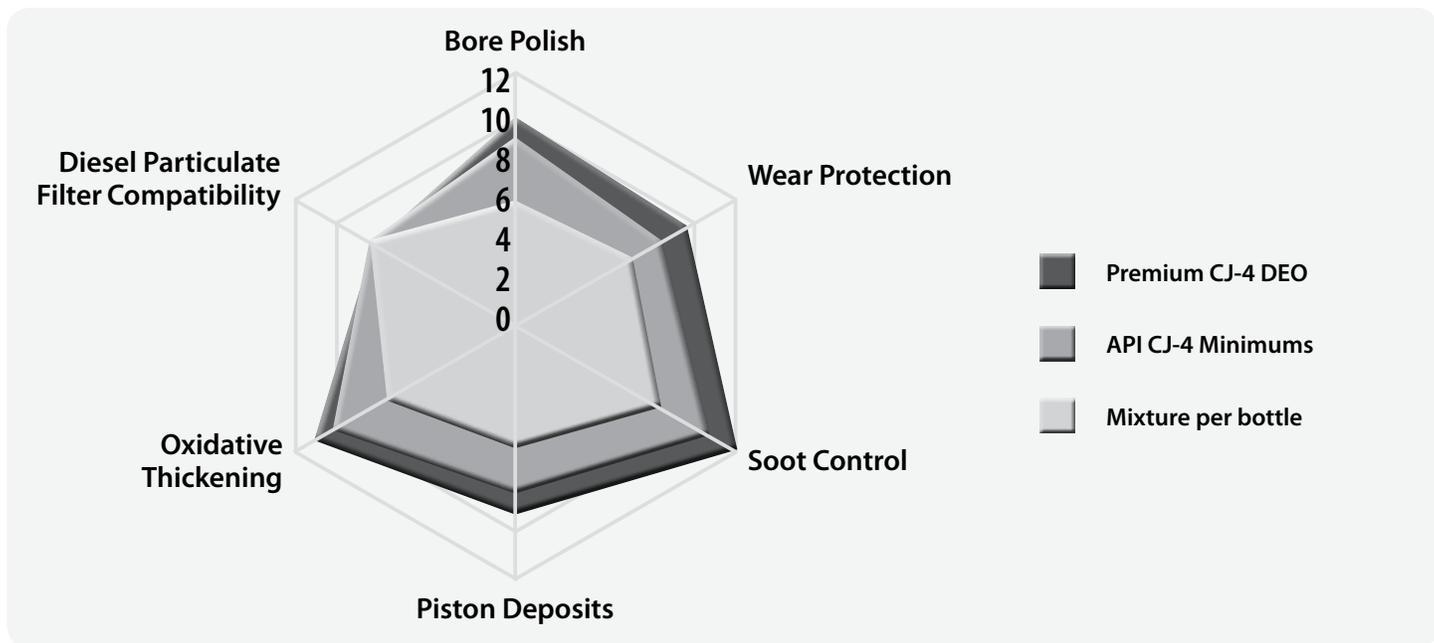
Oil treatment makers encourage the consumer to squirt a bottle of “syrup” on top of the oil in the crankcase, then fire up the engine to “chew up the whole gooey mess.” Well, what are these treatments made of? How do their makers know what the original oil chemistry is, and how those elements will react under heat and pressure? Once you’ve stirred in some other stuff

with your engine oil, does the altered recipe still meet the performance standards for the API category and engine manufacturer’s approvals listed in your owner’s manual? If your engine fails, who is on the hook for warranty? If something breaks, who pays?

To find out the chemical consequences of “adding extra syrup,” we followed the instructions on the bottle, mixing a popular brand of oil treatment with several well-known diesel engine oils. This product claims to improve oil performance in just about every way imaginable, in any machine; mixed with any kind of engine oil, transmission fluid, or gear lube. Each mixture was placed in a labeled sample container and sent to a certified independent laboratory for a complete oil analysis. Undiluted samples of each brand of oil were also tested for chemical content and physical characteristics, along with a neat sample of the oil treatment,

as controls. The resulting averaged data for altered viscosity and reduced additive package are illustrated by the two graphs shown. This should give you an idea about who pays if something breaks.

