FARMERS COOPERATIVE ELEVATOR COMPANY
106 E. SOUTH AVENUE
P.O.BOX 340
CHENEY, KANSAS 67025

GARD'N WISE

Troy Simmons

AUGUST

If you plan on planting a new fescue lawn this fall, you will need to eradicate everything that is currently growing in your lawn. This will ensure that all weeds and unwanted grasses will be gone. If you have Bermuda grass in your lawn, you will need to spray it at least three times to get effective control of this aggressive grass. I recommend Hi-Yield Killzall; it has the same ingredient as Round Up at a less expensive price.

SEPTEMBER

September is the best time of year to plant fescue grass seed. Planting in the fall allows the grass to take advantage of two cool growing seasons before the heat of the summer kicks in next year. Don't put all the effort to planting a new lawn and use cheap seed. Cheap seed is full of weed seeds and other crop that will only cause you headaches in the future. Gard'n-Wise Premium Fescue is the cleanest and best seed available. According to KSU, if you can only afford to fertilize your fescue one time of year, it is now. The next best time is in November. Fertilizing this time of year helps the grass thicken up and green up earlier in the spring.

Weed Resistance | Harvest Updates | Dangers of Aflatoxin

Farmers Cooperative Elevator Company

PARTNERS IN PRODUCTION

Quarter Three | 2013

Trends in Agriculture

Facilities today need to be updated to keep pace with the growing trend of bigger and more productive farming. The expansion projects at Anness and Varner, pictured here, helped Farmers Cooperative meet the needs of its patrons during this year's harvest. Read about more trends inside this issue.

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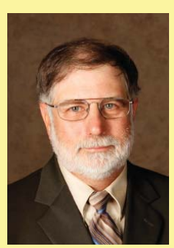

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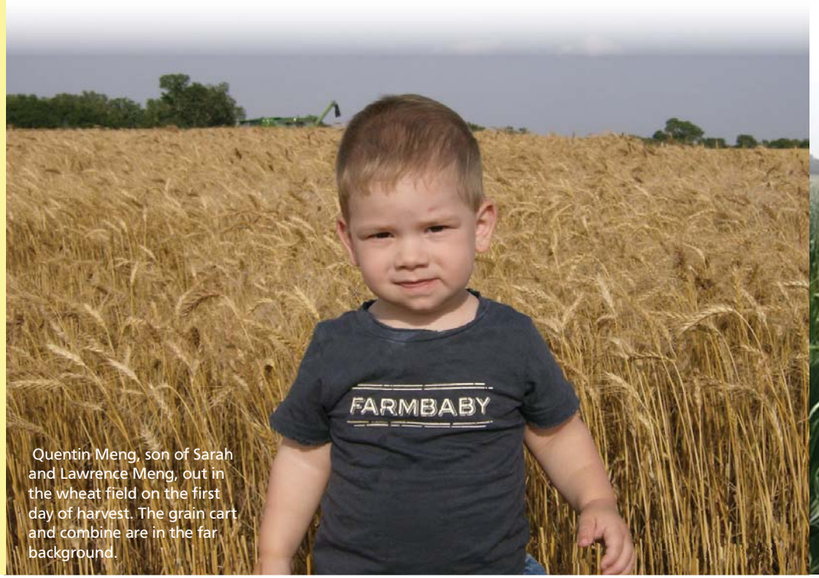
"OUR MISSION IS TO BE A PROFITABLE, QUALITY SUPPLIER OF AGRICULTURAL PRODUCTS & SERVICES"



Quentin Meng, son of Sarah and Lawrence Meng, out in the wheat field on the first day of harvest. The grain cart and combine are in the far background.

WHAT'S NEXT IN SEED TECHNOLOGY?

Doug Scheer

Since the turn of the century, we have seen dramatic changes in seed technology and genetic traits. Advancements in biotechnology have allowed us to enjoy benefits of both herbicide and insect resistant crops. More recently, we have also seen the first genetically modified trait to focus specifically on higher yielding soybeans, which deals more specifically on exact gene placement rather than an actual gene itself. Now we will again see two more advancements in crop genetics. Monsanto released its new "DroughtGard" corn earlier this spring to the public market and is gearing up for a new Dicamba tolerant soybean release in 2014 or 2015.

Development of the DroughtGard hybrids began with selecting varieties that exhibited natural drought resistance as well as top end yields under good conditions. These select hybrids were then introduced with the "drought gene," which in a nutshell, helps regulate the water movement and allocation within the plant. During periods of drought stress, the corn now has the ability to slow the rate of water movement within the plant allowing the crop to preserve valuable soil moisture enabling it to survive and wait longer for the next rain event. This ability to slow down water utilization has been coined with the term "hydroefficiency." On the flip side, genetic hybrids are also selected on top end genetics enabling top yields even when conditions are good for corn production. It is important to remember that DroughtGard corn is NOT corn that can survive without water, but rather it is a valuable tool that allows some yield protection during periods of drought.

