



## Coop

# GAME PLAN

*"PERFECTING THE WINNING COMBINATION!"*

**110 N. Jefferson • Fredericksburg, Iowa 50630**

**(800) 562-8389 • [www.farmerswin.com](http://www.farmerswin.com)**

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**Dwane Koch**  
President,  
Board Of Directors

### *Members of Farmers Win Coop*

*In some of the past newsletters I have talked about change. Change in our farming operations and in our daily lives. Also change in seed and chemical companies as well as changes in your equipment dealerships. Take a look around in all aspects of the economy and you will see consolidation change happening in every sector of U.S. business.*

*Over the past year and a half your Board of Directors has also been looking at some possible changes to help our Coop stay on the leading edge and to help us succeed in our operations. One of our jobs, by the Board of Directors, is to try to look into the future of the industry and move with or change with it. We need to continue to be leaders in the areas our coop serves. You should have received a letter from Farmers Win Coop letting you know of the Boards decision to move forward with a merger with Five Star Coop based in New Hampton. Both Board of Directors have met several times to discuss working relationships, operations, along with financials of both Coops. Your Board of Directors has spent a lot of time planning and working with the management teams to make sure the direction is focused long term for this coop, and will be equipped and financially sound for us and the future generations of young farmers in this area. We have identified many savings and efficiencies that will help keep us moving forward to service our patrons.*

*A letter from Farmers Win Coop will be sent soon spelling out some of the details of a proposed merger of equals for both coops. There will also be informational meetings this summer for you to attend to help answer your questions. The Farmers Win Coop and the Five Star Board of Directors have voted unanimously to move forward with this venture and will be sending out ballots for you to vote sometime in August.*

*I along with your Board of Directors believe this is a positive and responsible move forward for the future of our coop. Please give any of the board members a call if you have any questions and plan on attending a local meeting in July to help answer any concerns or questions you might have.*

*Farmers Win Board Chair*

*Dwane Koch*



**Dan Steege**  
Energy Department Manager

## BULLS CONTROL ENERGY MARKETS

*The price of oil dropped 300% on April 20, 2020 to a historical negative \$37 per barrel. A price war between Russia and Saudi Arabia coupled with the crash in demand due to Covid-19 had energy markets reeling. For a moment in time traders would pay you to take the crude oil off their hands! We all knew this market would not be held down; demand destruction from Covid-19 would slowly recover and OPEC+ would work out their differences.*

*The rate at which energy markets are recovering can be a bit startling. As I type, crude oil is around \$66 per barrel (see crude oil chart below), a level some thought would not be seen until summer driving demand was in full swing. However, energy markets have never taken a 'wait and see' approach. Long positions (betting crude oil would go higher) in crude oil began to rise in late 2020 as investors attempted to seize the opportunity of buying cheap crude oil once Coronavirus vaccinations became more of a reality.*

*Coronavirus was not the only topic fanning the flames of the crude oil price. First, new energy policies set by the Biden Administration has traders worried that the U.S. will rely more upon crude oil from other nations; leaving oil prices more vulnerable to geopolitical events. Second, southern states, namely the state of Texas, saw unseasonably cold weather bring their crude production to a screeching halt (Texas accounts for 41% of the nation's crude oil production according to the Energy Information Administration). Thirdly, OPEC nations decided that there would be no increase in supply and production cuts would be adhered to; fearful they would oversupply the market to quickly without allowing demand to recover. Even Saudi Arabia plans to continue their extra 1 million barrel per day cut, which is above and beyond the OPEC+ agreements.*

*Needless to say, energy markets have had plenty of headlines to rally on! \$75+ crude oil this summer seems very reasonable at this point as industry experts believe oil demand will return to normal by August as demand slowly recovers to pre-pandemic levels. Continue to keep barrels full and have contracts in place during your higher demand times to achieve this. Hindsight tells us this should have been done a couple months ago but I believe the opportunity still exists to manage your risk by forward contracting.*

