

Cooperative Link

Working with you

Stewartville, Eyota, Elgin, Kellogg, Plainview, St. Charles and Viola

November / December 2018

www.allamericancoop.com

Issue 463



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Manager's Notes-2018 Annual Shareholders Meeting Report



Lutteke

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Highlights from the financial report for All American Co-op's fiscal year ending June 30, 2018 are as follows. All American Co-op closed the year with company sales at \$68,509,924. Other operating receipts were at \$6,660,766 for the 2017-18 fiscal year end. Local margins were \$1,196,122. Net margins were \$1,319,849. Checks totaling \$277,571 were distributed at this meeting representing 40% cash portion for the 2017-18 fiscal year.

Grain sales during the 2017-18 fiscal year were at 6,531,594 bushels which was down 134,757 bushels from the 2016-17 fiscal year end. Feed sales were 21,275 tons down 3,362 tons from the previous year. Roasted bean sales were 2,741 tons down 648 tons from the previous year. Agronomy tons were up 373 tons from the previous year, not including lime.

I would like to take this opportunity to wish all of you a Merry Christmas and a Happy New Year. I hope the joys and memories past and present will be with you, your family and friends this holiday season. Let's be thankful for the blessings and look for the positives. Have a safe and happy holiday season!



	<p>Glenn Lutteke, General Manager All American Co-op</p> <p>Todd Stockdale, All American Co-op Grain Manager</p> <p>Brent Vorpapel, All American Co-op Feed Department Manager</p>	<p>All American Co-op Board of Directors</p> <p>Mike Heim, President Ed Twohey, Vice President David Severson, Secretary Lawrence Schwanke, Director Jim Klavetter, Director</p>	<p>Editor: Beth Pagel</p> <p>Design & Production: Designer Tammy Grendahl Smyth Companies</p>  <p><small>Have You Liked Us On Facebook Yet? https://www.facebook.com/allamericacoop</small></p>
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Grain News



Stockdale

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I am writing this on November 9th and harvest is not done for many of our patrons. We had our first measurable snow last night and the discussion is all about whether it will blow through the combine or freeze it. We will all have that answer a long time before you read this.

That is what is tough about writing articles about grain and marketing. Just yesterday the supply and demand report stated that the world

carry out for corn is larger than ever in the history of the modern world. The reported change was because China released that they actually have 150 million tons more than they had reported before. The grain trade has known for years that China's reserve was larger than they were public about and the quality was always suspect. This week they are declaring a huge increase in the reserve and we are all supposed to believe that this new number is accurate and the new gospel. Let's see, we didn't believe their numbers before; is there any good odds that we should believe them now?

This reminds me of a story that I may have told some of you before, but it may deserve a repeat publication. When I was but a wee lad I worked for the Farmers Co-op in Lime Springs, Iowa. I had the fumigation license for the co-op and would treat bins for patrons when the need arose. I was asked by an old family friend and patron

to treat his flat storage for weevils and Indian meal moths. The flat storage was 120' x 200' or something like that. The government, in its supreme infinite wisdom, had instituted a grain reserve to cure all the low price problems we had been experiencing. It was a nice way to get a new shop building built, but was supposed to hold grain off the market till prices improved. I believe this flat storage had been in the reserve for close to 3 years when he called me out. I climbed the bulk head with my package of phostox pellets and stepped into the stored grain. Actually I stepped onto the stored grain. The top of the grain pile was like concrete. I walked over the entire storage space and never broke the crust anywhere. Being the youthful scamp that I was, I literally jumped up and down in a couple spots and still could not break the crust. I couldn't treat it for bugs, but I did report to the owner on the condition. The grain stayed in government reserve for two more years. I'm sure it improved over time.

This brings me back to today and China's grain reserve. I'm sure they are much better at storing corn than we could ever be. They have held much of this reserve for a very long time, and last summer the trade was buzzing that China's expansion of their ethanol industry would finally be able to make use of their poor quality reserve. I guess believe what you want. The pigs won't squeal.

I expect the crops are now all put away. I hope Thanksgiving was joyous for your family and that Christmas and New Year's will be safe and happy for all of you. Thank you for supporting your co-op for another year.

Feed News



Vorpapel

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As many of you know I love the Christmas season and the importance of celebrating the true meaning of Christmas. Every year it seems like we celebrate less of the true meaning and more of what we have made Christmas into. The true meaning of Christmas is simple on the surface yet incomprehensibly complex. Simple from the standpoint of the birth of a child, something that has happened well over 100,000,000,000 times

in history. Incomprehensible when you consider only 1 of those 100,000,000,000 births was a savior, born to die for the sins of all who believe. Just take a minute to think about, one single birth out of more than 100,000,000,000! I would like to wish you and your family many blessings this Christmas as you celebrate the majesty of a single birth.