Other seed companies have released their own version of drought tolerance, but it needs to be made clear that they are not the same thing. Pioneer's "Aquamax" and Syngenta's "Artesian" have been genetically selected to be more drought tolerant than some of their other hybrids, but do NOT have any genetic modifications or insertions to them and therefore did not require USDA approval before being released to the public market.

As for soybeans, the next major biotechnology event was originally scheduled for launch in spring 2014, but realistically it looks more like 2015 due to some setbacks occurred during the USDA approval process. Monsanto has developed yet another herbicide tolerant trait for soybeans to follow up their latest biotech advancement Roundup Ready 2 Yield that focused specifically on increasing overall yield. The release of "Roundup Ready Xtend" soybeans will feature soybeans that are resistant to the herbicide Dicamba, enabling better control of some Roundup resistant and tough to kill broadleaf weeds. Along with the launch of the Dicamba tolerant beans, Monsanto is also set to release a new, very low volatile form of Dicamba to prevent injury to neighboring fields or non-target plants.

Although these new advancements in crop genetics add to a long list of biotech traits that we have seen over the past several years, both bring substantial value to your farming operation. In addition, many more advancements are in the pipeline not only with Monsanto but with several other companies as well. As we take a look back and see how far we have come in the last 15 years, we wonder where will we be in another 15?

Picture taken July 8, 2013 in 100 degree temperatures after a period of three weeks without rain. DroughtGard hybrid on left shows less "leaf curl" and stress than hybrid on the right.

Farmers Cooperative Elevator Company

1-800-525-7490
316-542-0463 (fax)

Location Phone Numbers

Anness: call Clonmel

Belmont: 620-297-3911

Cheney: 316-542-3181
1-800-525-7490

Main Office: 316-542-3182

TBA: 316-542-3381

Clonmel: 620-545-7138

Garden Plain: 316-535-2221
1-800-200-2122

GP Feed Store: 316-535-2291

Grain Market: 316-531-2681

Kingman: 620-532-2662

Murdock: call Cheney

Norwich: 620-478-2272

Pretty Prairie & Varner: 620-459-6513

Rago: call Belmont

SEEKING PHOTOGRAPHS

Do you have a great photograph that you would like to share with *Partners in Production*? We are looking for photographs to feature in upcoming issues. Photographs can be of your operation, a great farming moment captured on film, a stunning landscape, animals in nature, or anything that relates to agriculture, production, or our beautiful area. Submit photos to emilykerschen@hotmail.com, and we might just feature your picture in a future issue.

Wit and wisdom from the Feedstore: The only difference between a rut and a grave is the depth.

Harvest Recap and Overview

Brad Scheer

Once again we were blessed with an incredible wheat harvest just as last year. We are very fortunate to have been able to have such a wonderful crop to harvest. You don't have to travel too far south of the Kansas border or too far west of our trade territory before you could see the effects of either the extended drought or the late freezes that hit the area. We were just shy of last year's total wheat receipts by a mere 45,123 bushel with total receipts of 6,409,430 bushel of wheat for all locations. However, this year we also took in 71,178 bushel of canola to bring us to a grand total of 6,480,908 bushel for all crops. That actually puts us ahead of last year's receipts by 26,354 bushel. A breakdown of total bushels by location is presented in the chart below.

It's interesting to see how the average bushel per load varies by location. A lot of that, of course, has to do with the size of the farming operations in that area. The further west you go, the larger the operations, which of course means larger machinery and equipment. If you look at just wheat, Kingman has the largest bushel per load average at 668.98, and Garden Plain has the smallest at 445.94, a difference of over 220.00 bushel per load. With the continued increase in the suburban sprawl from our eastern territory, we need to focus on how we can continue to accommodate producers that are increasing the size of their operations to the west. We started that process this past year with increased capacity and receiving speed at two of our locations, Varner and Anness. The board of directors' and management's goal is to continue to look at where those improvements are needed the most and make those decisions based off that locations future needs. There a lot of factors that go into making the decisions, one of those which addresses where we have the most opportunity to grow our business. These decisions are never easy but are important to the future of our company and its ability to adapt and grow as do our producers and their farming operations.

At this point, most have done divisions on all their accounts they delivered wheat under. If you have not yet verified your tickets and divided out bushels, please call in and do so. I have also been receiving a lot of calls on different marketing options. The one I have been getting calls on the most are Call Options. If you are interested in looking at different marketing options, please don't hesitate to call. Don't forget about deferred payment options for your wheat as well. If you want to defer any payments until another year due to tax purposes, we can do that as well. Currently we are paying 1.25% interest on those dollars being deferred. Again, this is another great tool we provide at no cost to you.

Thank you for your continued patronage over the years and we look forward to serving you for many more to come!