*Contact your nearest Farmers Win location to learn more about fuel contracting options for this upcoming growing season and into 2022 as well. Have a great spring!*







**Ron Cruise**  
Agronomy Department Manager



**Travis Blockhus**  
Assistant Agronomy Department Manager

The fertilizer market has been tremendously active since the fall. Most products have nearly doubled or more than doubled in price since the late summer. The increase in price could easily be explained away by saying grain prices have also risen. However, the increase in some of the commodities is a little more complicated. One reason is that the industry is trying to restock after having a record fall of fertilizer placement across most of the Midwest. The phosphorus market was the initial fertilizer to make substantial increases starting in early fall because of an anti-dumping lawsuit that Mosaic filed. That lawsuit affects two of the world's largest exporters of phosphorus, Morocco and Russia. The Commerce Department was originally supposed to release their findings back in November but as I write this article, we still do not know what the countervailing duties will be. Since countries don't know what the exact penalties will be, very few phosphorus imports have arrived since August. About 50% of our phosphorus needs are imported and with the fear of the countervailing duties still lingering the best way to get imports to the U.S. is to outbid all other countries. The fact that the lawsuit is still not settled could make getting product this spring difficult. We historically sell phosphorus in the form of MAP but this spring we will also bring in DAP because it looks to be more attainable during the spring. Nitrogen fertilizers have also been moving higher in recent weeks. Once again part of the increase came because of higher grain prices but the largest increase recently is because of the cold weather that moved across the country. Many nitrogen plants had to shut down to curtail natural gas as it was needed to heat homes. When the plants are shutdown, they are cooled down with water which froze in the cold temperatures. It has taken weeks instead of days to get the nitrogen plants back up and running and some are still not performing. This has left the industry short thousands of tons of nitrogen just before spring. One way to make up for the lost tons is to import and to get imports to the U.S. in a short notice you must do what? You guessed it, "outbid all the other countries to get the barges pointed our way".

In recent weeks we have had customers ask about locking in fertilizer for fall and the spring of 2022. At this time, it may seem like there is no downside in the fertilizer market other than grain prices going lower, however, as I have explained there are other reasons that need to be examined to understand the complete risk before locking in product that is

7-14 months away from usage.

One of the changes with the relabeling of dicamba on dicamba tolerant soybeans is the effect it has on the Endangered Species Act. The following information will give an explanation of guidelines and who it effects. It is our understanding that new counties can be added at any time making it important that everyone have some knowledge of the regulation.

The updated Environmental Protection Agency (EPA) label for XtendiMax® herbicide with VaporGrip® Technology, a restricted use pesticide, requires additional protection measures in 289 specific counties. In these specific counties, a 310-foot in-field wind-directional spray drift buffer and a 57-foot omnidirectional in-field buffer are required to protect federally listed threatened and endangered species. Non-sensitive areas, defined below, may be included as part of the buffer.

**NONSENSITIVE AREAS:** To protect federally listed threatened and endangered species, both a 310-foot infield wind-directional spray drift buffer and a 57-foot omnidirectional in-field buffer are required. If applying to dicamba tolerant soybeans with a qualified hooded sprayer, both a 240-foot in-field wind directional spray drift buffer and a 57-foot omnidirectional in-field buffer are required to protect federally listed threatened and endangered species. Please see the label for a link to the website(s) with your product's qualified hooded sprayers. The following areas may be included in the buffer distance composition when directly adjacent to the treated field edges: 1. Roads, paved or gravel surfaces, mowed grassy areas adjacent to field, and areas of bare ground from recent plowing or grading that are contiguous with the treated field. 2. Planted agricultural fields containing dicamba-resistant plantings of cotton and soybeans. 3. Areas covered by the footprint of a building, silo, or other manmade structure with walls and/or roof. Counties effected in Iowa and Minnesota are listed below;