Looking forward to Christmas and New Year's I ask for everyone's help to keep a close eye on their feed inventories. To allow our employees time to celebrate with their families and friends we will not be delivering feed Christmas Eve, Christmas Day and New Year's Day. With Christmas on a Tuesday this year it makes feed deliveries especially challenging. Please do your best to place your feed orders early and if you have the ability to be flexible on when you receive deliveries please share that with us when you order. Thank you for your business in 2018. We look forward to serving you in 2019.





"Working with you"

Holiday Hours!!

Monday, December 24th
All Locations Closing at Noon

Tuesday, December 25th All Locations Closed

Tuesday, January 1st All Locations Closed

Merry Christmas & Happy New Year

Are Crossbred Calves Always Better??



Werner

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Crossbreeding dairy cattle to beef bulls has many factors to consider for all parties involved in raising that calf through each lifecycle stage of the calf. But the looming question is, are these calves always better than a straight bred Holstein bull/steer calf?

First off, cross breeding always has one constant advantage: Heterosis, or hybrid vigor. Definition: *the tendency of a crossbred individual*

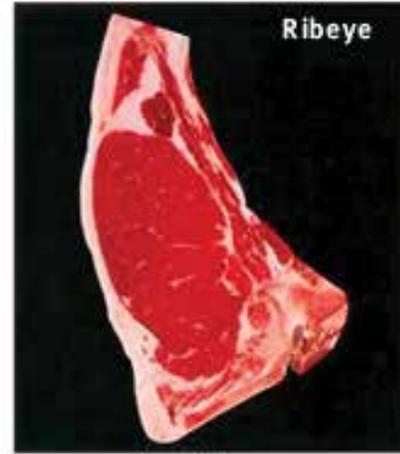
to show qualities superior to those of both parents.

The biggest disadvantage that beef X dairy calves have compared to straight beef calves raised on a cow is that they are still dependent on human intervention to be raised till they are ready for the feedlot stage of life. It doesn't matter how good or bad of a beef bull those calves are sired by if those calves don't get the correct start and care at the beginning of life. The building blocks of a calf's success starts at conception, is highly influenced in the 3rd trimester and is hinged on proper dry cow nutrition and quality colostrum production. The environment that calf is born into and timely and quality colostrum delivery, followed by optimal calf nutrition through weaning and beyond are all factors that influence that calf's future. Will its traits phenotypically express more strong beef type or frail dairy type traits? Heterosis usually gives crossbred cattle an advantage with a stronger immune system to sustain a higher level of health in a similar environment, but once again that goes back to how that calf was programed.

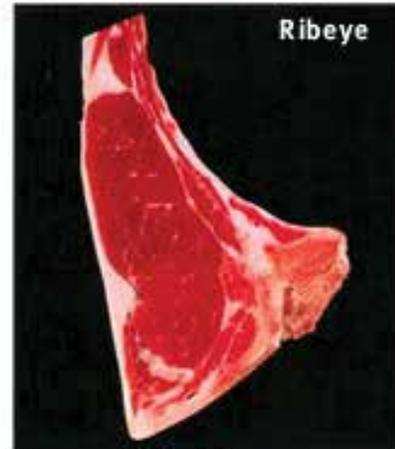
Now to the "meat" of this topic. The main difference in dairy and beef cattle is the amount of retail meat yield those carcasses produce. Beef cattle will yield more total pounds of retail cuts; this goes back to the size and shape of the muscle in the animals breeding. Holsteins on average are lighter muscled and have smaller ribeye areas that are more triangular shaped. This is the muscle and location on the carcass where the yield and the quality grades are determined. Positively influencing the shape of the ribeye to be deeper and more round can influence the final value of the carcass with a better yield grade. **This is the single most important factor of why we need to be crossbreeding.** Quality grade is determined by maturity and the amount of marbling (fat flecks in the ribeye muscle). Very few people realize that dairy breed cattle already have a very high propensity to store intramuscular fat (marbling) and have a high probability to grade choice or prime without crossbreeding. I witnessed this first hand during my time as a USDA meat grader on the grading chain at multiple beef plants throughout the Midwest grading both Holsteins and native cattle. If you want more detailed info on the grading process, carcass differences and marketing these cattle just give me a call to discuss.