LOCATIONS	TOTAL BUSHELS	LOADS DELIVERED	AVERAGE BUSHEL PER LOAD
GARDEN PLAIN	1,261,125.67	2828	445.94
NORWICH	687,376.00	1192	576.66
ANNESS	731,438.33	1117	654.82
RAGO (Canola)	71,178.00	90	790.87
RAGO (Wheat)	11,296.67	22	513.49
CLONMEL	683,463.66	1300	525.74
CHENEY	1,170,699.49	2310	506.80
BELMONT	695,031.49	1341	518.29
PRETTY PRAIRIE	351,087.66	664	528.75
KINGMAN	145,169.33	217	668.98
VARNER	672,742.68	1205	558.29
TOTAL WHEAT	**6,409,430.98**	**12196**	**525.54**
TOTAL CANOLA	**71,178.00**	**90**	**790.87**

UNDERSTANDING THE REAL RISKS OF AFLATOXINS

Ryan McCoy

During the last few years, CGM has received a lot of corn that has been infected with aflatoxin. With that, there has been a lot of questions and discussion about aflatoxin. Our goal in this article is that you will understand aflatoxin better and the risks your coop has with aflatoxin, as well as some farm practices to reduce the chances of having your corn infected with aflatoxin.

About Aflatoxin

Aflatoxin is a fungi that is found in the ground as well as in decaying plant material. The fungi causes heating and the decay of stored grain in the elevator. Aflatoxin generally infects corn that is under stress due to drought or damage to the corn ear by ear worms and other insects, hail, or early frost. High temperatures, high relative humidity around the kernels, and kernel moisture below 30% are ideal conditions for the aflatoxin to invade the corn kernel. Since aflatoxin is a fungi, it will also grow in the elevator bin if conditions are right.

Why is Aflatoxin bad?

Aflatoxin can result in significant economic losses to all parties involved. Producers and CGM can receive discounts or, in a worst case scenario, have to destroy the grain if levels are too high. Other potential losses for CGM and/or your cooperative's feedmill may include product liability, product recall, as well as loss of business. Animal producers can also take a major hit including decreased feed efficiency and growth rate, poor reproduction, and death. High levels of aflatoxin can cause aflatoxicosis, which, in addition to the concerns above, causes a number of health issues including liver and kidney damage and interference with the immune system. Ethanol plants cannot handle a lot of aflatoxin as the aflatoxin is concentrated in the DDG's and will be three times that of the corn used in the process. Aflatoxin is toxic and is a carcinogen and is, therefore, dangerous for livestock and humans.

How can the chances of aflatoxin invading a corn crop be decreased?

- Plant hybrids that are adapted to your area and are least susceptible to aflatoxin, and use minimum tillage to preserve moisture prior to planting.
- Maintain optimal plant fertility.
- Control Pests. Weeds compete with corn for moisture, and insects increase stress and carry the fungi into the ear. Both should be controlled.
- Apply aflaguard to corn just before silking. Aflaguard is another fungus that does not produce any toxic chemicals. How aflaguard works is it invades the plant before the aflatoxin spores can. Basically you flood the environment with good spores, and they beat out the bad spores. For more information, contact your local coop.
- If using irrigation, avoid dryness between flowering and grain fill.
- Harvest and deliver highly stressed areas separately from other parts of the field.
- Adjust combine to minimize trash and broken kernels. Aflatoxin is often associated with broken and lighter weight kernels, so ground speed, cylinder/rotor speed, and fan speed settings are very important.
- For more information and more detail please visit aflatoxin.tamu.edu. This extension report is the only one we have found that covers this subject strictly from production practices to reduce the chance of aflatoxin.

Why do aflatoxin test results vary so much?

This is a tricky question, but here is the math. One bushel of corn has approximately 90,000 kernels. A legal weight semi contains approximately 950 bushels. So one truck load contains approximately 85.5 million kernels. If we take a 5 lb sample of the truckload, out of that sample we will mix it and grind approximately 1 lb, or 1600 kernels. Out of the 1 lb grind, we will mix and actually test 20 grams. So, we are testing approximately 70 kernels of a truck of 85.5 million kernels. Aflatoxin is tested in parts per billion, and a single kernel can have from 0-50,000 ppb aflatoxin, so if there are 3 kernels out of the 70 that are 1000 ppb and the rest are 10 ppb, then the aflatoxin test reading would be 45 ppb. You can see from this information that sampling is very important; multiple samples per truck and mixing the samples throughout the process is very important. You can also imagine that variability could be very high if you had a single kernel that was extremely high. This is the reason that we only do one test per truckload, and it either passes or it doesn't. The testing equipment that we use at all locations are approved by and used by the Federal Grain Inspection Service for official grades and have low standard deviations from the average on each test.

Why do different elevators take different levels of aflatoxin?