If you’re willing to buy a few oil sample kits, you can try this little experiment in the kitchen at home, then send in the samples and wait for the mailman to deliver the lab reports. Mix up a pan of brownies while you’re at it. Just remember nobody makes brownies like Mom. And for all the brands of chocolate syrup on the grocer’s shelves, for my money, Mom’s brownies were best just the way she made them. Maybe the guys who make oil treatments have a sense of humor like my brother’s. Thinking back, I know Dad was right to correct us...about many things. Before you could pull a stunt with the miracle motor syrup, I think he’d snap, “enough is enough already!”



The radar graph above shows what happens to the levels of the additives required for diesel engine oil to meet performance standards. The large white area of the “home plate” represents the greater area of protection offered by a premium lubricant. The middle-sized dark gray area represents the area of protection guaranteed by diesel engine oil that meets the minimum level of performance required to meet API CJ-4 (the current specification required by most engine manufacturers). The smallest medium-gray area shows the severely-reduced level of additive protection remaining after dilution with after-market additive at the recommended rate.

# Opportunity Knocks



Tom Garner

By Tom Garner, Energy Manager

Frequent readers of my columns in Farmers' Cooperative newsletters may remember me saying on several occasions that there are always opportunities; it's recognizing them that's the hard part. There has recently been what I consider to be a great opportunity in the energies for calendar year 2015. Gas and diesel were both

under \$2.00 and propane was under \$1.00 for a time this winter, presenting a great opportunity to not only fill your storage tanks, but to contract usage for the coming months. Many of you took advantage of this opportunity. For those of you who have not, the opportunity still exists although not to the degree that it did earlier. The market has rebounded some recently but you may still be able to lock in farm diesel for around \$1.00 less than last year at this time.

The reasons for the large drop in prices are many and varied but nearly all of them relate to the new crude oil production in the United States. Technology and the newly-discovered shale formations are allowing for the U.S. to break crude oil production records every year. Obviously OPEC sees that as a threat and it appears that they are addressing it by leaving their production unchanged with the thought that cheap oil may curtail some of the

production or at least some of the exploration for new production as the U.S. production is much more expensive than their production. Recently, the number of rigs looking for new sources of oil has fallen over 15% since the drop in oil prices. So while production is not suffering yet, less exploration will at least bring into question future production.

From an inventory standpoint, we are very well supplied with not only crude oil, but the energy products as well. For the week ending February 20th crude inventories were 72 Mb over last year,

diesel inventories 11.5 Mb above last year, gasoline 9.5 Mb above and propane inventories nearly 33 Mb more than last year according to the DOE in their weekly U.S. inventory report. The inventories lead one to believe that the opportunity may be here for a while, but before you get too complacent let me share with you a statistic that I read a few weeks ago.

Crude oil has lost 50% of its value 5 times since 1980; all 5 times it regained at least everything it lost within 6 months! Does that mean it absolutely will? Not necessarily, but the odds are good that history will repeat itself. If you have not contracted your energy needs for this year or need to add coverage, give any of your local branches a call for up-to-date contract prices.

Opportunity may indeed knock more than once, or it may not knock at all. We all need to be ready to recognize it when it does.

*“Opportunity may indeed knock more than once, or it may not knock at all.”*

## LADIES' NIGHT OUT!



### Farmers Cooperative Invites You To Our 2015 Ladies' Night Out Thursday, April 9, 2015



Kathy Peterson



*At the age of five, Kathy was an aspiring speaker. She spoke to anyone who would listen (mostly dolls and stuffed animals) from behind a piano bench 'podium'.*

*Kathy founded PeopleWorks, a speaking and training consulting business in 1998.*

*Although Kathy has enjoyed much success over the years, she has been fired from one job — she's no longer allowed to drive her husband's tractor!*

*Kathy and her husband have four children, and are proud to be the fifth generation to live and work on their family farm near Storm Lake, Iowa.*

*We know you'll enjoy Kathy, one of the most sought-after speakers in the Midwest!*

4-H Building—13th & Tuxedo Road  
Saline County Fairgrounds—Crete, Nebraska  
Doors open at 5:15 - Evening begins at 6:15

Dinner - Door Prizes - Entertainment

Reservations required, and space is limited.