So, the real question is, are **all** beef X dairy cattle superior? The answer is no. If you use a cheap straw of beef semen that doesn't have the proper traits to offset the dairy breed characteristics to breed a dairy cow you will essentially get a beef colored dairy calf. **Hide Color means absolutely nothing!!!!** The dairy needs to choose a beef bull with the following traits to produce a superior crossbred calf on dairy breed cows: 1. Large ribeye area, 2. Moderate frame size or stature, 3. High yearling weight, 4. Enough marbling to maintain

a choice quality grade and 5. High fertility so we get these cows pregnant in a timely fashion.



Beef Type



Dairy Type

So are crossbred cattle always better? In the big picture the advantages realized from hybrid vigor and a proper breeding plan give those calves a performance and superior carcass advantage. More efficient feed conversion, healthier cattle and less days on feed to achieve a similar end live weight vs. straight bred dairy cattle lead to the overall answer of **YES**.

The advantages that crossbred dairy beef calves bring with them should be rewarded with a value-added price, but that premium needs to reflect the value (EPD's) of the crossbreeding program to both the dairy as well as the calf grower/feedlot. Keep in mind heifers do not perform equally to steers in feed efficiency, and they do come in heat so that needs to be considered in your pricing plan. The dairy, the calf grower and the feedlot all need each other to stay in business, and they all need to be profitable to stay in business.

Check out this article to reference some of the topics mentioned above.

<https://www.progressivedairy.com/topics/a-i-breeding/beef-on-dairy-done-right-how-to-make-the-crossbred-calf-the-market-desires>

Sanitation and Snow



Klejeski

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It's beginning to look a lot like winter. While the temperatures decrease, so does our patience. Hutches are still a very common source of calf housing; with that said, imagine standing in the dark with negative temperatures numbing your fingers and toes. Let's top that off with bottle feeding a Swiss calf that should've been drinking from a pail 2 weeks ago (no surprise there).

Even the best employees and managers have the tendency to cut a few corners when it comes to calf chores in the winter. Per my last article on preparing calves for winter, we understand that calves need the most attention in the colder months to keep them healthy and productive.

Sanitation is a great way to prevent underlying causes of disease throughout the calves. We'll start from the beginning: Colostrum quality. This has been preached to us repeatedly, however it is often overlooked and very critical to the calf's life. There is a lot that contributes to colostrum quality such as pre-fresh/maternity protocols and nutrition, cleanliness and quantity. Colostrum should be collected in a container free of foreign material and bacteria. It should be handled correctly as well, meaning it should be fed right away or stored properly (freeze until ready to use). Leaving the pail sit in the milk house until the next feeding will cause bacteria to grow tremendously, defeating the purpose of feeding colostrum. In my opinion this is the most important phase when it comes to calf health.



Now that your calves are in individual pens/hutches or participating in group housing, how do you stop the transfer from calf to calf? Or even human to calf? I think of this as a daycare or an elementary classroom. How can we keep them from getting sick? A few ideas that may take a few extra minutes but could save you a headache in the end, are:

- ✓ Clean buckets after every feeding
- ✓ Clean pens after every calf (individual pens/hutches)
- ✓ Deep clean pasteurizers, milk taxi, etc.
- ✓ Use chlorine dioxide to sanitize equipment that encounters the calves
 - Using bleach or similar products isn't as effective
- ✓ Do a sanitation audit (we would love to help!)
 - ATP meter – provides us with bacteria levels on hard surfaces
- ✓ Buy new brushes to wash bottles/buckets – they are dirtier than you think
- ✓ Buy new nipples to bottles - old, cracked nipples are a great place for bacteria to hang out

Take some biosecurity precautions as well that cost little to none, such as wearing boot covers near the calf facilities. It can be hard to identify where any disease outbreak started, but you can save yourself some money with a decrease in antibiotics along with the stress of dealing with sick calves. The Purina Animal Nutrition and All American Co-op feed team offers many services to help keep your calves happy and healthy. Feel free to contact us with any questions or concerns you have. Happy Holidays and happy cleaning!



**ALL AMERICAN
CO-OP**



COOK'S CORNER

Oven Baked French Toast

- ½ cup butter
- 1 cup brown sugar
- 1 tsp cinnamon
- 1 ½ cup milk
- 6 eggs
- Dash of salt
- 12 slices of bread



Melt butter in 9x13 inch pan; add brown sugar and cinnamon to pan. Mix well. Cover with two layers of bread. Mix eggs, milk and salt in a bowl. Pour over bread. Refrigerate overnight. Bake at 350°, uncovered, for 30 minutes. Cut and turn upside down onto plate. Top with whipped cream.

Winter Manure Applications and Restrictions



Schmitz

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2018 has proven itself to be a challenging year, and the challenges continue into this late fall harvest. As harvest gets delayed so does some of the other critical field work that must be completed, not the least of which is manure applications for our livestock producers.