**Iowa:** Allamakee, Cerro Gordo, Clayton, Delaware, Dickinson, Dubuque, Emmet, Hancock, **Howard**, Jackson, Kosciusko, Osceola

**Minnesota:** Clay, **Fillmore**, Lincoln, Mahanomen, Murray, **Olmstead**, Pipestone, Polk, Pope, **Winona**

During the month of February, the agronomy team does a lot of training and year-in-review classes. The following is a picture of a slide I took during one of those sessions. The information was presented by Dr. Shaun Casteel and it is a plot that shows the difference in yield when adding some sulfur and nitrogen to soybeans. The interesting part is the difference based on planting date. The left column under yield is soybeans planted before May 12th and the right column is soybeans planted after May 12th but before June 8th. Without sulfur or nitrogen applied the yields are the same for the planting dates.

2020 N+S x Planting Date						
Treatment	Timing	Yield		12-May	8-Jun	
		N	S			
		lb N/ac	lb S/ac	bu/ac	bu/ac	
UTC	-			61.9	de	61.9
AMS	PRE	17.5	20	79.8	a	68.6 bcd
ATS	PRE	9.3	20	76.0	ab	66.1 de
AMS + Urea	PRE	40	10	82.6	a	66.5 cde
AMS + Urea	V4*	40	10	81.3	a	65.0 de
V4 + R3	V4* + R3 Dr	80	20	83.0	a	69.7 bcd
AMS + UAN	R3 Direct	40	10	71	bcd	65.0 de
UAN	R3 Direct	40	-	68.0	bcd	59.1 e
Gypsum 10	PRE	-	10	76.7	ab	68.5 bcd
Gypsum 20	PRE	-	20	75.2	abc	66.7 cde



**Dale Heimerdinger**  
Grain Merchandiser

*It looks to be a busy spring and summer for the Grain Department. Not only will we be moving a lot of grain, we will be communicating with our counterparts at Five Star to explore all the possible efficiencies of a combined company. After a successful vote this summer, we will work to integrate the two merging grain departments into one.*

*Farmers Win Coop currently serves 11 different communities with 12 grain elevator facilities. We have 4 locations in Minnesota; both in Fillmore and Houston counties. We also serve 3 towns in Howard and Winneshiek County in Iowa. Further south, 4 elevator locations are spread out in Chickasaw, Fayette and Bremer counties. All of these elevator locations can efficiently handle wet or dry corn and soybeans and have a combined storage capacity of over 15½ million bushels. With our trade territory spanning 100-miles from North to South we have access to many end users and with our Federal Grain License we can arbitrage between Minnesota and Iowa. Also, we can utilize semis over our entire territory from South to North to help out different locations at different times during the year. Farmers Win Coop also offers direct to terminal bids for our customers. Please call any of our locations or the Fredericksburg office if you have any questions on our direct grain program.*

*Please check out [www.farmerswinfivestar.com](http://www.farmerswinfivestar.com). This website has all of the vital information needed for the upcoming unification of these two companies.*



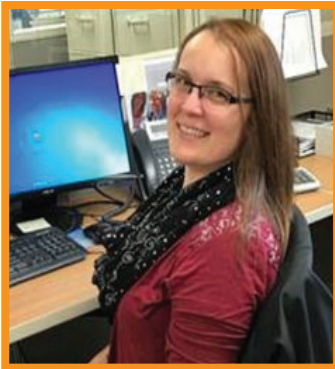
**Amber Decker**  
Grain Originator

*Spring is officially right around the corner. I love that the days are getting longer and the temperatures are climbing!*

*Right now, the market is primarily focused on the two things that happen every March: weather and planting intentions, along with tight ending stocks this year. Price volatility has been the name of the game in commodities for quite some time now. The expectation is this will continue as we await the March 31st Planting Intentions Report and watch the progress (or lack thereof) of bean harvest and safrinha corn planting in South America. Brazil has struggled with harvesting soybeans and planting second crop corn. Argentina has been dry while the high producing areas of Brazil have been receiving above-normal rainfall.*