RSVP to Sherri by March 27th  
sharre@farmersco-operative.com  
Or call 800/642-6439

Music will be provided by Jimmy Steinauer,  
acoustical guitarist and musician

*Jimmy graduated from Seward High and is currently a junior at UNL. He plays guitar, banjo, and harmonica. Jimmy composes many of the songs he performs. He specializes in classic rock, gospel, and country. He released his first CD of original compositions in 2014.*

# Safety is more than our Action it's our Behavior



Tom Hermance

By Tom Hermance, Human Resources and Safety Director

As patrons and owners of Farmers Cooperative, you can take great pride in the many successes that your Cooperative has experienced over the years. A piece of Farmers Cooperative machine that you can take the greatest pride in is the employees. We put great value in the employee group of Farmers Cooperative and have painstakingly

worked on creating a safe working environment for our employees and our customers.

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*"...we want our employees to be able to deliver product, and service your needs in the safest manner possible"*

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With that being said, we want our employees to be able to deliver product, and service your needs in the safest manner possible. When our fuel and propane delivery employee services your energy needs, is there a clean, open path to make the delivery? Are all the guards and protection devices in place on irrigation engines? Is there a clean, open, and flat working area around your fuel storage area in order for the employee to walk and climb safely? For our feed delivery employees is the ice and snow removed from the feed storage bins

and are the ladders safe and securely fastened to the storage bin? Is the farm security system, also known as the farm dog and small children that he loves, out of harm's way when the trucks pull in to the yard? These are only a few of the items to look for when you assess the possible hazards on your farm.



And last but far from least, it is a part of the Farmers Cooperative culture and behavior to be of the utmost respectful and courteous to our customers. The employees of Farmers Cooperative are very well trained and committed to servicing our patrons. Show them the respect that they deserve with a thank you. Two simple words that will speak volumes in an employee's day.

## FEED DEPARTMENT

# Spring Nutritional Requirements



Kevin Wittler

By Kevin Wittler,  
Feed Department  
Manager

As of this writing we are in the cold grasp of winter but also realize spring is just around the corner.

Your Cooperative will once again be offering your Spring Mineral and Creep Feed Booking Program. Contracting at reduced prices will be offered while supplies last or through April 30, 2015 with a pull period through September 30th 2015. Spring Mag, Breeder, and Fly Control Minerals will be offered in either bagged, loose, or cooked molasses tubs, whichever meets the needs of your particular

operation. Please watch for notification of the upcoming Spring Cattle Mineral and Creep Feed meetings and take advantage of the savings.

For many producers, spring calving has been well under way and we are in a stage of production that requires additional mineral supplementation. A cow's requirement for phosphorus has increased and is high pre-calving through breeding. Calcium is required in high amounts as the cow progresses through her lactation stage. Calcium along with magnesium supplementation help to prevent grass tetany as we approach the early grazing season. Additional minerals and vitamins are critical to high fertility and fetal development and are essential for the immune system. The roles minerals play are numerous, and essential for optimum productive performance. Please keep the

nutritional needs of your stock cows in mind as we move into spring.

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*Be sure to contact your Beef Specialist or nearest Farmers Cooperative location and take advantage of the savings to be offered through April 30th on your mineral needs.*

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New calves hitting the ground also means that spring calf creep feed season is just around the corner. As of this writing, we are in need of spring moisture. Creep feed supplementation can take some pressure off both your pastures and momma cows. With calf prices predicted to remain high, each additional pound of gain this year is certain to pay substantial dividends. Please watch for Your Cooperative's Spring Calf Creep Feed Booking to be out soon and capture the savings offered.

*We wish everyone a safe and successful season and sincerely appreciate and THANK YOU for your business.*



**Farmers Cooperative**  
**208 West Depot**  
**Dorchester, NE 68343**

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 be updated on new photos and company news.  
<http://www.facebook.com/FarmersCooperative>

**YOUNG MEMBER RETREAT**

# Farmers Cooperative Conducts Young Member Retreat

Farmers Cooperative conducted its Young Member Retreat on Saturday, January 17th, at the Cornhusker Marriott in Lincoln, Nebraska. Thirty Six young men and women attended the event. Participants were from all parts of the trade area. Attendees learned about the cooperative system, heard department overviews and reports, and were provided information about Farmers Cooperative. The meeting also included a question and answer session. The group toured Memorial Stadium and Tom Osborne Field on the campus of UNL. Attendees were treated to a Stars hockey game to conclude the event. We had a super group of young people for the event. We would like to say a special thank you to all of our participants.