History shows that if there is going to be an environmental issue regarding manure applications the highest percentage of occurrences occur during

winter applications on frozen and snow covered ground. Taking some extra precautions now can help minimize potential problems in the future.

I know the fall so far has been particularly challenging when it comes to applying manure, particularly liquid manure that needs to be incorporated for the larger NPDES permitted sites. The plan that you had set in place may have gone out the door with fall.

Most of you know the restrictions for applying manure within sensitive features, but as we move into a critical time for manure applications I thought this would be a good time to recap what those restrictions are. There is a visual map of the required setbacks as well as a table indicating what those setbacks are depending on whether the manure is incorporated or not. Please take the time to review these documents. If you are a federally permitted facility there are some additional requirements that you need to follow in regard to manure applications on frozen and snow covered ground. Your permit will outline those requirements for both liquid and dry manure.

Abiding by these setback requirements can save a lot of headache in the future, and can ensure continued water quality improvement in SE. Minnesota.

If you have questions regarding these setbacks or would like more detailed information about applying manure in sensitive features please feel free to contact me at 507-434-0016.

MINIMUM STATE REQUIREMENTS FOR MANURE APPLICATION IN SENSITIVE AREAS					
Sensitive Areas	Winter Setbacks	Non-Winter Setbacks			Other Requirements
		A: Surface Application	B: Incorp. + P mgmt	C: Incorp. NO P mgmt	
Streams/inter. streams	300'	*300'	25'	*300'	
Lakes and wetlands	300'	*300'	25'	*300'	
Drainage ditches	300'	*300'	25'	*300'	
Open tile intakes	**300'	**300'	0'	0'	
Steeply sloping land	—	—	—	—	Permit may be needed
Road ditches	—	—	—	—	No application into ditch
Frequently flooded soils	—	—	—	—	Consider in mgmt. plan
High phosphorus soils	—	—	—	—	Permit may be needed No P build-up at some sites
High water table soils	—	—	—	—	Consider in mgmt. plan
Wells/wellhead protection	50'	50'	50'	50'	Permit may be needed
Sinkholes (without berms or diversions)	50' down 300' up	50' down 300' up	50'	50'	
Coarse-textured soils	—	—	—	—	Consider in mgmt. plan
Shallow soils over bedrock	—	—	—	—	Consider in mgmt. plan
Mines and quarries	50'	50'	50'	50'	

A = Surface application with NO incorporation within 24 hours

B = Injection or incorporation within 24 hours AND phosphorus management***

C = Injection or incorporation within 24 hours with NO phosphorus management***

— = No specific requirements.