It is up to each individual company to decide how much risk they are willing to take on by a location to location basis. CGM has set a maximum aflatoxin level for all locations of 200 ppb so that we have the best chance of merchandising your grain through appropriate market channels at the highest value for you. Factors that determine what an individual elevator will or will not take depends on a couple of things. First is their ability to segregate the corn into different bins. Some locations only have one bin for corn while some have 20. Second is the cutoff ppb of the tests. Some tests go to 150, some to 180 depending on the test. To retest the corn, you can use the same grind, but you have to do different dilutes and run the test again. Third is the coop's willingness to take the risk of handling higher aflatoxin. This year we plan to have a few elevators that will take corn between 200-300 ppb aflatoxin. We are still working on trying to find a suitable end user to sell corn to if the aflatoxin is above 300. Legally we cannot blend corn above 300 ppb aflatoxin nor can it be sold for use in animal feed. The Food and Drug Administration checks corn and makes sure that the corn containing aflatoxin is going to proper use channels. Your corn is indeed policed by the FDA, and their requirements will only get more stringent.

I hope you have learned about aflatoxin and now understand some of the major issues that surround it. It has been a major issue the last couple of years, and we hope that it isn't again this year. Please understand that the risk is real. We do not discount you just because we can. There are real economic impacts and potential risks that are associated with growing, handling, storing, shipping, and using corn with aflatoxin. There is a lot more information about aflatoxin on the web. I encourage you to look there for more information, or if CGM can be of assistance, call us at (316) 542-3435 or contact your local coop manager for more details about aflatoxin and how they can potentially help you decrease the chance of you having aflatoxin.

Wit and wisdom from the Feedstore:

Always remember that you're unique. Just like everyone else

The Nuisance of Weed Resistance

James Renner

Unfortunatley, herbicide resistant pigweeds are not an uncommon sight in our area. Producers will need to reevaluate their farming practices to combat this trend.

Every year it seems that chemical companies are adding a new weed to the resistant list. Weed resistance is an ongoing problem, and if left alone, it can cause major problems. We have noticed in our area sporadic pigweed resistance is becoming more and more of an issue. As it relates to trying to manage these weeds, there are some management techniques that can be very effective. Whether you grow corn, soybeans, or milo, these techniques can be used across the spectrum.

The first recommendation is to start clean; this can be through tillage or using residual herbicides in tandem with your typical burn-down recipe. For example, weeds that are missed by cultivation or weeds that may have been missed in a burn-down application are extremely hard to kill the next time around.

Another recommendation is the use of pre-emergent herbicides in the fall and or spring. The use of a pre-emergent herbicide in a no-till situation works great; even when tillage is the primary operation, pre-emergent has shown great promise. This year we have seen great results where some of any kind of pre-emergent was used.

Lastly, scouting your fields early is always a good idea. Be aware of the weed pressure. A pigweed is easier to control when it is 2-3 inches tall verses 1-2 feet tall. If your operation involves no-tilling ground in the spring, it is absolutely critical to get some kind of burn-down in the fall to get a jump on the weed pressure that will be there. When any species of weed is allowed to over-winter, it allows that plant time to develop a more substantial root system, which in-turn makes controlling those weeds next to impossible. A pre-emergent herbicide can be one effective tool to combat early weed pressures, depending on the weeds you are targeting. The goal is to ultimately try to reduce weed competition early.

FROM THE BOARD

Martin Kerschen

Location, location, location. I can still hear Larry Giefer, auctioneer, cry those three words out at land sales. Your coop was truly blessed again this year with its location bringing in almost as many bushels as the record setting 2012 year. We truly thank you for those bushels!

Those increased bushels don't just happen; it is your attention to detail in preparing that crop for the best opportunity Mother Nature will allow that results in those yields. 27,000 acres of fungicide alone were applied before harvest; along with fertilizer, herbicides, and micro-nutrients, (and a little rain), we are seeing increased yields and profits.

Likewise, your coop needs to stay ahead of the curve in handling the larger volume, and thus, faster grain legs, more storage, and increased efficiencies. The positive comments we have had concerning Anness and Varner locations bear this out; we will continue to look at more improvements, always mindful of getting the most bang for your buck.

Each quarter now, we will try to introduce two board members and some of their thoughts on improvements and/or site specific details. We hope this aids in familiarizing ourselves with you, so that you will feel more comfortable in communicating with us. After all, it is your coop.

Finally, at Garden Plain's recent Fourth of July celebration, an old acronym came up at a mini-reunion I was part of: T.E.A.M. Together everyone accomplishes more. As we passed by with the feed store on one side and the elevator on the other, I couldn't help but think that this philosophy was alive and well within the coop. From our employees to our members/owners, that team truly does exemplify that together everyone accomplishes more!

Be safe, enjoy, and take good care always remembering those three words blessings, blessings, and more blessings!

Two final thoughts: employees, thank you all very, very much for all you do. And please let it rain.