*Economists at the 97th Annual Agricultural Outlook Forum estimated the US will plant 92 million acres of corn (up 1 million from 2019), 90 million acres of beans (up 6.9 million), and 45 million acres of wheat this spring. The estimated yield for corn was 178.4 bpa and beans 50.9 bpa, both closer to trendline than what was produced in 2020. Chicago futures and cash bids support this increase in acres. Farmers haven't seen prices like this since 2012, when the Midwest experienced a severe drought, and are incentivized to plant every acre they can. In our draw area specifically, fall was favorable for applying anhydrous so we expect most local farmers will stay with their normal crop rotation.*

*For your information: Governor Reynolds has extended the Public Health Emergency through April 6, 2021. This includes allowing trucks hauling corn and beans to exceed the 80,000 lb. weight restriction as long as they don't exceed 20,000 pounds on an individual axle, and their total weight does not exceed 90,000 pounds.*



**Jenny Troyna**  
Grain Accounting

*I'd like to remind customers of these important accounting services:*

### **Direct Deposit, Text Messages & Email Services**

*Farmers Win Coop offers direct deposit grain payments for both elevator and direct delivered grain. Funds are generally available within 48 hours of processing the ACH. We then send a duplicate check copy along with the settlement sheets to your designated email address as a PDF file.*

*Grain contracts are also available to email directly and sign. Additionally, we have email and text message services available for elevator scale tickets and grain markets on a daily basis.*

*If interested in any of the above services, please visit our website at [www.farmerswin.com](http://www.farmerswin.com) under the applications tab to find the forms or visit one of our locations. Forms can be returned to your local FWC location. If you just need to update your information, please contact your local FWC location or email [grainaccounting@farmerswin.com](mailto:grainaccounting@farmerswin.com).*

### **Grain Hauling**

*As you are hauling grain, either into a location or direct to the terminal, be sure to communicate your intentions in a timely manner with office staff at our locations about what is to be done with your grain.*

*With direct to terminal delivered grain, be sure to put your correct information on the tickets which includes Farmers Win Coop plus either producer name or producer number. If you notice something is incorrect with a ticket, please notify the terminal prior to leaving the facility and/or notify your local FWC location. Double checking your tickets ensures that the producer, the hauler, and FWC all get paid in a timely manner.*

### **House Receipt Storage**

*A friendly reminder, when grain is initially deposited on a receipt, the storage due will be charged at the end of the month the grain is placed onto the receipt. The minimum storage period will be billed upfront. This charge for storage will be due the month following deposit of the grain. After the minimum period, accrued storage is billed monthly.*

*Lastly, the grain team would like to introduce you to Beth Snyder. Beth works out of our Spring Grove location and will be helping with grain origination in our northern draw. Welcome Beth!*



**Beth Snyder**

*I am Beth Snyder. I have been with Farmers Win Coop for 8 years in the grain department as an accountant and bookkeeper. I started in Mabel and I have been in Spring Grove for the past 2 years.*

*I grew up on a crop farm in Mabel, which is where I still live with my husband Michael and our two children Kiah and Abel. I feel extremely fortunate to live and work in the community that I grew up in and love. I look forward to working with our producers at Farmers Win Coop.*

*In ending, we want to offer a sincere **Thank You** to all of our patrons and employees for their dedication as we transition to new opportunities!*





**Rodney Torgerson**  
Feed Division Manager

*I hope everyone is doing well, staying healthy, and getting ready for spring. I was just looking at last year's newsletter and it was when Covid first hit. We were all hoping for it to be over soon, but that was not the case. It's been a long year for everyone. I hope we will have some herd immunity by late spring or summer so we can all get back to normal.*