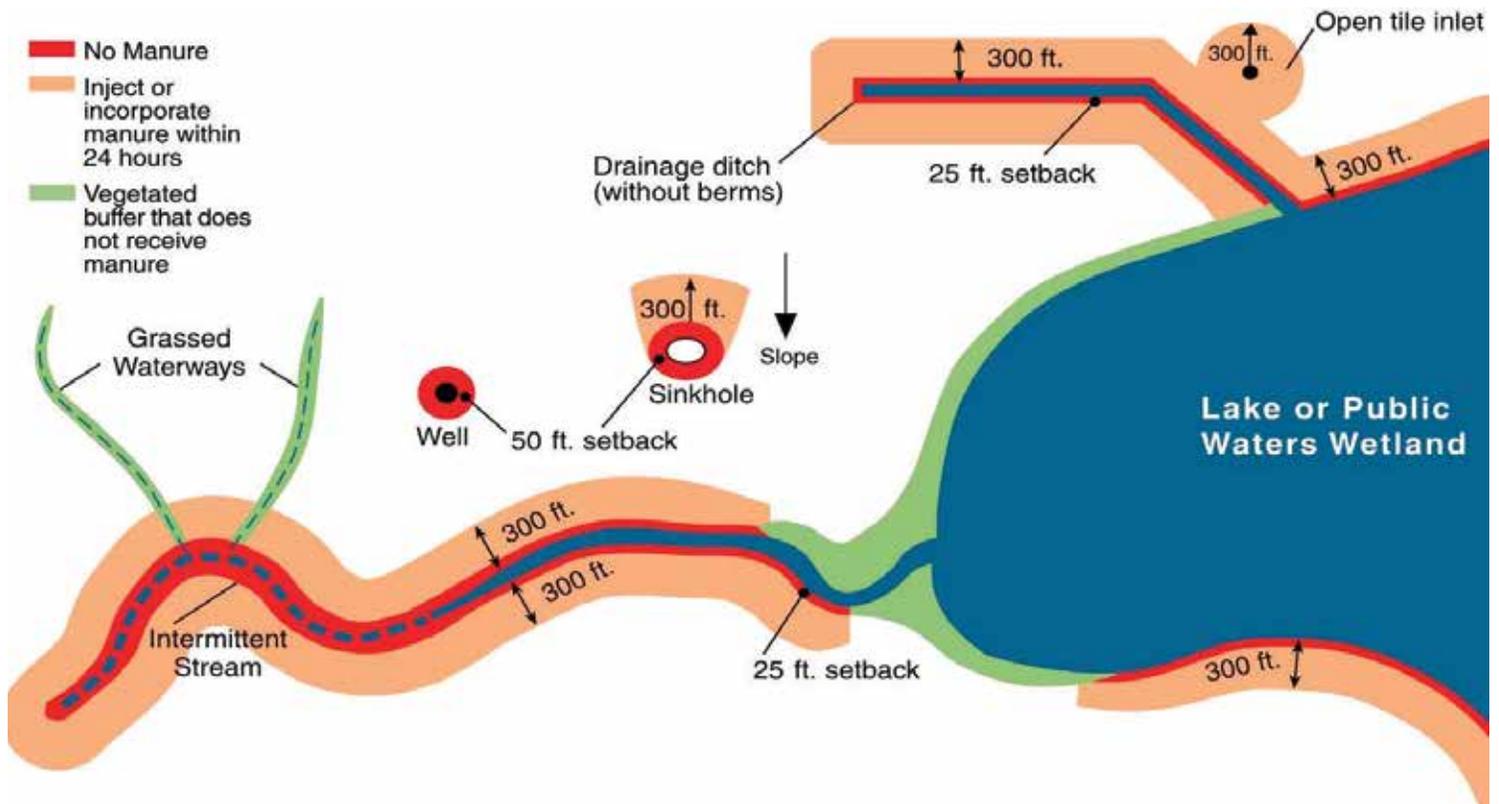
*Setbacks can be reduced from 300' to either 100' (lakes and perennial streams) or 50' (wetlands, drainage ditches, and intermittent streams) if permanent vegetative buffers that are at least 100 and 50 feet wide are planted along the waters.

The 300' open tile intake setback for non-incorporated surface application of **solid manure is exempted until 2005.

***Phosphorus management means that the application rate and frequency over six-year periods will not result in soil P build-up where soil P already exceeds 21 ppm Bray P1 or 16 ppm Olsen.

Sensitive Features Setbacks

This graphic summarizes the state setback requirements. County and/or Township requirements may be more restrictive.



Year End Grain Reminders



Vrieze

Chrissy Vrieze, Grain Accounting cvrieze@allamericancoop.com (507) 533-4222

As the 2018 year ends there are some things I would like for you to keep in mind. The first is that deferred payments will be ready to pick up on Wednesday, January 2nd. We will have them at the Stewartville, Elgin and Viola locations. Any Eyota customers will be able to pick their checks up in Viola. Checks will stay on-site through Thursday, January 3rd. Any checks not picked up by Thursday will be put in the mail on Friday, January 4th. If you would like your check to stay on-site and not be put in the mail, please call the Stewartville office at 507-533-4222 before Thursday, January 3rd. A friendly reminder that due to the time of year checks that are mailed can take longer to receive, please allow for up to two to three weeks delivery time.

The second thing to keep in mind is end of year reports you may need for tax purposes. You can either be set up on our list to receive this information every year by mail, or you may call and have this information sent out by mail or email at any time. If you are on our list to receive end of year reports annually they will be sent out on Friday, January 4th. This information will include any grain sales you have made in 2018 and any expenses you have paid for.

If you have any questions about your deferred payment or end of year information please contact me at the Stewartville office by phone at 507-533-4222 or email at cvrieze@allamericancoop.com. I want to thank all of our producers and fellow All American Co-op staff for the great harvest, and for all that you do every day! Have a great Holiday and Happy New Year.

Six Pounds



Goeldi

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Purina Animal Nutrition**
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The fall component bump has reached us. In many cases I am seeing butterfat tests at or above 4.0% and protein tests at or above 3.2%. These are awesome numbers to see, but what does it mean for profitability? Most of the trusted universities in the country have said for many years that 6+ lbs. of solids are where you can be profitable. This makes sense since in this region of the country we make more money on the components we produce compared to the lbs. of milk we produce. Let's start with the math to calculate how many lbs. of solid you produce at your farm. When I calculate these for my producers I like to use a certain number of days, usually a week to two weeks at a time. I always use the average of that period, since as you have seen, components can vary from day to day.

