AG PARTNERS L.L.C.

From the GROUND UP

SPRING 2015

An Ag Partners publication in gratitude of our customers & their families.

Grid Soil Sampling

Measuring soil fertility levels is a smart first step in any crop system. An increase in crop acres, higher input costs and lower crop prices illustrate the need to maximize nutrient efficiency. Our Intellicore system combines intensive, repeatable grid soil sampling by professional crop consultants, soil analysis from a certified laboratory (with a staff agronomist), and advanced prescriptions created from a one-million acre database of information gathered over 20 years.

Agronomists at Ag Partners work with growers to build a customized fertility program using a field, soil type, or management zone productivity layers for various nutrient goals. Generally accepted agronomic principles are applied to balance productivity and sustainable practices when making recommendations. Once fertility prescriptions are chosen, Ag Partners' variable-rate fleet of dry, liquid and NH3 applicators apply products to the field's site-specific areas.

A few sampling specifics -

- Field boundary is driven using Differential GPS accurate to 2". For a first-time field, well-defined areas within each grid are located (point grid sampling). If a field is to be resampled, the previous points are loaded into the display.
- The sampler locates the grid points and pulls 6" cores in a predetermined pattern.
- When finished with the field, sample dirt is sent to lab and sampler records and saves the geo-referenced file. After soil analysis is complete, results are added to the geo-referenced files.
- The results book is produced so fertility prescriptions can be made using our equations.

Intelli CORE
Nutrient Management System

All soil sample data is owned by the producer and can be sent anywhere a producer chooses. Ag Partners ensures all sampling data is securely maintained at all times.

For more information, contact your local agronomist or call 1.800.242.5022

Troy Upah
CEO

Keeping Score – the Value of Unique Ownership

In early 1997, Albert City Elevator Cooperative (Alceco) recognized it needed a partner to replace an old fertilizer plant with a new concept. This new idea had never been done before – the construction of a large dry fertilizer plant capable of unloading unit trains of fertilizer from Florida. Alceco struggled to find a local cooperative willing to share in this innovative vision. As potential partners were considered, one company came to the forefront who shared an interest in this new approach – Cargill. As further synergies between the two companies were uncovered, the discussions grew to a full merger of the four Cargill facilities and nine Alceco facilities to create a new entity - Ag Partners, LLC.

Cargill's long history of strength allows us to offer more to our customers.

In the past I discussed the strength of Alceco. Ag Partners is able to focus many of our resources on better serving customers because we have two strong owners. Along with strong customer service, the Ag Partners' team isn't distracted by ownership issues. Cargill celebrates its 150-year birthday this year. The company's long history and strengths allow us to offer so much more to our customers - access to new markets, grain marketing alternatives (Pro-Pricing and CRM products), market intelligence, risk management processes, and a significant financial commitment. In 1997, the owners agreed to invest $5 million each as startup money for Ag Partners. Cargill would currently have close to $40 million invested in Ag Partners through asset contributions and retention of profits over the past 18 years. Alceco would be invested at a similar level. Seven million bushels of new grain storage, new grain unload systems and scales, newer agronomy equipment and substantial feed expansion projects were made possible by this owner commitment. It has enabled Ag Partners to invest over $20 million into the prior Midwest Farmers Cooperative facilities. This total would include the substantial upgrade just started at the Sheldon North feed mill.

Congratulations to one of our owners, Cargill, on its 150th birthday. Thank you for helping us make a positive difference for our Northwest Iowa producers. As always, thanks to our customers for your continued support. Have a safe and successful spring season!

From Scout Leader to Survivor on the Water

In a grueling test of survival and human endurance, two pairs of strangers are dropped in the Bermuda Triangle with no food or extra water hundreds of miles apart. They must survive with meager provisions for a week, adrift in life rafts, until they reach land.

The Raft: Bump in the Night

Chad Mobley, staff member at Ag Partners' Alta location, had never seen the ocean or been on an airplane. So what does Chad decide to do? He takes on a challenge that most of us could never conceive – a test to the ultimate extreme.

Chad signs up to appear on a reality show that tests survival skills in a raft on the ocean … with a complete stranger. Last October, Chad left from Puerto Rico to start his challenge. He literally met his partner for the week as they were climbing into the raft. The pair wanted to last six days and make it to land. Once they were afloat, Chad pointed out that their primary goals were; drink as much water as possible, avoid sunburn and catch some food. They were successful in catching fish.

Obviously there is a lot more to the adventure. Chad couldn't provide more details as the show's premiere hasn't aired. What's most profound about Chad's experience centers around his role as a scout leader. Chad tells his scouts that anything is possible if you want it. Chad didn't just talk about this – he set the greatest example by challenging himself in an intense environment. What an accomplishment and experience he'll remember the rest of his life!

The Raft: Bump in the Night
airs on the National Geographic Channel April 5.
http://channel.nationalgeographic.com/the-raft
Check your local listings for times.

Photos provided by the National Geographic Channel.

Early Application Makes Sense

Chris Klumpp
Technical Agronomist

Many of us didn't get as much done last fall as we wanted. That leaves a lot of work before we start spring planting, especially when you couple that with the fact that we plant 90% of our corn in a seven-day window. Producers know they need to start fertilizer applications as soon as possible to prevent any planting delays. So … how soon can you start your fertilizer applications?

Spring NH3 applications

The largest risk to spring-applied NH3 is root burn from it moving too close to the seed furrow. It is better to have more time between NH3 applications and planting. Under normal conditions, if you want to start on April 20, apply your NH3 before April 15.

