

# River Country CROSSROADS

April 2015

www.rivercountry.coop

## Nitrogen Management Solutions



### PRECISION FARMING

By **Andrew Duncomb**  
Agronomist  
Hastings

In today's ever-changing world, nitrogen management is becoming more and more of a concern. As demand for food grows, so does the need to control how and when your crops receive nitrogen.

Many of you had trouble retaining soil nitrogen over the past two growing seasons; and with lower grain prices, retaining nitrogen is essential for input cost management. Some have turned to split applications of nitrogen or the use of stabilizers to protect fertilizer investments.

During the 2015 season, River Country Cooperative will be offering two new computer-based services: Climate Pro™ and Adapt-N. These on-line applications create recommendations using data from

the season's growing conditions and take into account how much nitrogen has already been applied, total rainfall, organic matter, soil types, and other factors. Both programs gather weather information from public sources.

Climate Pro offers straight-rate recommendations. Adapt-N uses your grid sampling data to create a variable-rate recommendation for a topdress application. The service that best fits your needs will depend on your operation and whether or not your farms have previously been grid sampled.

If they have been grid sampled, Adapt-N will create a variable-rate nitrogen map that your River Country Cooperative John Deere spreaders can use to apply the appropriate amount of nitrogen to each management area of your field. This is a relatively inexpensive nitrogen management solution that will maximize your on-farm nitrogen use.

Ask your River Country agronomist to show you Climate Pro and Adapt-N. ★

*Our John Deere spreaders can apply the appropriate amount of nitrogen to each management area of your field.*

## LOCATION DIRECTORY

Apple Valley... 952-891-2945

East Bethel... 763-434-1673

Hampton . . . . . 651-437-3053  
800-225-4316

Hastings . . . . . 651-437-6758

Inver Grove  
Heights . . . . . 651-209-3396

Kenyon . . . . . 507-789-6201

Lakeville . . . . . 952-469-2401

Lake Elmo . . . . . 651-777-6029

Miesville . . . . . 651-437-3527  
888-456-7501

Montgomery . . . 507-364-5059

New Prague . . . 952-758-6767

Randolph . . . . . 507-263-4631  
800-657-3285

South St. Paul . . . 651-451-1151

Webster . . . . . 952-652-2272

Concord St. . . . 651-451-0321

# Investing in Our Growing Customer Base

River Country Cooperative has experienced phenomenal growth in recent years. Your company is at a point where we must invest in a number of our business areas to sustain this growth. These investments will focus on meeting our current customers' needs as well as the needs of future customers.

Over the winter, River Country Cooperative employees engaged in a business planning process that identified specific areas needing our attention in the next three years. The business plan was presented to and approved by your board of directors and focuses on the following areas in each business:

- Employees: retaining, recruiting and developing
- Investments: rolling stock and hard assets
- Process improvements: automation, speed and accuracy
- Safety: top of mind in employees and patrons

First, our employees are our best assets and our first line of offense and defense in the country. River Country Cooperative needs to continue to develop the employees we have by helping them build careers versus jobs and proactively recruit for talent rather than waiting to find a person when a job opens. We have and always will value our employees.

Secondly, River Country Cooperative is dedicated to investing in assets to service our growing customer base. Over the past year, we have purchased new agronomy equipment to replace tired rolling stock; and more investments in other business areas are on the horizon.

Next, based on feedback we've heard from multiple patrons, we are working to improve the automation, speed and accuracy of all

administrative processes. We will be automating systems—from delivery tickets to monthly statements—in an attempt to meet your expectations and provide more transparent communication to you, our patrons. Unfortunately system changes take time, but rest assured we are working on enhancements to internal and external systems.

Finally, there is nothing more important in what we do than the safety of our employees and patrons. In our operations-heavy business, constant investments are necessary to maintain compliance and safe working conditions. Safety must also be a constant thought in the minds of our employees and patrons. It is a priority for me to continue to build a culture of safety at River Country Cooperative in the future.