*With the year we had commodity prices took off last fall and never really came back down. Some producers locked in some commodities at the right time. We will have spring contracts available for Rangeland 14 B90 Creep Pellets for your calves on pasture. If you want a price call one of our nutritionists or myself and we can lock some prices in for you. If you have any questions on any commodities and locking in prices give me a call and I can get some information to you.*

*Now is the best time to start using Clarifly or Altosid in feed for fly control in beef and dairy herds. You want to get some into the animals before it warms up. Clarifly is for feedlot situations and Altosid is for animals on pasture. We will also have some Clarifly crumbles available for show animals.*

*If you have any merger questions about how it will affect you as a feed customer please give me a call and we can go over any questions or concerns you may have. Farmers Win has been working with Five Star Coop for the last year now on feed. Farmers Win has Five Star toll mill some hog feed for us that we pick up and deliver to our hog accounts in Iowa; while Five Star has us mill some beef feed for them out of Cresco West that they pick up themselves to supply their beef customers. This is a small example of why this merger is a tremendous opportunity for our customers to better their bottom line by helping the coop save costs and better our service. When Farmers Elevator merged with Farmers Win it was change for everyone and it has helped us as a feed department to become more sustainable for the future. By changing how you deliver logistically or what feed to put at certain locations for customers helps to save costs as a co-op and for the producers as well. Utilizing each other's strengths will bring better products and services to you the customer. If you have any questions on the merger and how it will affect the feed department, please give me a call.*

*I would like to wish the 4H kids' good luck on getting their animals ready for the upcoming fairs. Hopefully this summer will be normal for the kids showing. Let us know in any way we can help.*

*I would just like to mention that the ear tags that we order for our customers every year with the mineral booking program is behind. Getting things on time this year with Covid has been a struggle. The tags we order are made in Texas and due to the recent storm, orders have gotten behind. We are trying to get the tags as soon as possible. We apologize for any inconveniences this may have caused.*

*Everyone have a safe, profitable spring and thank you for your continued business at Farmers Win Co-op!*

## **Rich Fravel** Safety/Compliance

*It's that time of year where equipment will be sharing the roads with motorists. Patience and courtesy for your farmers during this season. Here are some tips from Farm Bureau Insurance for when vehicles and large equipment are on public roads.*

### **Road Safety with Farm Equipment**

*Sometimes, you have to take to the streets with farm equipment in tow. Other times, you might be in your car or truck and see a tractor on the road. In both cases, preventing accidents is everyone's top priority. Stay mindful of these farm equipment road safety tips when you're out and about.*

### **Make Farm Equipment Visible with Lights and Flashers**

*Verify that all lights and flashers on your farm vehicle are working properly. Use warning flashers, flags, lights and slow-moving vehicle emblems on all equipment. Apply reflective tape to machines to improve visibility for motorists at dusk. Avoid traveling before dawn and after dusk if you can. If you need to drive during these times, ensure that headlights are working. Headlights help you see and be seen.*

### **Remember Your Farm Vehicle's Size**

*Be mindful of the height of your farm equipment and avoid power lines, low bridges and other overhead obstacles. Check your towed equipment. All loads should be balanced and securely mounted.*

### **Tip for Motorists**

*Don't pull in front of farm equipment and suddenly slow down. The tractor may be towing heavy machinery, making quick stopping impossible.*

### **Be aware of slow-moving vehicles.**

*Expect farm equipment and tractors to travel at a much slower rate — between 5 and 15 miles per hour. Give tractors and combines plenty of room to operate. Expect them to take wider turns and even have to travel into both lanes to properly turn. Let's have a Safe Spring Season!*

Farmerdata is a customer portal for our customers to view their account information. This customer portal is more than just viewing your statements. You can view your current invoices, past statements, booking balances, prepay balances, patronage equity and your grain activity such as contract details, grain bank balance, settlements and scale ticket information. Go to [www.farmerswin.com](http://www.farmerswin.com) and find the farmerdatatab to sign up or go to [www.farmerdata.com](http://www.farmerdata.com)

## Setup a FarmerData Account

**farmerdata**

1. Go to [www.farmerdata.com](http://www.farmerdata.com)
2. Click "**User Registration**"
3. Fill out the "**Verify Account Availability**" form

**Company** - Lookup participating companies by typing part of the company's name or a location/branch. If a company is already selected, click to edit.

