



## May 2010 Newsletter

This was the most productive April ever at SEC, and a very productive month for all parts of our trade area. We certainly had some significant challenges with NH<sub>3</sub> during April, however I feel we put forward a tremendous effort to meet your needs in the best way we could. We have never had such a long string of consecutive incredibly busy NH<sub>3</sub> days in the history of SEC. Combining the long run with the very poor fall NH<sub>3</sub> season resulted in the results that we saw. The fall 2009 NH<sub>3</sub> season was just 1/6 of the worst fall season in the past decade.

We have several ways to improve our performance for upcoming year and beyond, and we will be making those changes over the next ten months. I do not see SEC adding to its NH<sub>3</sub> toolbar fleet in the future and I encourage you to look into buying your own toolbar if you have not yet done so. **All of our toolbars are for sale to our existing NH<sub>3</sub> customers.**

NH<sub>3</sub> tank size and availability is very important to many of our customers and we have one customer who owns their own tanks. SEC will be adding several nurse tanks prior to this fall and encourages any customer who wants to own their own tanks to do so, and we may be able to line you up with the size and style of tank that you are looking for. There will be a price discount for customers who own their own tanks.

The Board of Directors for SEC is going forward with several capital commitments to improve our ability to serve you needs this fall and beyond. The commitments include;

- An additional grain leg in Shipman to take dry corn away from the dryer
- An additional dry fertilizer spreader truck with a Multiplier bed plus additional dry fertilizer tenders
- A second fertilizer blender to speed up loading and to offer a backup to reduce down time
- Twenty four new 1465-gallon NH<sub>3</sub> tanks
- An additional satellite NH<sub>3</sub> facility

**SEC's summer interns for 2010 are in place.**

**Andrew Murray** from Jerseyville is a third year intern. Andrew will be a junior at SIU Carbondale, and began his internship in March.

**Todd Eickemeyer** from Hardin is a second year intern. He is a student at John Wood Community College.

**Max Morrison** is a second year intern from Bunker Hill. Max is a junior attending SIU Carbondale studying Agriculture.

**Sadie Geiger** is a second year intern from Highland. She is a junior studying Ag at University of Illinois.

**Dan Marcum** is a first year intern from Brighton. He will be a junior at SIU Carbondale studying Agriculture Systems.

**Garret Grothaus** is a first year intern from Shipman. He will be a junior at SIU Carbondale studying Crop and Soil Science.

**Tye Barley** is first year intern from Dorsey. She will be a sophomore at WIU studying Ag Education.

**Lisa Cooper** is a first year intern from Dorsey. She will be a sophomore at University of Illinois studying Agriculture.



### Regan Wear's Notes

We knew it was coming, but no one quite could have expected trying to squeeze the fall and spring ammonia season into 21 days without a rainout. Usually we spread this over 30 fall and 30-40 spring days. As you saw this spring, this was very challenging for all involved in this process. From the Ammonia terminals that were running on the bottom of their storage tanks, thru the transport companies that were running at their maximum capacity, to the retailers that were doing their best to keep product going across the scales, to farmers that were doing an amazing job at pitching in to help by pulling their own, or just working together to get the job done. I was very impressed with the patience and cooperation from our customers thru this very trying season. The biggest positive of this season was it all happening very safely with very few accidents.

With this season nearly behind us, we are in the middle of planning how to upgrade our systems to lessen bottlenecks that we have encountered to give you better service. We have some big changes coming with equipment and facilities to help meet our customer expectations for now and future ammonia needs.

We have seen some early Black cutworm moth flights. In St Charles Mo., the catches were considered significant starting on April 12<sup>th</sup>. Calculating expected growing degree-day accumulation we should start seeing cutting around the second week of May. Having Triple stack corn may also give you a false sense of security that you have full season protection, when at best you have suppression up to 3 leaves. Scouting for cutworms is a very effective way of managing this pest, but you have to do it. If you think that you may not get this done putting insecticide in the spray tank is also very effective and reasonably priced. Talk with your sales person if you would like to add cutworm control to your spray mix.



Mike Brooks is this month's spotlight employee at SEC. Mike is an important member of our operations team, and was recognized for fifteen years of service at SEC at the 2010 SEC Annual Meeting. Mike's primary job is operating a Rogator and is driving a new Model 1184 with 120' booms this year. Mike also helps operate our Medora grain facility during the fall and winter months. Mike and Brenda Brooks have two children and one grandchild and live in the Medora area. This early start to spring should be great for Mike as he enjoys fishing during his time off.