Wit and wisdom from the Feedstore:

All of us could take a lesson from the weather. It pays no attention to criticism.

Added Space Aids Successful Harvest

Chad Basinger

What a blessing harvest was again this year. We were able to take in at the coop this year around the same bushels overall as we did last year. The two expansion projects we started were able to be completed before harvest allowing us the needed space for the larger crop this year. At the Varner location, we took in over 671,000 bushels; the added space was needed there to keep the doors open and continue taking wheat. If we can continue to catch some timely rains across the area, we might be able to harvest a much needed fall harvest as well. Thank you to all who delivered your grain to our locations; hopefully, it was a smooth and pleasant experience. Thank you also to the employees for the long hours spent taking in the grain. As always, we appreciate your input, and as a board, will continue to move the entire coop forward for the future.

Expansion Benefits are Far Reaching

Jon Kerschen

As this issue focuses on new trends in agriculture, I would like to discuss not a new trend, but a continuing trend in production agriculture: getting bigger. The coop as a company has had to address this trend in order to better serve patrons. For instance, it is not uncommon to see modern combines fitted with 35, 40, or even 45 foot headers. These machines can easily bring in over 1,000 bushels of wheat an hour. That means that the company's highest capacity leg can't even move enough grain to keep up with twenty combines. Average truck size continues to increase as well. A few years ago, very few semis were seen bringing wheat into the elevators. Now, every line at every location is full of semi-trailers. The coop's facilities were not designed to handle such large volumes of grain at today's speeds.

This past year, the board of directors approved improvements in both capacity and storage at two locations, and with the bountiful harvest, the new facilities were fully utilized. At the Anness location, which already had the coop's highest capacity leg, an additional bin was constructed adding 250,000 bushels of storage. Even with this additional bin, the location took in more bushels than storage with a total of over 730,000 bushels. With the addition of a new leg and concrete bin at the Varner location, Farmers Coop added over 500,000 bushels of storage.

It was great for these locations to be upgraded with the new facilities, but these projects benefit every location during a large harvest. With the addition of the new storage, less grain needed to be moved out of these locations during harvest, which allowed the coop to commit more trucks to other locations to ship out and keep space open for producers. The 500,000 bushels of storage freed up over 500 semi-loads to be shipped out at other locations during harvest.

Farmers Coop has been blessed with a strong balance sheet, which has allowed the board to approve these projects to handle the bigger trend in production. Hopefully, the coop continues to be blessed with the financial success that is required to continue to improve the facilities at all of the locations to better serve the patrons.

WELLNESS PLAN INTRODUCED

At a meeting held on March 5, 2013, the board of directors and trustees of Agri-Business Benefit Group, Inc. (ABBGI), Farmers Coop Elevator health care provider, voted to incorporate a "wellness plan" as part of all their medical plans effective for the plan year beginning 7/1/2014. The goal of this wellness initiative is to encourage a healthy workplace environment, overall healthy living, and in turn, lower the cost of health care through preventative measure. To participate in the ABBGI Wellness Plan, every employee enrolled in the ABBGI medical plan must verify completion of a biometric screening, health risk assessment, and two acceptable wellness activities prior to March 1, 2014.

It is reported that eight risks and behaviors, poor diet, physical inactivity, smoking, lack of health screening, excessive alcohol consumption, poor standard-of-care, insufficient sleep, and poor stess management drive 15 chronic conditions: diabetes, coronary artery disease, hypertension, back pain, obesity, cancer, asthma, arthritis, allergies, sinusitis, depression, congestive heart failure, lung disease, kidney disease, and high cholesterol. These account for 80% of the total costs of all chronic illness worldwide. The ABBGI directors/trustees and participating cooperatives believe that a wellness plan will aid overall health and wellness of our group. ABBGI encourages its member cooperatives to provide a positive, healthy work enviornment and provide wellness activities designed to challenge all participants to learn more about how their decisions directly impact their health and well-being. These wellness activies would also help improve their health, which in turn would improve and help manage the groups' health benefit costs.

NEW TRENDS & PRODUCTS HELP WITH LIVESTOCK

Joe Krehbiel

NEW TRENDS

The feed side of the business is experiencing many new trends. The old grind mix of straight grains with soybean meal is becoming obsolete and non-competitive in pricing. Today's rations heavily utilize grain by-products such as wheat mids, soyhulls and distiller grains. Combining these ingredients with new technology such as intake modifiers and accuration limiters now allow us to control the amount of intake for most any size of animal. This technology makes "snack eaters" out of the animals to supply a small portion of feed throughout the day to help eliminate digestive upsets and create better gain and growth. We have access to a variety of these products to help make your business more efficient and profitable. We are your one stop shop for starter, grower, finish, and bull and heifer development rations. Most of these feeds are available in hand feed or creep feed forms. Also, we have the ability to direct ship loads from the Purina mill to help save even more. Check on contrct availabilities to lock in prices for months to come.