Surface-applied urea

The risk of surface-applied urea is nitrogen volatilization into the atmosphere. More volatilization will take place if warm air temps and high humidity occur. Soil surface moisture also enters into the equation - the wetter the soil, the quicker the urea will volatilize. Unprotected surface-applied urea with 60 degree air temps will have little to no volatilization for five days. If you haven't had at least ½ inch of rain in those five days, I recommend you till in your urea. Another option is to add Agrotain® Ultra. Agrotain Ultra prevents the urease enzyme from converting urea into the ammonia form that volatilizes. By adding Agrotain Ultra, you prevent volatilization for approximately two-four weeks.

Lastly, let's consider UAN applications (28%). UAN has the same risks as urea. The major difference is only half the nitrogen in UAN is in urea form … so you have half the risk for volatilization. The five-day window is the same for UAN but if you apply 180 units, only 90 of them are at risk. To extend that window you can add Agrotain Ultra to your UAN just like urea and stretch it to three weeks. I addressed nitrogen because P and K will not volatilize and is stable. Because most spring fertilizer applications carry a herbicide, you may be concerned about that. If the product you're using has a pre-plant or pre-emergence label, it will be stable on the soil surface for at least a week. It works fine if you use the same five-day window as your nitrogen for rainfall or tillage. When you look at risks associated with early fertilizer and herbicide applications, they are quite manageable.

Grain Marketing: A Look Back A Look Forward?

Tom Guinan
Grain Origination Manager

What have we seen since the beginning of 2015? Both corn and soybeans have bounced around in a somewhat narrow range. To avoid moving from one futures month to another, let's just focus on July. On December 31, July corn futures ended at 4.12 ½ then rallied in early January to a high of 4.24 ¼ (Jan.6), Since January 6, corn futures have been about 50 cents lower. July soybeans ended December 31 at 10.37 and then increased to 10.70 (Jan 12). Beans have traded a little more than a dollar lower since then. March and May futures show a very similar high-low picture, as do nearby cash values. So, all in all, there's about a 50 cent high to low range on corn and a little over a dollar range on beans since January 1.

Obviously, the big question is where do we go from here? One thing that concerns me is the relatively large amount of grain left in an unsold position, whether on the farm or in the elevator. It seems a lot of this grain will be moved post planting. If that's the case, I expect basis to be under pressure regardless of futures. Now is a good time to think about setting a basis on your unsold bushels. If you lock the basis in against July futures, you have until end of June to set the futures portion. You can also get a cash advance against the bushels once they are in the elevator.

We offer other marketing alternatives – some designed to take advantage of a range-bound market. One of these is **Daily Floor Plus**; which lets you sell your grain above the market, provides daily market participation, and also establishes a floor price for a relatively low service fee. We also have alternatives designed to take advantage of a spike in futures. Depending on what YOU think will happen, Ag Partners has a program for you. For more marketing information, contact one of our grain experts. As a final point, if you have grain in storage, please keep a close eye on it as the temperatures continue to rise. This is a critical time of year for grain quality. Please don't neglect grain in your bins.

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Take Time to be Safe

Corey Hopkins
Safety
Director

As you prepare for a busy spring planting season, Ag Partners wants you to remember the big picture. The U.S. Bureau of Labor Statistics estimates that 700 deaths and 120,000 disabling injuries are attributed to farm work each year.

Top Ten Spring Safety Questions

10. **Have you thoroughly inspected your equipment?** Whether it's a forklift, pickup or feed truck, our employees must complete an inspection prior to using it. Make sure you've taken the time to inspect your equipment thoroughly prior to spring.
9. **Do you have ample load securement equipment?** You will likely haul various equipment and supplies during planting. The loss of a load can be very costly and also cause injury so take the time to properly secure the load.
8. **How do you protect yourself from mechanical and chemical hazards?** Preparing your field for a good crop means you'll be faced with these hazards. Something as simple as a broken hose can have catastrophic consequences. In 2011, an Iowa farmer died due to anhydrous ammonia exposure when a hose failed. Be prepared with personal protective equipment and ensure you understand all chemicals.
7. **Who knows where you are and where you are supposed to be?** Producers often work alone. Cell phones have made communication easier but it's a good practice to tell someone your "game plan". Implement a communication plan to ensure that if something goes wrong, someone can be alerted.
6. **What is your severe weather plan?** Severe weather can approach rapidly. It's a potential problem if you're operating a slow-moving vehicle miles away from home.
5. **Do you have youth working on the farm?** According to the CDC, 113 youth (on average) die annually from farm-related incidents. Educate and train youth well and be cognizant of their assigned tasks.
4. **Are your tractors & implements equipped with SMV signs?** Distracted driving is epidemic in today's society… SMV signs are very important but are they enough? Ag Partners' trucks hauling anhydrous ammonia have rotating amber beacon lights for added visibility. In Iowa, there are an estimated 300 annual injuries involving farm vehicles.
3. **Are you and your equipment visible in the dark?** It's very likely you'll be working at dusk or in the dark. High-visibility clothing is quickly becoming the standard in the workplace. A high-visibility vest is inexpensive and truly works. Make sure your equipment head and tail lamps are clean.
2. **Do you have a rollover protection system (ROPS) on your tractors?** Tractor overturns are the leading cause of death for farmers and farm workers. The most effective way to prevent this is to have a ROPS installed on tractors.
1. **Are you prepared to STOP if necessary?** Mother Nature dictates your opportunities to complete the work necessary for a successful planting season. These short windows force producers to put in long hours for weeks at a time. Fatigue can be fatal! Recognize the signs and plan for it - schedule breaks and monitor what tasks you perform when fatigue sets in. The temptation will be there to rush or to forge ahead in the face of fatigue. Taking some extra time for a short break, or making the call to stop what you're doing, can prevent dangerous incidents.

More information: www.cdc.gov/niosh/topics/aginjury/