**Account Number** - Enter a valid account number. Preceding zeroes will be added automatically.

**Password/PIN Number** - Please enter your Account Password/PIN number initially provided by your company. If you are unsure of these, please try the last four digits of your SSN or contact your company.

**Verify** - Please enter the characters on the right into the field on the left, ignoring the circular background pattern. This is a "CAPTCHA" input field. The term "CAPTCHA" means "**C**ompletely **A**utomated **P**ublic **T**urning test to tell **C**omputers and **H**umans **A**part". This verification test helps keep accounts secure.

4. Fill out the "**User Registration**" form

1. Provide your name and a valid email address. FarmerData does not allow an email address to be used by more than one account. If you have multiple accounts, see the section "**Managing Multiple Accounts**".

2. FarmersData notifies you, via email, when online statements\* are available. You can disable notifications by unchecking the selection box.

3. Select your FarmerData Username & Password. Username & Password length must be a minimum of 5 characters and can be a maximum of 15 characters. Usernames must start with a letter and can only be composed of letters(a-z), numbers(0-9), & underscores(\_).

5. Read & Accept the Terms of Use.

6. You are logged into your FarmerData Account. An email with login information will be sent to the address you provided. Click "**Browse Account Transaction Details**" to access account detail. Click "**Account Settings**" to add additional accounts and change your email/password.

## Managing Multiple Accounts

1. Login to your FarmerData Account at [www.farmerdata.com](http://www.farmerdata.com)
2. Click the "**Account Settings**" button
3. Click the "**Click here to add a new account**" link
4. Type in your account information in the "**New Account Subscription**" window
5. If the Company Name is correct go to next step. If it is incorrect, click the Company Name to remove the selected Company. Start typing the company name or location & select the appropriate name from the dropdown list
6. Enter your **Account Number**
7. Enter the **Password/PIN**. If you are unsure of these, please try the last four digits of your SSN or contact your company.
8. Type a **Description** for the account. This is the nickname for the account).
9. Click "**Create**"
10. Click "**Save Changes**"
11. Your multiple accounts should be listed on the "**My Accounts**" page. You can click any option under "**Available Options**" to view account details.
12. View Combine Accounts - Select accounts you wish to view combined by checking the check box to the left of each account label then click "**View Combined**".



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## **TRENT SPRECKER** GENERAL MANAGER

*Controlling our own destiny is a catch phrase that people are always throwing out. But what does it mean when talking about controlling our local Farmers Win's cooperative destiny? Many times the local coop is the back bone of the community in these small towns. The local coop stimulates the local economy by creating jobs and making donations to local causes. It is so important that we keep the coop strong to help support our local communities. By strengthening the local coop, we keep the coop facilities and employees in our local communities. Our company is owned by the membership, governed by a locally elected board of directors. This structure allows our coop to control its own destiny. We do not have Wall Street investment bankers and stock market investors telling us how to run our local coop. As our coop grows in the future we will have a greater chance to have an influence on the future of the farming practices we employ and a smart, environmentally friendly plan for the future in Northeast Iowa and Southeast Minnesota. The local coop needs to remain strong and financially viable to allow us to be a voice for our members in the future. As a local coop we need to have the size, scale and resources to lobby for our members. This allows us to counter act some of the opposing special interest voices that are looking to fundamentally change the way we farm and to prevent undo restrictions on farming in the future. The opportunity to merge Farmers Win Coop and Five Star Coop together helps us strengthen our local coop here in Northeast Iowa and Southeast Minnesota. This merger will allow us to control our own destiny for members in generations to come.*