Bulk tank Average:

Lbs. produced/ Days in Period= 1-day average
1-day average/ # Milking = Bulk Tank Average

Lbs. of Fat:

Bulk Tank Average X Butterfat % = Lbs. of Fat

Lbs. of Protein:

Bulk Tank Average X Protein % = lbs. of Protein

* Remember that these are percentages, so we need to divide by 100 i.e. a 4.0% BF would be 0.04 in the formula.

Total Lbs. of Components:

Lbs. of Fat + Lbs. of Protein = Total Lbs. of Components

Let's do an example quick for clarity. Let's say that we are going to do a 7-day snap shot on a herd milking 250 cows. The # of milk are 140,000 BF%: 4.0 Pro%:3.2

140,000 lbs. / 7 days= 20,000 lbs per day

20,000 lbs. per day / 250 cows milking = 80 lb. bulk tank average

80 lb. Ave X 0.04 BF = 3.2 lbs. of Fat

80 lb. Ave X 0.032 Pro = 2.56 lbs. of Pro

3.2 lbs. of Fat + 2.56 Lbs. of Pro = 5.76 lbs. of Components

Now that you have looked at the lbs. of components a discussion can be had about where you can make improvements on your herd's production. Make sure to look not only at the additional income the component increase will bring you, but also the cost of additional production. This additional cost may come in increased DMI or additional feed costs for additives or products proven to boost components. If you would like to discuss this topic further I am reachable by phone or email. I look forward to hearing from our dairy producers, and want to wish everyone a very Merry Christmas and Happy New Year.

Opportunities



Yoch

Steve Yoch, Agronomy Sales
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As I write this article our first deer gun season has finished up, but the archery season goes to the end of December. My oldest son, Owen, is a bow hunter. He just sent me a text letting me know that nature's heater isn't working very well in his tree stand 15 feet up in the air. The temp is at 20 degrees and the wind is blowing in his face at 15mph. He's bundled up, but even the best clothes have their limits when perched up high in a tree on a metal tree stand! The squirrels are adding insulation to their nests, so they must think it's cold, too! Owen knows his probability of harvesting a deer when not hunting is at 0%, so that's why he's braving the elements and seizing his opportunity to hunt.

Opportunities. We all have them in life. We all have the opportunity to raise the best crop possible. Do we seize the opportunities? Raising a good crop isn't all controlled by the weather. Even though the weather is a large factor in our crop production, we often resort to blaming the weather when things go wrong. Hail, wind damage, and an early arrival of Jack Frost is uncontrollable. Factors that weather can contribute to, but is not solely to blame are stalk rots, uneven emergence, diseases and lower grain quality to name a few.

Raising a good crop as you well know, is multi-faceted. Not just one factor is in total control of the outcome. We need to lower our

risks by controlling the factors we can control. Are falling potassium levels partially to blame for the stalk rot? Is the uneven emergence a tillage or planter issue? There are a lot of opportunities growers have to learn more about crop production. Winter group meetings and a one-on-one planning meeting with your agronomist are excellent opportunities to learn more about fertility, weed management strategies, hybrid selection, disease management, etc. Larry Veith's article, "Tough Decisions Getting Tougher" points out some interesting yet concerning information on fertility trends from 2003-2018. Take the time to visit with your All American Co-op agronomist about your fertility trends, and ask questions that you may have in planning for the 2019 crop. We are here to help you succeed and be profitable.

Just got another text from Owen. He moved off the wind tunnel hill and went to the valley where the trees offer a little protection from the wind. He couldn't quite tell if his feet were still there without looking down at them. Why doesn't he just go home? Because of opportunity. He changed his strategy mid-hunt to still give him the opportunity to harvest a deer. Take the time this winter to learn more about your controllable factors in crop production and seize the opportunities to increase yield.

As always, thank you for your business and allowing us to partner with you in your 2018 cropping season. I would like to wish all a very Merry Christmas and a Blessed New Year!

Looking Back at 2018 & Ahead to 2019



Suess

Gary Suess, Precision Ag Specialist
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As we move into the last few weeks of 2018 and review this year's growing season, one thing was clear: farming in 2018 has been a challenge from start to finish. We started the year with a wet spring that made getting our crops planted timely a daunting task. A hot summer helped us catch up from late planting, but also caused stress on plant growth and development throughout the season. We ended the season facing many weather delays that made getting fields harvested a difficult chore. Hopefully everyone has been able to finish all their fall work for 2018 and gets a chance to slow down and relax from the stressful year.