The "Smart Vet" Vet Gun reduces some of the difficulties of applying insecticides to calttle.

NEW PRODUCT

We now have the "SmartVet" Vet Gun in stock, which is a new, innovative way to apply insecticides to cattle. The new vet gun reduces labor costs, handling stress, and the negative impact parasites have on cattle. This CO_2 "paint ball" type gun fires insecticide balls from 15 to 40 feet exploding on impact with a 4 to 6 week treatment for flies and lice--and it's fun, too! Come check it out. As always, thank you for your business!

TECHNOLOGY & CHANGES ARE THE TREND

Susie Graber

One of the things we can count on in life is that things will change. That is true of all areas of our cooperative. Our technology continues to evolve making at least some things in our day to day lives a little easier. There were several producers using our patron access this year to check their tickets after harvest. What a great innovation to be able to do that in your own home at your convenience! We had nothing but positive feedback from the patrons that used this service.

To make banking a little easier, we also have direct deposit for grain checks and ACH available to pay your monthly coop bill. You can sell your grain one day, and the next day, your check is deposited in your account. If you use the ACH payment option, with just a few clicks of your mouse within patron access, your account is paid. If you are not currently using these services, please let us know, and we will send the documentation to get started.

There was a major change in diesel fuel a few years ago when EPA mandated the change to ultra-low sulfur diesel. This is definitely not your grandfather's diesel. It is harder to store, harder to winterize, and the list goes on. It used to be there was no tank maintenance required at the farm to store diesel. That is no longer true. One of the characteristics of this diesel is that in the refining process, there is water left dispersed through the fuel. Cenex Fieldmaster has a great demulsifier that separates the water from the diesel. After the separation, the water will sink to the bottom of your tank. It is very important for all diesel storage tanks to have this water drained from the bottom twice a year. A good filter will keep the water from being dispensed into your equipment, but if the water is allowed to stay in the tank, it can become a breeding ground for algae.

Please let us know if you have any questions.

Big Year for Canola

Doug Bates

While it's not necessarily a new trend in agriculture, it is a burgeoning trend in our trade area; planting season 2012 saw a dramatic increase in winter canola acres. There are several reasons for the increase from excellent weed control to a probable increase in your wheat yields following canola. I spoke with a K-State extension scientist recently, and he indicated that research needed to be conducted to verify this increase and where it comes from, but it doesn't take a long discussion with producers that have grown canola to realize that a 20% bump is what you can expect.

It was the age old chicken/egg conversation with regards to achieving an increase in winter canola acres. Was it the producer willing to stick their neck out and hope for a delivery point or your local producer owned cooperative willing to establish a convenient place for crop delivery? Maybe a blend of the two. As a company, we decided to accept canola at our Rago location. We made the appropriate investments to bring our scale up to date and provide a top notch crew to run the country location. At the same time, producers planted about 2,500 acres. It seems that the investments in equipment and personnel paid off as we took in nearly 72,000 bushels of the tiny black oil-seed. It's often said that whatever vessel you intend to hold canola in must be able to hold water. I guess after we empty Rago we will have several very deep swimming pools.

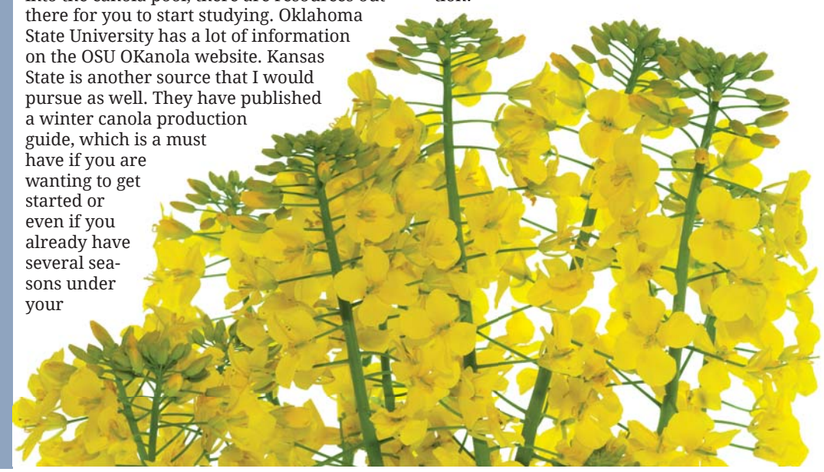
The markets that we deliver to continue demanding a high quality product, so in order to deliver that, I believe winter canola acres will continue to increase. I like the rotation for the acres that growing summer row crops are not possible as well as the fact canola can be used to diversify marketing opportunities or to spread out your workload.