#### **Ron Sheppard's Notes:**

What a busy spring we've had so far! It sure is great to see a large portion of our corn planted in April and much of it up already. This also means we have been busy delivering fuel and lubricants. April looks to be the 2<sup>nd</sup> largest volume we have ever done in fuel. We have added a driver for our spare truck to better serve our customers needs. I would like to thank our customers for

their early ordering of products so we could better route our trucks and to get products delivered on time.

I have received many questions about the upcoming EPA deadline for farmers and commercial accounts to comply with federal oil spill prevention regulations. The deadline is currently Nov. 10, 2010. The regulation states that any aboveground fuel/oil storage facility with a total capacity of greater than 1320 gallons needs a Spill Prevention, Control, and Countermeasure (SPCC) plan in place. A facility with over 10,000 gallons of storage will need a SPCC plan designed by a SPCC Certified Professional Engineer.

The EPA has an excellent website that has a fact sheet that explains the rule very well. That website is [www.epa.gov/emergencies/docs/oil/spccfarms.pdf](http://www.epa.gov/emergencies/docs/oil/spccfarms.pdf). This is a general US EPA rule. One should also check their local regulations on tank sizing and placement. In Illinois for example the maximum above ground tank size is 2500 gallons as stated by the Illinois State Fire Marshall. Where the US EPA states that the maximum above ground tank size is 5,000 gallons. The more restrictive rule is the one to follow, so in this case the Illinois State Fire Marshall is the one for us to follow in Illinois. Call us with any questions you might have and we will do our best to help.

#### **Derek Kahl Notes:**

Thank you to all the patrons that used CFA for your 2009 crop inputs, these loans matured on March 15, 2010 and many of you have either paid them off or completed the paperwork necessary to extend the maturity date to better fit your marketing needs. If you have not paid off your 2009 CFA loan or received an extension, give me a call to help reduce your interest rates as they increased to 11.00% on March 15, 2010 unless they were extended.

Reminder!! **CFA's Input Finance Program** for the 2010 crop year has extended its application deadline to May 15, 2010. CFAs' program does not require specific products in order to be eligible for funding. It covers all products and services from Shipman Elevator Company and/or Illinois Valley Supply. You can still submit an application for the most convenient and flexible input program available, but time is running out so call today for an on-farm visit!

Special Offer on 20# **Propane Cylinders!!!!**

**Just \$15.95 with an exchange, for Illinois Valley Supply Propane Customers (or \$17.95 without being a current Illinois Valley Supply Propane Customer)**

**Buy an Extra Filled Tank for Barbeque Season!!!**

**Just \$29.50 for Illinois Valley Supply Propane Customers**



Or \$29.50 with a qualified tank for non IVS Customers or \$41.50 with no exchange

**Special Offer ends June 30<sup>th</sup>!!!!**



**Matt Haarmann's Notes:**

I would like to thank everyone for taking their seed corn deliveries early. It was good to see planters out in the fields during the last weekend in April. Hopefully, the rest will be put in very soon.

John and I will be planting as many plots as we can again this year. Time will be very critical during this year's planting season. We will have the tractor and planter available to plant the plots to save you valuable time. If anyone is interested in putting a plot in, please contact John or myself.



Proper scouting of your cornfields will be very critical this year. Black cutworms could be a major issue this year. Herculex insect protection, available in Pioneer Hybrids, is the only in plant insect protection that protects your corn from black cutworms. Non-GMO and refuge acres need to be scouted regularly to determine if spraying an insecticide is necessary. Also, granular insecticides can be applied during planting to protect against black cutworms.

Seed bean deliveries are not too far away. Don't forget about Pioneer's Soybean Seed Size Guarantee. If your

seed beans are less than 2800 seeds per pound, you will receive a graduated discount. For example, if the seed size is 2400 seeds per pound it translates to being 14% less than 2800 seeds per pound. You will receive a 14% discount adjustment. Varieties over 2800 seeds per pound will remain the same price.



**Dennis Wieseman's Notes:**

Whether we are talking business or sports, records are made to be broken. In some cases, like breaking the 4-minute mile or having 50% of the U.S. corn crop planted by April 26<sup>th</sup>, they are meant to be shattered. With Illinois at 73% planted and Iowa at 68% planted, the trade is focused on the possibility of a very high trend line yield. Talk is already started about the corn carryout exceeding 2.0 billion bushel. Fortunately, corn demand has increased over the past 4-5 weeks.