The investments in hard assets will be the most obvious changes to River Country Cooperative's business as you will visibly see newer assets and faster service on your fields and in your communities. The other focuses for our growth: employees, processes, and safety, will be more subtle, but are just as important. These investments will become exponentially more apparent in the expertise of the people that serve you, the transparency of our internal administrative processes, and the safe way in which we conduct business.

River Country Cooperative is proud to work with you and committed to providing what you, our patrons, need to be successful for the long-term. Have a safe and timely spring. ★



**FRONT DESK**  
**By John Duchscherer**  
**General Manager/  
CEO**

# South American Crops Look Good



**GRAIN NEWS**  
**By Dave Belongia**

At this time of year, all eyes are on harvest results in South America and prospective plantings here in the United States. In South America, harvest has gone well. Yields have been good. Stocks on hand at the end of harvest will be ahead of last year and nearly as much as the record amounts of 2011. In Argentina, farmers face low on-farm prices due to currency and taxation issues and are holding soybean stocks as a hedge against inflation. Brazilian producers have to deal with the perennial strikes by truckers and dock workers. Most of the crop in Brazil still moves by truck. Government and private investors con-

tinue to expand grain handling and transportation infrastructure as soybean production moves farther north, away from traditional export points.

The annual USDA Ag Forum Report was released at the end of February. Corn and soybean acres came in lower than both last year's totals and analysts' estimates. A bigger surprise was the fact that total planted acreage for the five major crops came in less than last year, even with a reduction in CRP acres. Watch for the March 31, 2015 Prospective Plantings Report. This report will give you a much better idea what acres may be planted this spring. The Quarterly Grain Stocks will show stocks on hand, feed usage and supply/demand numbers. ★

# Dissecting the Energy Markets



## FUEL FACTS By Paul Ward

*Chart 1* reinforces the dynamics of the petroleum markets of the past eight months. Today, crude is actually less than half the value it was in the middle of June 2014. This unprecedented drop in price has left your cooperative's energy team wondering, "Where are the markets headed?"

At River Country Cooperative, we discuss this question several times each day as we gather information from many sources to make smart purchasing decisions and provide good patron recommendations.

provide good patron recommendations.

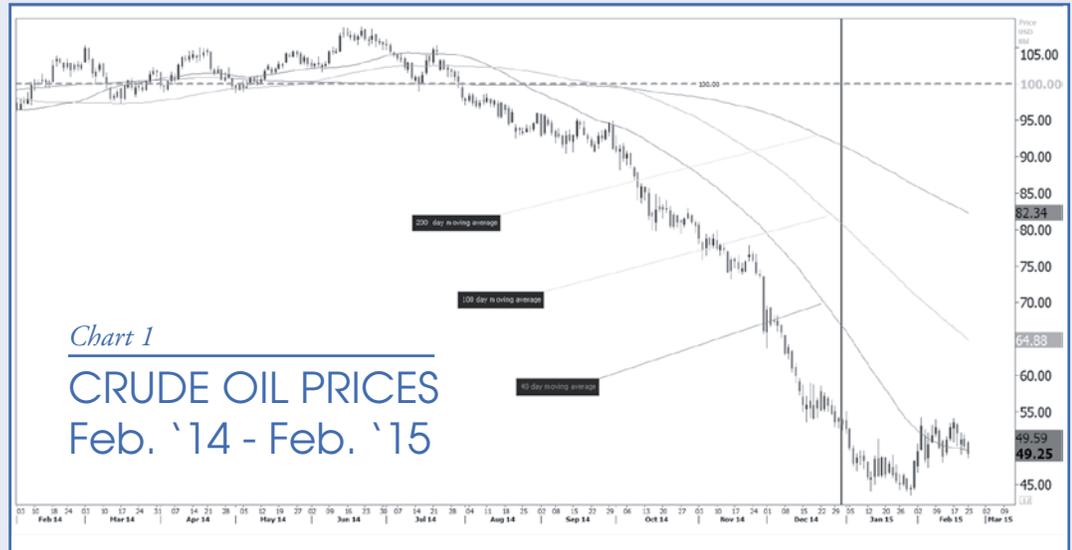
**The indicators for a bullish petroleum market:** The U.S. economy seems to be getting back on track. Some big refineries are scheduled for turnaround in the upcoming months, some big refineries to the south and west are on strike and the summer driving season with its summer formula gasoline is approaching.

