

Prairie Grain

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Winter

April 2011

Stepping Up Service

By SCOTT MAUCH, GENERAL MANAGER

It's too soon to be working up your fields, but we've already been moving earth here at Prairie Grain Partners. It's construction season, and crews have been hard at work excavating and preparing footings for our new grain expansion. Located just to the east of our existing grain facility, the new complex, when completed, will consist of two 310,000-bushel and two 1.1-million-bushel bins served by two 7,000-bushel/hour driers and fed by two 20,000-bushel/hour pits.



All this new capacity will be connected to our rail loadout by conveyor. And the entire complex will be tied into a system that enables us to monitor everything from a central location. Looking ahead, we hope to automate our truck weighing and dumping system, add an outbound scale, and convert our two existing scales to inbound-only use. The new addition will also make further expansion much easier.

The goal of all this isn't to be bigger, but to be better. Increased capacity improves our ability to stay fluid at harvest and keep you moving.

We expect to start bin jacking in May, and we're scheduled to be up and running by October 1. This project has been more than a year in the making, and it's taken a lot of work to get here. But it is a joy to watch it begin to take shape.

Agronomy upgrade

At the same time one big project gets underway, we're putting the finishing touches on another.



The new agronomy building should be ready for the spring rush. It's another service-focused facility upgrade that you can read about in Roger's article on page 3.

We've also added two new tender trucks and a floater this past fall. We'll continue to evaluate what we need to keep the agronomy business moving forward and provide you with the best possible service.

Winter has made for some slow going, but the pace will pick up when spring finally hits. We have five trains on the books for April and five for May, with five more likely for June. Capitalize on the good commodity prices we're seeing, stay abreast of the market as you're planting, and stay alert in the field as you put the 2011 crop in the ground. We look forward to working with you through another successful growing season. ❧





World Demand Will Encourage Production

By *JEFF DAVIS, GRAIN DEPARTMENT MANAGER*

Commodity prices continue to climb as the market focuses on reduced supplies. The market estimates that corn carryout will be the lowest since 1995-96 at 675 million bushels, and soybean carryout is projected to be 140 million bushels at the end of the 2011 crop year. Wheat has also seen increased demand, as some countries want to maintain adequate supplies to help keep political unrest under wraps, among other reasons.

The USDA will issue its prospective planting update on March 31, along with their ending stock estimates. A further reduction in current carryout projections could have an additional bullish impact on corn, beans, and wheat.

To date, prospective planting estimates have pegged corn acres at 92 million and beans at 78 million. For the sake of comparison, farmers in 2010 planted 88.2 million acres of corn and 77.4 million acres of beans.

Weather and basis

Spring planting weather will become the major market influencer as we move into the April-May time frame. Many of you have commented about the wide basis levels, as you continue to hear about tight supplies. Basis levels can vary throughout the Midwest depending on several factors: local demand by processors and livestock producers, export demand, and supply. In southwest Minnesota, as prices have increased, farmers have responded by supplying the market with adequate—or in many cases, overabundant—bushels.

Therefore, basis has not had to narrow to encourage additional movement.

The export market in the Pacific Northwest (PNW) has been hungry for soybeans in the first quarter, but that aggressive position has been tempered somewhat by South American production. Wheat exports have increased, while corn for export from the PNW has lagged behind recent years' demand.

Local corn-processing plants have been beneficial buyers, but with the increase in futures prices, they have not had to narrow basis to encourage farmer selling.

Old and new

Farmers have been active marketers of both old and new crop grain. As the markets continue to hit new highs, old crop sales increase. Soybeans sales have been slower but continue to meet user demands. Many producers have made new crop sales as profit margins have been positive and arrangements have been made to lock in variable costs.

Market volatility is going to be one of the hardest factors to manage for the next four to six months. The market will need near-record production on the projected planted acreage to avoid further reducing reserves. Weather in the northern hemisphere will take center stage April forward until the market is comfortable that the acres are planted and production is off to a good start.

Safe planting, everyone. ☛

Is Your Nitrogen Missing in Action?

By *RICK SCHWACHTGEN, AGRONOMIST*

With the wet conditions we had last fall and the snow we've accumulated this winter, leaching and denitrification could present some nitrogen management challenges this spring. With that in mind, our corn will require higher nitrogen application rates to maintain top crop yields. Consider split nitrogen applications or possibly a rescue treatment with CoRoN® at row closure to address those nitrogen losses.

One of the best ways to determine where your crop stands from a nutrient standpoint is tissue sampling—a service we provide to our customers. All we need is a phone call, and we'll go out and pull young corn plants at the V4-V5 stage, send them to the lab, and determine both their macro- and micronutrient needs.

With current commodity prices, every bushel counts. Tissue testing is a great way to avoid short-changing your crops and drive higher yields.

