



July 2010 Newsletter

SEC has purchased a parcel of land in Bond County and is going to add an NH3 facility in that portion of our trade area. The land is just inside of the Bond County line and is along Route 140. We are looking at other opportunities in that area and want to be very confident that we are building in the best location prior to beginning construction. We have a significant need for a southern NH3 plant, and our new site will offer opportunities for additional expansion in the future.

We are also adding a NH3 plant in the Raymond area. This plant will be ready for use this fall. We will not be adding other operations at this location.

SEC's commitment to our members is very strong and we know that we need to continue to stay up with your needs. Adding locations and equipment is only part of the solution, and we know that we need to have an adequately sized and exceptionally dedicated staff in order to bring the solutions to your farm.

I realize that this is very early to declare this year's corn crop a success, however there are not many factors that could drop our better looking early corn below normal. We have and will continue to help you manage this crop, determine what issues the crop has, and help determine the economic impact of those issues. Fungicides and insecticides may be able to help maximize the yield on your farm, and our agronomy team will work with you to see if they are a fit for your fields.

There are some areas in our trade area that have suffered from extreme rainfall, and we need some very favorable growing conditions for the

corn in those areas to meet the yield goals of those producers.

Our earliest corn harvest will be in two months, and SEC will be ready for your crop this fall. We are almost empty of old-crop grain, and will be able to meet all of your storage needs if you can plan ahead with us for this fall.

We expect to use our corn bunker this fall, and that gives us a huge amount of capacity to be able to meet your storage needs.



Some negative aspects of using a bunker is that you need to fill it completely full, and that you cannot change the dimensions very well after you begin filling. We will begin taking storage requests any time this month.

Ron Sheppard's Notes: Fuel prices have rebounded some over the last month, with gas and diesel up about 10 cents for the month. Much of this up-tick in prices is attributed to the anticipation of a strengthening global economy. One thing to think about is the long-term effect of the BP crisis in the Gulf of Mexico. If the capping of the well takes longer than expected, it could greatly limit the amount of deep-water-off-shore-drilling. Deep-water off-shore-drilling is forecasted to be the greatest amount of oil expansion in the future. This crisis will most likely slow down that expansion, thus possibly causing a run up in energy prices again. But it should also bring better, more stringent regulations that will hopefully prevent something like this happening again.

It will be time to think of getting your fuel and bulk oil tanks filled before you know it. We usually fill tanks in July and early August to help you prepare for harvest. Call us to place an order to fill your tanks.

Position Open: SEC has a part-time position for a grain clerk. The duties of this position are to process our daily terminal and processor grain settlements. The work hours for this position are from 10:00 am until the settlements for the day are processed, which is projected to be 1:00 pm. The days for this position are Monday thru Friday.

SEC will be posting another job opening on our website during July, and this opening will be for a full time bookkeeper.

We have two other construction projects going on this summer. We are adding on to our office and we are renovating our dry fertilizer plant.

Our office project includes the addition of a meeting room and office area. The addition of the office area will allow us to reopen the display area and have our Ag Leader precision ag tool demonstrations in an area that allows you to get a better understanding of the benefits and abilities of the tools. This project is set to begin any day.

We are adding to the loadout capacity of our dry fertilizer building by opening up the operational area and adding a second blender. This will require a significant change to the front of the building and an entirely new roof line on that half of the building. Our current blender sits in a 40" deep pit, and we are going to bring this up to grade in order to get the blender and scales out of the wet area.

Regan Wear's Notes: Fungicide applications will certainly be much earlier than last year for corn. These applications are targeted for corn as you start seeing tassel emergence. These applications can be very effective if the hybrid and environment warrant it. The first thing you will need to look at is how your corn hybrids handle leaf diseases and if you have them planted in fields that either have a history or would be likely to see a response from application such as continuous corn.



We are spraying quite a bit of Quilt at 14 oz per acre. This application has two products that will both stop the diseases and protect the plants from further disease outbreaks. This program cost \$25.5000/A applied. Call SEC to line up aerial application of fungicides on your farm. I have a full list of Fungicides and Insecticides on the agronomy page on www.shipmanlevator.com. We also have a couple of informational videos for you to check out. The latest one is "One Hungry World" that points out changes in agriculture and world food demand that we will see over the next few years.

I started seeing the first Japanese Beetles this year on June 22th in corn. I do not think these insects were as bad last year, but they will certainly be around and the fields will need to be scouted to see if they meet economic threshold.



Corn treatments for Japanese beetles should focus on pollination aide. Most of the treatments will be effective for a week or less, and should be applied very close to pollination time, and applied to fields that have high populations of beetles feeding on silks.



Dennis Wieseman's Notes: The average trade estimate for the USDA 2010 Planting Report was 89.229 million acres for corn and 78.183 million for soybeans. Back on March 31st, the USDA came out with their first look for 2010 at 88.80 million acres for corn and 78.1 million acres for soybeans. Corn stocks expected to be higher than last year at this time.