**The indicators for a neutral to bearish petroleum market:** Some of the larger world economies are still showing no indications of improvement, most of the refineries that are on strike have been able to hold or even increase production, there is a glut of physical product in the market, and OPEC is not slowing production.

What does this market intelligence tell us?

- If anyone says they know for sure where the market is going, don't listen.
- Do not wait for the the absolute bottom of the market to buy.
- Diesel prices are good compared to the norms of the past few years.
- Contract prices on the outer months are 15 to 20 cents higher than RCC's current pricing. Fill your storage now if you have room.

Call the South St. Paul Office (651-451-1151) for more information on energy markets and contracting options. ★



# Changes in Agronomy Accounting



## AGRONOMY UPDATE By Bob Rahman

River Country Cooperative is firming up our accounting procedures around credit, controls and billing. Many of you have challenged us to improve the speed and transparency of our invoicing. With the new process changes, we can now allocate prepayments to agronomy and energy product lines. Now, when you prepay for product, you can designate on which products you desire your prepayments to be allocated. As always, when you prepay for anything, the money stays on your account as a credit until you receive the product. Prepay customers will receive a statement

that displays prepay purchases and remaining balances. Any purchases that have not been prepaid will be sent on a separate statement.

We ask for your patience and feedback as we implement these changes. We are confident that these changes will provide more transparency for you when working with River Country Cooperative. Thank you for your business. We look forward to working with you this year. ★

# Start Managing Your Soybeans



**FIELD VIEWS**  
By **Billy Bonderson**  
Agronomist  
Hastings

What comes to mind when you think of 160.6 bushels per acre? Most probably think of a less than ideal corn yield. To Missouri farmer Kip Cullers, however, this is his best soybean harvest to date. It also happens to be the world record. Cullers has set numerous soybean yield records including 139 bushels in 2006, 156 bushels in 2007 and 160 bushels in 2010.

Seeing those numbers is fascinating and perplexing. At the same time, seeing those numbers makes me think why can't we achieve those yields? How have we allowed our soybean yields to become so stagnant? It seems the common opinion on soybeans is that it's become a rotational crop to get back to the crop everyone cares about—corn.

Perhaps it is time to maximize the potential of this “rotational” crop.

Jason W. Haegel and Fred E. Below, crop physiology researchers in the Department of Crop Sciences at the University of Illinois, seem to agree. They have developed what they call *The Six Secrets of Soybean Success*:

1. Weather
2. Fertility
3. Variety selection
4. Foliar fungicides and insecticide applications
5. Seed treatment
6. Row spacing

The six factors are listed in descending order of importance based on their research. Weather is the obvious largest factor, while fertility is listed as the second most important factor. What is surprising is the lack of fertility management that accompanies soybean production. *Table 1* illustrates actual nutrient needs in a corn/bean rotation in grain take-off alone over two years.

If corn stover is removed, the take-off jumps to 139 lbs of P (280 lbs DAP) and 247 lbs of K (412 lbs of Potash) for the 180/50 scenario. For the 200/60 scenario it becomes 158 lbs of P (344 lbs of DAP) and 274 lbs of K (457 lbs of Potash).

The study goes in depth on each of the six factors contributing to soybean success and shows the advantage of having—and the disadvantage of not having—each of those factors. Over six trials, the researchers created a unique sample in which they had a high-tech package and a standard package. To see how yields responded, they either took one of the six factors away from the high tech, or they added one factor to the standard, as illustrated in *Table 2*.

In this area, based on climate and the available varieties, we are most likely not going to see record-breaking yields. But there is huge potential in growing profitability as well as yield with proper soybean management.