With the majority of the corn planted in our territory, we have recommended and purchased a fair amount of January corn between \$3.85 to \$3.95 over the past couple of weeks. The two historically busy weeks of this year's anhydrous season saw our producers aggressively selling corn as they got off to a record planting pace. The early May weather will be critical for getting the balance of the corn crop planted on a normal pace. Look to get some new corn priced on rally opportunities. Remember, it is usually best to get grain that you want or need to move at harvest priced first. This will especially be important if we have great yields as prices tend to be at their lowest at harvest in a supply driven year.

Soybeans have showed amazing strength on nearby demand and tight U.S. stocks. Even with the large crop in South America, soybeans have recently moved back to the \$10.00 level. Beans have stayed well supported ahead of the soybean planting season, but now are showing signs of weakness. Look for prices to be pressured downward as the soybean crop starts to show significant planting progress. We have purchased more new crop beans at this time that we have at anytime in the past 10 years. Look to get 40-50% sold at levels above \$9.50 versus the January river bid.

We are still buying old crop non-GMO corn for delivery from May through July. Please let us know about your current inventory so we can be sure to hold bushels for you and guarantee your premium. We still have bushels available for new crop non-GMO corn but on a limited supply. We also have some room for some non-GMO soybeans for the 2010 crop. Please give us a call for more information about any of our specialty programs.

SEC customers have the choice of receiving payment for their grain electronically. Many customers use this service and are very pleased with the results. With ACH transfer, your funds will be available in your bank in two business days, and we will email your settlement sheet. Ask Mary Meyer if you wish to receive your grain funds this way.



**Joe Kuykendall's Comments:**

It's our priority to understand your challenges as an agricultural producer or fleet operator. We take pride in addressing your changing needs in a changing diesel world. That's why we're pleased to announce that we now carry the newly enhanced Cenex Premium Diesel Fuels.



**Cenex Premium Diesel is now the only diesel fuel containing a special additive to help prevent fouling issues—a problem experienced in modernized diesel engines** (2007 models and newer) built to meet EPA emission standards. Newer engines operate under higher pressures and temperatures that can literally “cook” typical #2 diesel fuel; this results in a dark, thicker fuel that recirculates in the fuel system and leads to injector/filter problems, and loss of power. **You do not have to have new equipment to experience these issues; in fact similar issues have been reported in older engines with higher pressure and common rail fuel systems.**

**Over the last 2 years Cenex has worked with John Deere and an additive supplier** to develop this product to address these needs. There are real bottom line benefits compared to standard #2 diesel fuel.

- Improved Fuel Efficiency, Lubricity, and Power
- Quicker more reliable engine starts
- Higher cetane level
- Extended life cycle of costly injectors
- Reduced downtime—Longer Filter Life
- Cleans and maintains fuel system
- Extends storage life and stability of diesel
- Warranty (10yrs/10,000hrs. on new Ag. Equipment)



If you have been using Standard #2 diesel fuel for years, you may be skeptical about whether “premium” fuels are worth the added cost. But consider this, over time your engine's fuel system and injectors get dirty. This is a gradual and hard to notice process that reduces both engine performance and fuel economy. **This spring give or newly enhanced Ruby Fieldmaster or Roadmaster XL Premium Diesel Fuels a try and feel free to provide us with any feedback you may have on its performance.** If you have any questions on our newly enhanced diesel fuels give me a call to discuss (618) 535-1204

SEC welcomes our new customers and we hope you find our newsletter beneficial. Our newsletter accompanies our monthly statements, and can also be seen at [www.shipmanlevator.com](http://www.shipmanlevator.com). We are proud of the readability of our statements and hope that they are easy for you to understand, however if there are any questions on your statement, please call ASAP and we will be glad to answer any questions that you may have.

Joyce Allen is SEC's Accounts Receivable Bookkeeper, and she will assist you with any questions you may have, or she will direct you to someone who can answer a specific question regarding your account. You can also view your statement along with other account information online. Just call our office for a user name and password, and follow the link from our website.

**Brent Phelps Notes:**

Spring has sprung and what a ride this has been so far. Many producers have got a majority of the corn planted and its up and growing. **Thank you** to all the growers who were patient the last 20 days with the NH3 season. Know that we worked our hearts out to get done all we could in that short period of time. With this weather pattern looking cool and wet, I can't stress how important it is to treat those soybeans with fungicide.