If you are looking to dip your toe into the canola pool, there are resources out there for you to start studying. Oklahoma State University has a lot of information on the OSU OKanola website. Kansas State is another source that I would pursue as well. They have published a winter canola production guide, which is a must have if you are wanting to get started or even if you already have several seasons under your belt. I would also be happy to answer any questions you might have, and if I can't answer them, I will find the resources you need.

Now for some agronomic insights concerning canola. Like with so many crops, getting a stand is critical. A firm seedbed (think alfalfa) is ideal, and the planting date is earlier than wheat--typically around the 10th of September. You should also be contacting your insurance agent as canola at this date is by written agreement. The varieties that we sell are all Glyphosate tolerant, and the first application should be applied somewhere during the first couple of weeks in November, and the second application of Glyphosate (if needed) should be in late winter/early spring just ahead of bolting. Bolting is where the stem starts to elongate, and flowering will soon start. This bolting time-frame is straight out of the canola production handbook as well as any label of Glyphosate in the winter canola section. Remember the "label" is the law. Fertilizer requirements of winter canola are about 1/3 more than wheat, but a soil test is the best way to know what rates of Nitrogen Phosphorous and Potassium to apply. Sulfur is critical to good oil production, so special emphasis should be placed on Sulfur along with Nitrogen in a 15:1 N:S ratio.

Another critical element of winter canola production is harvest. I believe the best method of harvest to date is swathing at the appropriate time and then picking up the windrows with a pick-up attachment on a combine. There are many custom cutters that do a good job of both swathing and harvest. A list is maintained on the Okanola website, and arrangements need to be made very early on in the growing season.

With attention to detail and some forward planning, winter canola could be a profitable alternative to your growing operation.



Kernels for Kids: Using Grain for Good

In her endeavor of becoming the next Miss Kansas and Miss America, Danielle Hill has developed a louder voice towards "ag-vocacy" for agriculture. As a contestant in the Miss Kansas Pageant system, she created Kernels 4 Kids (K4K), which benefits the Children's Miracle Network Hospitals in Kansas. Kernels 4 Kids is your opportunity, as a crop producer, to make a difference and get involved in your community. By donating grain to K4K, you are helping children at the Children's Miracle Network Hospitals in the state of Kansas.

Here's how the program works. A grain account has been set up through Co-Mark Grain Marketing, LLC. under the name Kernels 4 Kids where all transfers of grain can be made. On the 15th of every month, the grain in this account is sold at spot price. Then, all the proceeds are sent to the Children's Miracle Network Hospitals and benefit one of the three hospitals in Kansas. If you would like to make a donation, please contact your local elevator to help you make the transfer and support Kernels for Kids.

Hill says of Kernels for Kids, "This is a great opportunity to help add to the positive image of agriculture and give back to your community. With your help, our pursuit of making a difference for children at the Children's Miracle Network Hospitals will be a great one."

Please visit the website, www.kernels4kids.com, for more information about Kernels 4 Kids!

Danielle Hill, founder of Kernels 4 Kids, uses her voice as a strong advocate for agriculture.

Wit and wisdom from the Feedstore:

Experience is something you don't get until just after you need it.

TRENDS IN AGRICULTURE

Terry Kohler

The dog days of summer are here, and it is can be really easy to go and find that shady place to sit and let the world go by, but we can't afford to do that. We must prepare for the next crop, the next season, or the next generation of farmers. Whether it is a short term thought or a long term plan, we need to always push ourselves to look ahead. We can learn from the past, but we must look ahead to the future. And when we do, we need to be aware of the reoccurring or constant challenges facing us and new trends occurring in agriculture!

I recently was looking at one of my grandfather's old books titled *Agriculture for Beginners* published in 1903. The book's purpose was to teach the theory and practice of agriculture to children in school similar to the way fundamental truths of arithmetic, geography, or grammar were taught. In preparing for this quarter's newsletter about new trends in agriculture, I kept reflecting on different chapters in the book. Several are present challenges even today including the tillage of the soil, moisture in the soil, the rotation of crops, hybrids, cross-pollination, selecting seed corn, weeds, diseases of plants, and field insects.

While much of what was written in 1903 still rings true, there are many new facets of agriculture today. Being knowledgeable about new trends and practices can be key in finding success. Where do farmers see their production agriculture going? What do they envision for their farms and what needs that go with that vision? What can we change at the coop in order to be needed as their supplier? What trends must we understand and embrace to be successful in the future?

CROP TECHNOLOGY & FARMING PRACTICES

More crop rotations, GMO seeds, and plant health concerns are topics that are hard to avoid when discussing new trends in agriculture. The introduction of drought tolerant corn and soybeans could increase production.

We would encourage you to talk to some producers about how the canola did for them this year. From what we understand, the following year rotation is even more exciting. We have seen more excitement and promise on this crop over others in the past.