To learn the results of the research study, along with the products and methods used, read the full *The Six Secrets of Soybean Success* article. The article also covers other factors such as insecticide/fungicide treatments, seed treatment and row spacing. Haegel and Below authored a similar article on corn titled *Seven Wonders of the Corn Yield World*. They give very good insights on maximizing yield and profitability on both soybeans and corn.

Links for both articles can be found on our website [www.rivercountry.coop](http://www.rivercountry.coop), or email me at [rc.billyb@gmail.com](mailto:rc.billyb@gmail.com).

It is time to start rethinking our traditional soybean management practices and focus on maximizing the profitability of this staple crop. ★

**Table 1**

	180 bushel Corn	50 Bushel Soybeans	Total Required	200 bushel Corn	60 bushel Soybeans	Total Required
Phosphorus	68 lbs. P <sub>2</sub> O <sub>5</sub> (148 lbs. DAP)	42 lbs. P <sub>2</sub> O <sub>5</sub> (92 lbs. DAP)	<b>110 lbs. P<sub>2</sub>O<sub>5</sub> (240 lbs. DAP)</b>	76 lbs. P <sub>2</sub> O <sub>5</sub> (166 lbs. DAP)	50 lbs. P <sub>2</sub> O <sub>5</sub> (109 lbs. DAP)	<b>126 lbs. P<sub>2</sub>O<sub>5</sub> (274 lbs. DAP)</b>
Potassium	49 lbs. K <sub>2</sub> O (82 lbs. Potash)	65 lbs. K <sub>2</sub> O (109 lbs. Potash)	<b>114 lbs. K<sub>2</sub>O (190 lbs. Potash)</b>	54 lbs. K <sub>2</sub> O (90 lbs. Potash)	78 lbs. K <sub>2</sub> O (130 lbs. Potash)	<b>132 lbs. K<sub>2</sub>O (220 lbs. Potash)</b>

**Table 2**

MANAGEMENT FACTORS					
	Treatment	Fertility	Variety	Foliar	Seed treatment
Decrease Technology	<b>HIGH TECH</b>	Placed	Full maturity	Fungicide + Insecticide	Full
	-Fertility	None	Full maturity	Fungicide + Insecticide	Full
	-Variety	Placed	Normal maturity	Fungicide + Insecticide	Full
	-Insecticide	Placed	Full maturity	Fungicide only	Full
	-Fungicide	Placed	Full maturity	Insecticide only	Full
	-Foliar protection	Placed	Full maturity	None	Full
	-Seed treatment	Placed	Full maturity	Fungicide + Insecticide	Basic
Add Technology	<b>STANDARD</b>	None	Normal maturity	None	Basic
	+Fertility	Placed	Normal maturity	None	Basic
	+Variety	None	Full maturity	None	Basic
	+Fungicide	None	Normal maturity	Fungicide only	Basic
	+Insecticide	None	Normal maturity	Insecticide only	Basic
	+Foliar protection	None	Normal maturity	Fungicide + Insecticide	Basic
	+Seed treatment	None	Normal maturity	None	Full

# The Lone Ranger is Dead and Gone



**LOCATION NEWS**  
**By Lowell Tangen**  
**Location Manager**  
**Montgomery**

Not all our patrons are old enough to remember the Lone Ranger television show. He was one of the all-time good guys of early T.V. He rode a white horse, wore a white hat and always had a mask that concealed his true identity.

As a calling card, the Lone Ranger left a silver bullet. Often, as the show ended, one of the townspeople would hold up that silver bullet and ask, "Who was that masked man?"

Now, more than 50 years later, it seems everyone is looking for that silver bullet to solve the problems of generating a good bottom line on a challenging year. Well, the Lone Ranger is dead and gone, and there are no more silver bullets.

What there is and has always been is the need to make sure you have the basics covered. All too often, the talk is how to cut costs or find that magical product that guarantees 250 bu. per acre of corn. In today's marketplace, these silver bullets are far and few between. You still need to prepare a good seed bed, use good seed, make sure you have an adequate fertilizer and control the weeds.

The agronomy staff at River Country Cooperative can help fine-tune your fertilizer program and agronomic inputs without risking the farm. Making things work this year doesn't require a silver bullet solution. Proactive farming techniques can help your cost management and productivity.