I know you have heard me talk about this before but it really can make the difference between average bean yields and exceptional bean yields. The faster we can

get these soybeans out of the ground and growing the more money to your bottom line. The earlier beans seem to do better. Soybean research has come a long way in the past few years and great varieties coupled with seed treatments are a sure bet for big yields. The longer days mean more sunlight which translates to more energy manufactured in the soybean plant. These seed treatments protect your investment. It's the cheapest insurance you can buy in this business we call farming.

**“LET’S GROW SOMETHING TOGETHER”**

John Stiles is the newest full time member of the operations team at SEC. John is from the Jerseyville area. John has been driving one of our semis for much of the spring and has also been making deliveries for SEC.

**Dwayne Milner’s Notes;**

We have had several fields planted and hopefully we get great stand on all those fields, but if that is not the case I just wanted to remind all the Mycogen and Croplan customers we do have 100% replant guarantee. This great feature was extremely helpful to all of our customers who had to replant last year with the cool wet soils.



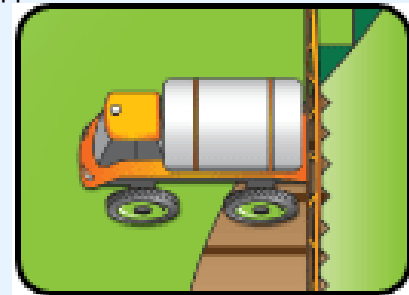
So far we have gotten 3 plots planted across our trade territory. These plots went in extremely well and I am looking forward to the results. We are duplicating our plots in most of the locations this year; hopefully this will help us retrieve consistent data from across our territory and soil types. We are looking at a lot of new germplasm in both of our lineups that I am very excited about. This fall, all of the data from each plot will be available in our office and the website.

**Joe Wieseman’s Notes:**

Several local producers added clutch control to their planters this spring and got along great with the system. The SureStop planter clutch from AgLeader Technology has proved to be an effective and reliable option for maintenance free row control. Shutting off row sections automatically saves time and money when planting into point rows by preventing overlap and double planting.



Just the same as we can add row clutches to your planter with the SeedCommand System, the DirectCommand System can control the individual boom sections on your sprayer reducing double spraying and the need to manually shut off your master every time you come to your headlands and already applied areas.



The EDGE and INTEGRA Displays from AgLeader are both fully functional with the DirectCommand System to control the product rate and boom sections on your self propelled or pull-type sprayer.



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”**

**Rich Metzger’s Notes;**

Great to see some April planted corn. April has been very busy month with fertilizer and chemical being applied and seed deliveries running at a fast pace. The National Agricultural Statistics Service has released the following planting percentages. On April 26<sup>th</sup> they reported that 73% of the corn has been planted in Illinois. This compares with a 4% planting progress by April 25<sup>th</sup> last season and a five-year average of 28%.

**PEST ALERT!!!!**

Cutworms have been found in my trade area. This pest is getting to be the norm each year. Seed treatments such as Cruiser or Poncho will only give suppression. Control can be achieved by using insecticide through your planter or putting on with your herbicide. Products to use could be Force, Warrior, Artic, and Baythroid.

Alfalfa weevil eggs should be hatched and light feeding started.

Thanks for your continued support and have a safe spring.

***"GROWING YOUR FUTURE ONE FIELD AT A TIME"***

Rich Metzger  
Tim Gueldener

Southern Area Agronomy  
Central Area Agronomy

***Have a safe spring season!!!!***



The SBI Annual Meeting was held on March 20<sup>th</sup>. The investment in Center Ethanol Company (CEC) and One Earth Energy were reviewed during the meeting. SBI K-1 tax information along with a copy of the SBI Annual Reports was mailed to all SBI members. Please contact us if you did not receive your info.

SEC appreciates when our customers plan ahead. This allows us to anticipate your needs, and gives us a much better chance of meeting your expectations.

### Shipman Elevator Company

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#### 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 Eastern Area Agronomy  
John Hunter Jersey County Agronomy  
Matt Haarmann Western Area Agronomy  
Jim Walker Precision Ag Specialist  
Joe Kuykendall Certified Energy Specialist  
Dwayne Milner Seed Specialist/Agronomy  
Brent Phelps Central Area Agronomy  
Joe Wieseman Precision Ag Sales