USDA gave us a big surprise on June 30th when they lowered the corn acres to 87.87 million. This was about 1.5 million acres less than the trade was expecting, and we saw a sharp rally higher that day. This lower corn acre number does two things for our

marketing opportunities. First, it gives us a chance to clean out our bins now and get some more harvest corn priced before harvest pressure returns in the fall. Excellent weather this past week will improve condition ratings and should raise yield potential. Market will now search for a fair value for current conditions and acres planted. Second, the friendly report will limit the downside risk and should remove the talk of December corn dropping to \$3.00 on the board. It may be possible that \$3.45 to \$3.50 versus the December futures will hold us on the downside. This should make it likely that corn prices will return to \$4.00 plus values this coming winter.

Another big plus for corn was the dropping of stocks down about 300 million bushel to 4.31 billion. When you factor in the acre decrease and the drop in stocks we lost about 500 million corn on the report. This is enough to rally prices, but be careful as the crop is in great shape, yield could increase and harvest will be early.

Soybean acres were raised to 78.87 million acres with stocks dropping a little more than trade expectations. The report was considered mildly friendly for old crop beans, but slightly bearish for new crop soybeans. Here again, use rallies to get new crop harvest beans priced to avoid the seasonal lows in October.



John Stiles is July's spotlight employee for SEC. In 2009, John began his employment as a part time employee and became full time in 2010. He works in the chemical building and enjoys his job. John is from Jerseyville and likes to go fishing and spending time with his family. His favorite part about SEC is the dedication to family and community.

Everyone at SEC thanks all of our customers that we have had a chance to do business with this spring. Each season brings new challenges, and this year's have been easier than many in the past. We do not always remember to tell our customers

just how much we appreciate your business. We look forward to continuing to earn your business this summer and fall, and in the upcoming years.

Derek Kahl's Notes:



The CFA Input Finance program kicked off the 2011 Crop Year with applications being accepted on July 15, 2010.

Now is the best time to prepare for your 2011 crop, while your 2010 income is in the field. SEC is currently looking at forward-purchasing possibilities for many of the inputs needed for 2011 crop production. We are happy to pass the savings on to our farmer-owners by taking advantage of early booking programs. Although we currently do not have any fall prices in place, I expect these to be offered in the next 30 – 60 days, and one way to be ready for these early prices is to have funds in place for your purchases.

The heavy rains that have occurred during the past couple of years have caused some incredible erosion in many fields. Many fields have huge gullies and ditches that are either impossible to cross with our sprayers at all, or too deep and rough to be able to maintain a good spray pattern when crossing.



The county NRCS offices have some excellent cost-share programs to address this erosion and to bring productivity back to those areas.



SEC encourages you to address the soil erosion on your farm for some selfish reasons and for reasons that will benefit you.



Bouncing thru gullies and ditches is hard on our drivers and our sprayers, and slows up our productivity. Fixing those gullies and ditches improves your production and may allow SEC to spray for you at a lower rate per acre.



We are looking for contractors who can work with our customers to take advantage of the NRCS cost-share programs and to restore the productivity on your farm. SEC will be glad to line up farmers with contractors who are looking to do more of this type of work.



Matt Haarmann's Notes:

The planting season has come to an end and nearly all of the crops look great in our area. I would like to thank all of our producers for another successful spring.



Our area corn and soybean plots look great, and I appreciate everyone that took the time out of their busy schedules to help us get them planted. Now is a great time to be walking through the plots. We can learn a lot about our new and existing hybrids at this time such as leaf disease pressure, plant and ear height, silk and tassel color, and insect pressure. All of our plots have new hybrids in them that you will be growing in the future and this is a great way to get a first hand look at them. Contact John, Tim, or myself for your own personal plot tour.



It is time to start applying fungicides on our corn crop. There are a lot of variables to take into consideration when deciding to spray a fungicide. The corn hybrids you planted is one of them. Disease tolerance varies from hybrid to hybrid. Please contact us if you have any questions on which hybrids you should spray.

SEC is proud to be one of the sponsors of the NTPA tractor pull at the Jersey County Fair on Friday July 16th. The pull begins at 7:00 pm.



By now, we should have picked up any seed that you did not use this season, and if we have not we need to do so immediately. Be sure that we are picking up all of our seed pallets also. The seed companies charge us \$25 per pallet for each one that we do not return.

Brent Phelps Notes: There are some beautiful corn and bean fields out in the country this year, and those fields deserve a sign next to them. We have spent the last few weeks pounding signs in corn and bean fields showcasing those hybrids varieties. We also have all of our plots signed and ready for growers to take a little time and walk through them.



The Ahlmeyer Farms plot in Marine on highway 143 is a first class plot with plenty to see. That plot has both corn and beans and also some population studies on beans in 30" rows as well as 15" rows. The check hybrid is Mycogen 2V732 and has a few low spots, but don't let that fool you as this is one great hybrid. As always, Darren Ahlmeyer does it **right** when he plants corn. The data from this plot will be accurate and we are excited about this year's results. In furrow starter fertilizer was used and dribbled in by the Keaton seed firmers. The mix we used was ½ 10-34-0 and ½ 28% with Ascend, zinc and Capture LFR applied at 5 gallons to the acre. If you are thinking about starter on your planter we can help you get the right liquid at the right rate to make your corn jump out of the ground.