1. Lock in fuel and propane costs now. You will never hit the bottom of the market, but you have a good opportunity to lower costs.
2. Soil sampling is a good idea every year for proper nutrient management.



Know where you are at and adjust/apply accordingly with variable-rate technology. (See article on page 1.) *NOTE: Last fall's soil sampling in the Montgomery area shows we had flushed most of our sulfur levels way down.*

3. Control the weeds. One of the biggest profit hits you can take is to let weeds take over the crop.
4. Use seed that you can trust. There are many good hybrids available. We can help you determine the difference in yield potential between the highest, mid-point, and lowest priced brands.
5. Stick with what has worked for you. Articles promoting practices that worked 500 miles away don't mean they will work for you. Soils, temperatures, rainfall, frost dates and more impact productivity.

Many factors in this business are out of your control. Let us help you fine-tune the factors you can control—and hopefully help you become your own Lone Ranger. ★



"The agronomy staff at River Country Cooperative can help fine-tune your fertilizer program and agronomic inputs without risking the farm."

# Neutral Detergent Fiber Digestibility



**FEED  
FINDINGS**  
By Duane Fowler

In recent years, commercial forage testing labs have begun to evaluate neutral detergent fiber digestibility (NDFD). In general, increased NDF digestibility will result in higher digestible energy and forage intakes. If two forages have 23% protein, 32% ADF and 43% NDF, then they would be equal. But if the first forage has 45% NDF digestibility and the second forage has 60% NDF digestibility, it is obvious that feeding the second forage will result in a lot more milk or gain than the first forage.

There is a report indicating that one unit increase of NDF digestibility is associated with 0.37 lb. increase in dry matter and 0.51 lb. increase in milk yield. The same is true with corn silage (conventional, dual purpose, leafy or BM).

If you are striving for higher milk production, forage digestibility plays a big role. You will see an improvement in dry matter intake and most likely in the production of fat-corrected milk. Seed is expensive, but being able to use more forage and home-produced feed will improve profitability by increasing production.

When buying corn silage seed or alfalfa seed from River Country Cooperative, ask for varieties with higher forage digestibility traits, such as BMR, conventional or dual purpose. ★

# The Value of Planter Maintenance

Did you set aside time this winter to get your planters in good working condition for the coming season? The five most common parts of the planter that need inspection during the off-season are:

1. Transmissions
2. Parallel arms
3. Bolts and bushings
4. Gauge wheels
5. Disc openers and seed tubes

Make sure all parts are in good working condition and not worn. Wear can reduce yield and machinery efficiency. Failing to adequately maintain your planter can result in uneven planting depth, doubles, skips, poor soil-to-seed contact and delays in planting

due to breakdowns. Planters in good working condition combined with your desired population on every field, will maximize both yield and profitability. *NOTE: 1,000 ears per acre equals 5-7 bushels.*

Planting season is a very hectic and stressful time of year and planting in poor soil conditions can make it worse.

If soil conditions are too wet, you could greatly affect emergence and yield with sidewall compaction, crusting and improper depth of seed.

Proper speed at planting will deliver a more uniform seed count, leading to increased

yield and profitability.

Planting is the single most important factor in getting your crop off to a good start. Planter breakdowns and replanting are costly and time-consuming, which negatively affects your bottom line. It's very important to do things right the first time.

Thanks for your business. Have a safe and timely spring. ★



**THE MECHANICS**  
By Dean Larsen  
Agronomist



# Taking Our C-Stores to the Next Level

“The big private companies are getting bigger, which makes it harder for the smaller guys to carve out their niche markets,” says Olaf Johnson, adding, “We compete against the big names in the areas of efficiency and consistency.”

With that, Olaf spells out his twin goals as River Country Cooperative’s new director of C-Store operations: 1) improve efficiency and 2) increase the consistency of River Country’s c-store brand.