Do you do all of your farm production needs or do you hire it out? Let others custom farm what they can do best. It's efficiency at its best; use that piece of equipment to its fullest. We used to think of harvesting as the only hire out of labor for a farming operation. Today we use others to swath, bale, plant, harvest, strip till, and apply herbicides or crop nutrients.

Prepare for the next generation of farmers. That generation is already here, and farming right now! They are doing some things differently. From tillage operations, to labor used, to crop rotations, to marketing the outputs. They may not be for everyone, but be willing to listen to others; it looks like these trends are not going away anytime soon.

LESS IS BEST

Less is best: less fuel, less water usage, less tillage operation. Everyone today is trying to figure out how to do more with less. That not only applies to your farming operation, but to the employees of Farmers Coop as well. Whether its technology or getting the correct employees in the right positions, there are always ways that we can be more efficient in what we do. The new generation of farmers and employees are here to stay and are already flooding the job market, and with them come new ideas including new farming practices that allow less tillage, new seed genetics that can grow crops with less water, new technology that allows us to be more efficient in our application methods. We are all under this constant pressure of how to do more with less. Water is one of the biggest issues facing us today. How can we produce more bushels with less water, especially after experiencing the intense drought over the last two years? The answer to this is biotechnology, genetically enhanced seed varieties that can produce more bushels with less water. It doesn't stop here either. There are all kinds of new technologies being introduced that we need to take advantage of. Technology is one of our most important allies. We must learn to adapt to these new technological practices in order to obtain the ultimate goal, and that is to produce more bushels on less land in order to be able to meet the world's increasing demand for food.

BIGGER & FASTER

Not completely a new trend, but increased speed and more space is needed to keep up with the changing pace of agriculture. As your receiving elevator, we need to be able to receive grain fast and in a short time frame. The majority of the wheat harvest will come to the elevator in a five to seven day window. The producer trucks are not getting any smaller. The harvesting equipment is not getting any smaller. We need to have facilities that can handle larger inbound and outbound equipment.

The Phase one projects at Anness and Varner have been completed and have just finished their first season of operation successfully. Varner took in over 671,000 bushels, and Anness took in over 730,000 bushels. The facilities are first class projects, built in areas of need, and enjoyed by patrons that have used the locations for years as well as new patrons that we have welcomed to our Farmers Coop family.

EDUCATING

Education is not a new trend, but it is something that never goes out of style. It's a multi-generational tool to pass through eternity. We are still responsible for educating the young people of the world to know, conserve, respect, and love nature.

So is this really a "new" trends or just tweaking of an age old one? In *Agriculture for Beginners*, the author said, "There is still no line of separation between the science of Agriculture and the practical art of Agriculture." Today's world has shown us how important science is in agriculture and will continue to be. Even in 1903, there was the concern about the lack of education about agriculture. A wonderful quote in the book is, "If, then, the truths that unlock the doors of nature are not taught in the public schools, 'Nature and nature's laws will always be hid in night' to a majority of our bread winners." A statement on page 240 of the book sums it up best and can still be used today: "One of the problems of our day is how to keep bright, thoughtful, sociable, ambitious boys and girls contented on the farm." This is another current day challenge.

It is good to reflect, enjoy, document, and respect our history, but don't dwell on it, because it is that, history. Looking into the rear view window will only show you what is behind you, what you have already passed, it is nice to ponder, but you are already ahead of it. It's important to keep your eyes on the road ahead and the trends that are coming your way. While so much from the world of agriculture in 1903 rings true today, there are many changes occuring around us now that must be embraced in order to find success.

EDUCATING THE MISINFORMED

Another growing trend in agriculture is the importance of being an advocate for this profession. As people become further and further removed from farming, ranching, and other agricultural entities, more and more misconceptions are being tossed around. Topics like GMOs, farm subsidies, and animal welfare can spark much debate and discussion, and unfortunately, too often people don't have the correct information when forming an opinion. It is important to be armed with data and information to combat misinformants and advocate for what we do.

Below is one example of how to fight misconceptions. Unknowing indiviuals often want to blame rising food prices on the farmer and believe the producer is making a windfall. This chart shows the true amount a farmer gets per retail dollar. Farmers and ranchers receive only 15.8 cents of every food dollar that consumers spend on food at home and away from home. According to USDA, off farm costs including marketing, processing, wholesaling, distribution, and retailing account for more than 80 cents of every food dollar spent in the United States.

	Retail	Farmer
Bacon (1 lb)	$5.69	$0.92
Bread (1 lb)	$2.99	$.0.18
Eggs (1 dozen)	$2.79	$1.17
Flour (5 lbs)	$3.09	$0.89
Milk (1 gallon)	$4.39	$1.70
Russet Potatoes (5 lbs)	$5.49	$0.40
Beer (6 pack cans)	$6.49	$0.06

Having information like this ready to share can help paint a truer picture of the field of agriculture for indiviuals who might have formed untrue ideas. Being an advocate for agriculture is a trend to embrace.