What can we learn from 2018? If you collected harvest yield data with your combine we invite you to share it with us. We would be happy to produce yield maps and discuss them with you. Also, if you are using a manufacturer's data management program, such as the MyJohnDeere or Climate Fieldview platforms, we also invite you to share your account data with us. Doing this allows us to get a better understanding of the strengths and challenges in your fields and find ways to maximize their potential. Using your data we can also research any trials you had in your field (hybrids, fungicide treatments, plant growth regulators, etc.) to help you recognize the operations in your fields that had positive impacts on your yields this year.

After harvest is complete and everyone gets a chance to review the 2018 crop, our attention quickly changes to the 2019 growing season, and how we can apply the things we've learned from the past to next year's crop. It's yet to be determined how the environment and agronomics will shape up for the 2019 growing season, but it

seems certain to be financially challenging. Keeping these financial challenges in mind we need to do everything we can to set ourselves up for success. First, let's start with taking an inventory of our field nutrients and production capabilities. Grid sampling is our best management tool to do this. Using grid soil sampling we can provide you with nutrient recommendations that allow you to maximize production through spatial distribution of fertilizer into the areas of the field that will give the most response and give increased profitability.

Another tool for your farm is one of the satellite and data based modeling programs, such as Climate Fieldview. Programs like these give detailed soil, crop and weather data on a field by field basis. Also, planting, harvest, and application data from your farm can be imported into the program and analyzed to help determine which products and treatments are working best on your farm. Every year we have more of our growers using this program to aid them in decision making. I encourage you to discuss the benefits of using Climate Fieldview on your farm with your All American Co-op agronomist in the 2019 season.

As 2018 comes to a close we turn our thoughts to 2019 and the upcoming growing season - it will be here quickly. Please talk to us about any precision ag ideas you want to explore to help increase your farm's efficiency. Finally, take time to enjoy the Holiday Season with your family and friends. Merry Christmas and Happy New Year!

GROWMORSM
Growing More by Knowing More

Scholarship Eligibility 2019

- Scholarship applications open to students enrolling as first or second-year students at an accredited two or four-year college, university or vocational-technical school for the 2019-20 academic year.
- Student must be majoring in an Ag-related field of study.
- Scholarship may be awarded to a student two consecutive years. Student must apply each year.
- Scholarship will be paid directly to the student upon presenting proof that first semester studies have been completed with a 3.0 GPA average or better (based on a 4.0 GPA), along with proof of enrollment for a second semester.
- A complete application should include:
 - Scholarship Application Form
 - Current Copy of Transcript
 - Please include a clear explanation of the school's grading scale
 - Student Appraisal
 - Student Essay
- Application deadline is March 15th.



- **Submit Applications to:**
All American Co-op
Attn: Scholarship Selection
Committee
PO Box 125
Stewartville, MN 55976
Or Email To:
info@allamericancoop.com



"Working with you"

STEWARTVILLE – ELGIN GRAIN – ELGIN AGRONOMY
ST. CHARLES – EYOTA – VIOLA – PLAINVIEW – KELLOGG

From the Seed Shed-Tough Decisions Getting Tougher



Veith

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As we wrap up the 2018 harvest season and begin to prepare for the 2019 cropping year, I am sure many of you are asking the following question to yourselves and neighbors; “what the heck happened to the crop in 2018?” After experiencing some of the best crop yields in both corn and soybeans we have ever seen in our lifetimes in 2016 and 2017, we overall took a step backwards this past growing season. Why?

Looking back we all know hindsight is 20/20, but I feel it is good to review some of the things that happened to begin to understand what we can do different going forward, and what we chalk up to Mother Nature just being herself.

Another factor to consider more closely is lower than normal fertilizer application rates being applied this spring due to continued low commodity prices. We all know that you “can’t squeeze blood out of a turnip”, and that expecting continued high yields while cutting back on fertilizer is not sustainable. In looking at a composite of soil samples taken by All American Co-op from 2003 to 2018, our P and K levels have dropped significantly; 16% for Phosphorus and 18% for Potash. Although it may not sound like much, it is when looking at the increasing yields we have seen since then. Looking at USDA statistics our average corn yield in Minnesota was 146 bushel/acre in 2003, and up to a high of 193 bushel/acre in 2016, or roughly a 32% increase. Soybean yield increases have been even more dramatic, jumping from 31 bushel/acre in 2003 to 52 bushel/acre in 2017, or almost 68%. Yet two of the more significant nutrient levels (P & K) are going down. Perhaps at those 2003 fertility yield levels, we were at a place in time where significant yield increases should have been expected. Better equipment, weed control and genetic traits being introduced into corn and soybeans plants all helped move yields significantly higher. What a day! Producers have literally taken the ball and run to record production. But it does beg the questions; at what point can we cut, to what extent, and still keep the yields we have become accustomed to in recent years? Are we trying to drive

a Porsche on E85 gasoline, or was this year a phenomenon? I can’t tell you today; only time will tell us for sure. What I will tell you is, TOUGH DECISIONS ARE GETTING TOUGHER.