Save your seed

This looks like another spring where seed treatments

will pay off. Phytophthora and pythium can be a big concern when we are planting into cool, wet soils so a seed treatment of either CruiserMaxx® or Acceleron® is a great way to protect seedlings from these diseases. At these commodity prices, it really pays to protect your seed. And the cost is considerably less than the bushels you'll save. Our treatment facility is now inside, so even in inclement weather you can bring in your gravity boxes, treat your seed, cover your wagons, and take them back to the farm so you're ready to go when the weather clears.

Once those crops emerge, we will be scouting for emergence, weed control, and insect issues. We put many miles on our Polaris® Rangers® last year keeping an eye on fields, and we're ready to do that on your acres this season.

Seed supplies are fairly good now, but that can change as we get closer to spring. So come in and order any additional seed you may need to ensure that you get the hybrids and varieties you really want. ☛



Building Efficiency

By ROGER BROCK, AGRONOMY DEPARTMENT MANAGER

We've certainly had enough winter, and I suspect you'll be as happy as we will to see spring. We've been busy at Prairie Grain Partners working on our new liquid fertilizer and chemical building. The structure is complete, and we're currently installing tanks and automation. Everything will be ready to go this spring, and I'm confident you'll appreciate the convenience and efficiency of our new facility.

You'll be able to fill with water in all three bays—two interior and one outside—and water will be available 24 hours a day at the outside bay. It's a setup designed to get you in and out more quickly.

We're looking forward to an open house in early April, so plan on stopping by for a look around.

Along with the new building, we've added two new tender trucks and a new floater to help us get to everyone's field in a timely fashion.

Putting knowledge to work

I'm sure everyone has had their share of meetings over the winter, and I suspect you've gained a lot of good information. One of the hot topics has been split application of nitrogen on corn. Take a look at Rick's article on page 2 for more on that subject.

One unexpected consequence of the Clean Air Act passed some years ago was a reduction in the amount of sulfur that was added to the soil when it rained. That's one reason adding sulfur to your fertilizer program is more important than ever. And with the increased yields we've been taking out of the ground, we need to pay careful attention to the overall nutrient needs of our soybean crop and fertilize accordingly to maintain those top yields.

Take your best shot

There will certainly be a lot of new equipment in the field this spring. You only get one shot at planting and you want to get it right, so take time to read your manual carefully and set your new planter properly

before you head to the fields.

Give that new crop every advantage by controlling early-season weeds. With the growing weed resistance to glyphosate, using pre-emergence products on corn and beans has paid big dividends in recent years. Contact me, Rick, Nathan, or Shannon in Dovray, and we'll set up an appointment to come out and set up a program for you for your seed, fertilizer, and chemicals. And we also need to sit down and go over your field plans for 2011 to make sure we're in sync.

Just a couple of reminders in closing: Make sure you have your pesticide license up to date so you will be able to purchase the chemicals you need without delay. And just a heads-up that new government standards on mini-bulk tanks go into effect August 1. We will no longer be able to fill tanks that don't meet these standards.

Everyone here at Prairie Grain hopes you and your family have a safe and successful spring. ☛





**PO Box 68
1220 Prairie Grain Road
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Get the Jump on Tough Weeds

By SHANNON COHRS, DOVRAY LOCATION MANAGER

Thinking back to the 2010 growing season, we were in good shape for heat units and moisture. The biggest issue we faced was weed escapes in both beans and corn. That's why I want to emphasize using more pre-plant herbicides this spring.

In corn, TripleFLEX® is a new product from Monsanto for pre- and post-emerge use in Roundup Ready® corn. SureStart® is another proven performer. On beans, the old standbys, trifluralin and Prowl,® are joined by a new entry, WARRANT,™ an encapsulated acetochlor that can be tankmixed with Roundup. There's also program money available on some of the newer products when they're used with Roundup WeatherMax.®

If you're thinking of just using Roundup and not going pre-plant, put a secondary mode of action to work too. Calisto® on corn and FlexStar,® Cadet,® and Harmony® for beans are good tankmix partners. The value of a different mode of action was proven last year, when we hit waterhemp hard enough to burn off the leaves but



not hard enough to kill the plant. Without leaf surface, Roundup couldn't get into the plant and it just kept growing. Talk to us, and we'll put a plan together that will target our troublesome weeds: waterhemp, lambsquarters, and marestail.

Make your fertilizer work harder

Everyone wants to make their fertilizer dollar go further, and one product that has shown some impressive results in that regard is Hydra-Hume.® Over time, tillage causes our soils to lose organic matter. Hydra-Hume helps build soil structure by creating a more stable soil aggregate that resists erosion and compaction. It also helps prevent nutrient tie-up and improves the biological composition of soil for greater moisture retention and aeration. The bottom line: improved fertilizer uptake and greater fertilizer efficiency.

Hydra-Hume is a dry product which can be applied with you're fertilizer in the spring. For more information, contact me or any Prairie Grain agronomist. 🍷