If you have a field that needs a sign, give us a call and we will take care of it. After all you grew it so be proud of it.

"LET'S GROW SOMETHING TOGETHER"

We are closed on Monday July 5th



for the Independence Day holiday.

Rich Metzger's Notes: Double crop planting of soybeans is moving along at a very fast pace. Remember to increase seeding rates to around 220,000 seeds per acre. SEC has a good supply of group 3 and 4 beans on hand.

Back in the first part of June SEC held it's first session at the Answer Plot. It was really great to see such a great turn out. One highlight of the tour was the study of the use of starter fertilizer on second year corn. Appearance of the treated strips was amazing and should see a yield increase at the end. I will stay in touch with you when our next Answer Plot tour will be and I am sure it will be packed full of information just like the first session.

July will be a busy month for treating crops with fungicides. If you have some fields that might need to be treated give me a call and I can look at your field a get them sprayed if needed.

With the start of spraying beans please make note of what type of volunteer corn is present (RR or non-GMO) so we can get it controlled. Some of the insects that have been found include, bean leaf beetle and Japanese beetle. I would like to thank everyone for their business this spring. Have a safe summer.

"Growing Your Future One Field At A Time"

Joe Wieseman's Notes: SEC is committed to meeting the needs of our customers in all aspects of the agricultural industry. Precision Ag is rapidly becoming an integral part of our producers operations; and meeting the current and future needs of our valued customers is always a top priority for SEC.

To meet these needs SEC has joined with Illinois Valley Supply (IVS) to add another precision ag specialist. Bryan McMurtrie will begin on July 6 as the precision ag specialist for the Western trade area and will work in Jersey, Greene, Scott, Calhoun, and northern Macoupin counties.

Bryan has been working as an operator for IVS and representing our product lines for a couple years now and has a very good understanding of the products and services we offer. I look forward to working with Bryan to meet and exceed the expectations of you, our valued customers of SEC and IVS.

The crops are looking good in most parts of the SEC trade area and its time to start thinking about the upcoming harvest.



No matter what color of equipment you run an AgLeader yield monitor is a great addition to your combine and will allow you to get real-time yield data as you harvest your crops. Now is the perfect time to contact me about the options we have available to fit your machine and operation.

SEC will be hosting an AgLeader customer training day on July 29th in Shipman. Registration at 7:30 meeting beginning at 8a.m. and running thru mid afternoon, Lunch will be provided.

If you have any questions about the products or services we offer please feel free to call me @ 618-779-2741.

“YOUR PRECISION AG SPECIALISTS”

Shipman Elevator Company

Phone	(618) 729-9009
	(618) 836-5568
Toll Free	(888) 579-9009
Web Site	www.shipmanelevator.com
Fax	(618) 729-9010
Shipman Scale House	(618) 836-5560
Medora Scale House	(618) 729-3228

Management and Support Staff

Bart Baker	General Manager
Regan Wear	Agronomy Sales Manager
Dean Allen	Operations Manager
Dennis Wieseman	Grain Manager
Ron Sheppard	Petroleum Manager
Derek Kahl	Credit Manager
Joyce Allen	AR & AP Bookkeeper
Mary Meyer	Grain Payable Bookkeeper
Cathy Meininger	Billing Specialist

Sales Staff
Randy Brown
John Hunter
Matt Haarmann
Jim Walker
Joe Kuykendall
Dwayne Milner
Brent Phelps
Joe Wieseman
Rich Metzger
Tim Gueldener

Eastern Area Agronomy
Jersey County Agronomy
Western Area Agronomy
Precision Ag Specialist
Certified Energy Specialist
Seed Specialist/Agronomy
Central Area Agronomy
Precision Ag Sales
Southern Area Agronomy
Central Area Agronomy

We have ordered 24 new 1465-gallon anhydrous nurse tanks, and the first load is scheduled for delivery on July 1.

More of our customers are variably spreading their dry fertilizer than every before, and we are adding another new Terragator equipped with a Multiplier bed that allows for spreading two products at differing rates in a single trip over the field. We are also adding additional tender trucks for the new Terragator.

Now is the time to order your new Case/DMI NH3 toolbar for this fall.



70% of our customers own their own NH3 toolbars and I have never talked to one that has regretted the decision to buy. **Every toolbar on our lot is for sale to qualified SEC customers, and we have financing programs in place that can make the annual cost of your toolbar very similar to the cost of renting.** SEC does not plan to add any more toolbars to our fleet, and we can help you purchase a toolbar that meets the needs of your farm.

Custom NH3 application is an excellent alternative to owning, and SEC is committed to serving this segment of the market.

Dwayne Milner's Notes: Our Answer Plot this year looks really good again and is loaded with great learning opportunities. Our starter fertilizer block is still showing visual differences, and the kernel counts are noticeably different as of June 28th. Also the hybrid demos and the chemical blocks are packed with learning opportunities.



From now until the end of August I am scheduling private walk-through tours of the Answer Plot on Thursdays. If you are interested in a tour contact myself or your salesman to schedule an appointment.



Have a safe and healthy summer!!