Hybrid selection for 2019

Making hybrid and variety selections for the 2019 growing season have not been made any easier based on the 2018 crop year; if anything, things just got a whole lot tougher. How much stock can you put on what you saw this year and not ask yourself, “What are the chances of a year like this repeating itself next year?” My answer would be a simple, “slim to none”. If we have learned anything, it is to expect the unexpected. But one thing most of us have learned is that no two years back to back are ever alike, at least here in Minnesota. Look at as much data as you can from as many locations in our growing region as possible, and don’t assume that because a hybrid didn’t perform up to your expectations it means you did not make the right selection this year. We all know weather has the biggest impact on yield, and we can’t control that.

Visiting with your seed specialist or agronomist is the first step in getting comprehensive yield and performance data. We have training from and access to private seed company agronomists and product specialists to ensure we are doing the best job of placing the right seed on your farm. Individual and replicated seed company plots as well as our own internal plots from your farms help us understand what is working and what is not, regardless of the brand. All American Co-op handles multiple seed brands to make sure we can give you the best selection of hybrids and varieties that work in our area. Those brands including DeKalb corn, Asgrow soybeans, NK(corn/soybeans/Enogen grain/silage), Mycogen soybeans and grain corn(also TMF, BMR and UNIFIED silage corn), and Croplan corn(grain and silage)soybeans and alfalfa provide you with the best of what the seed industry has to offer.

Every brand has specific financing programs, seed special programs and cash and volume discounts that keep our seed line-up productive and affordable for you. Please remember we are here to serve you and your agronomic needs both for 2019 and in the future. We sincerely thank you for your business, and wish you and your family Happy Holidays and a prosperous New Year!



Should I Rent this Farm?



Collins

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Boy, is that a loaded question!!

Every year I get this question, but this year it is a lot more frequent. With a challenging Ag economy the land that is being rented is being scrutinized pretty hard this year. I know landlords won't like to hear this, but a lot of farmers are taking a hard look at what they rent.

Farmers have a lot of reasons for renting a piece of property:

- It's highly productive
- It is in close proximity to what they already own or rent
- They need or want to expand the operation
- It was offered to them
- It looks like a good farm
- Pride (having more acres)
- Efficiency- spreading fixed costs over more acres
- It's cheap (maybe just perceived cheap)
- It may not come up for rent again for a long time
- They may have the opportunity to buy it some day
- Their son/daughter wants to start farming
- Non-farming reasons: good hunting, recreation, etc.
- They may be able to cure the drainage issues on property they own/rent
- Need more acres to spread manure

And the list goes on.....

Whatever the reason, my reply has usually been the same-“Will it make you money?”

You need to know your cost of production. Not a guess or a round figure, but a true cost of production on a per bushel basis. I know it's hard to know what to expect for a yield on something you have never ran before, but there are ways to get a close idea. Talk to other farmers who may have rented it in the past. Look at the soil types listed for that farm and see if they match anything you operate now. Find out what the CPI (Crop Productivity Index) is on that farm. Take a soil test to see what the fertility is like. It may be the cheapest money you spend even if you end up not renting it.

Your Agronomist at All American Co-op can help you with a lot of these things. From fertilizer, chem, seed and soil testing costs to looking up what soil types are on that farm.

We can help with a lot of the tangible costs in renting a farm, but you are probably on your own with the intangible or personal reasons to rent it!

Good luck and have a great holiday season!!

Open Enrollment for Insurance Ending Soon

Don't Wait Until the Last Minute! Open Enrollment for the Land O'Lakes Health Benefits Program for All American Co-op Producer Members Ends December 21st, 2018.

You can enroll by doing either of the following:

- 1. Call 844.538.4690 to speak to a Gravie Care advisor on the phone.**
- OR**
- 2. Visit www.gravie.com/mncoop and click “Enroll” to shop for plans online.**

All American Co-op self-employed members, along with owners and employees of farms belonging to the co-op, are eligible for the Minnesota Cooperative Farmer Member Health Plan. Eligible members must also be located in Minnesota, conduct at least \$5,000 in business with the co-op and actively work in production agriculture.



Gravie Administrative Services LLC www.gravie.com/mncoop | 844-538-4690 | coop@gravie.com



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