Over his 20 years in c-stores, Olaf has worked with some of the big brands. He started with B & F Distributing in Rochester, moving from associate at the B & F Truck Stop to management of the Petro Pumper at Rosemont—then to St. Cloud. He also worked for the Holiday Companies in St. Cloud and later managed their stores at Lilydale and Egan.

In 2012, River Country Cooperative hired Olaf to manage its Lake Elmo store. He filled that role until February of this year when his assistant manager, Cody Schatz, was named manager at Lake Elmo and Olaf became River Country’s director of c-store operations. (Tom Boland, who previously supervised the c-stores, is now the cooperative’s energy department manager.)

## The road ahead

As director of c-store operations, Olaf will take responsibility for inventory control, fuel pricing, management consulting and training of c-store staff.

As one of his first initiatives, Olaf is creating a training room upstairs at the cooperative’s Concord Street C-Store in St. Paul. “We want to instill brand awareness in our associate and assistant level managers and make every employee at every one of our nine locations a



*Olaf Johnson  
425 Clinton Street  
South St. Paul, MN 55075*

brand ambassador for River Country Cooperative,” states Olaf.

Consistency in image and brand management across locations is important as customers desire to do business with companies they know and trust. This involves maintaining a consistent exterior and interior appearance to the store, consistent pricing between stores, greeting and thanking customers as they come and go and offering value in the form of attractive promotions.

In the future, Olaf plans to review and upgrade the food offerings of River Country Cooperative’s c-stores.

“It will be a challenge to expand and apply my knowledge over multiple locations,” says Olaf, whose responsibility includes one Holiday C-Store, eight Marathon stores, and an unmanned Jiffy fueling station on Concord Street. “With my 20 years of industry experience, I believe I can continue to grow the c-store business.” ★

# Recalling the Value of Seed Treatment

Treating soybeans is fast becoming a standard practice for Minnesota growers. In a year when commodity prices are low and input costs seem high, the decision to spend additional dollars on seed treatment is difficult.



**SEED**  
By Joel Thorland  
Agronomist

One thing we know for sure—no crop can reach its maximum potential if it is under attack from diseases or pests. Seed treatment controls:

- Pod and stem blight
- Phytophthora
- Pythium
- Rhizoctonia root rot
- Seedling blight
- Seed decay or rot
- Seed-borne Sclerotinia (white mold)
- Early season aphids
- Bean leaf beetle
- Flea beetle
- Grubs
- Seed corn beetle and maggots
- Wire worm

In addition, VIBRANCE™ fungicide seed treatment also promotes root health.

In Minnesota, we often face conditions that are less than favorable to planting soybeans. Sometimes it is too cold, too wet, or even too dry. Specific pests like to attack our crops under each of these conditions.

Nothing is a sure bet, but the odds are stacked in your favor when you have River Country Cooperative treat your soybean seed. ★



**INSIDE:**

DISSECTING THE ENERGY  
MARKETS

..... PAGE 3



## Tractor Road Safety

Hitting the open road on a tractor? You very well may put yourself in harm's way if you are not careful. In fact, accidents are likely if drivers lack the experience necessary to handle heavy machinery, drive too fast when pulling a load, drive over the center line or drive partially on the shoulder.

Safety is a top priority of River Country Cooperative. We desire all of our patrons and employees to have a safe spring season. To avoid potential hazards, consider the following safety tips while operating a tractor on a main roadway.

### Signage recommendations

- Place a slow-moving (SMV) emblem on the rear of the tractor so that automobiles can clearly see it as they approach.
- When towing a trailer or other equipment that blocks the SMV sign, place an additional emblem on the towed equipment.

### Lighting tips

- Make sure that tractors have two forward-facing headlights and a red taillight that is constantly illuminated.
- Any equipment that is towed should have two rear-mounted reflectors.
- When operating a tractor on a public road, it must be equipped with hazard lights. These lights should always be on when the vehicle is on the road.

### Traffic rules

- Use a turn or hand signal when changing lanes, turning, pulling onto the road or stopping. Signal at least 100 feet before turning or stopping to alert motorists.
- When traveling on a single-line or two-lane road that inter-

sects with a multi-lane road, you must yield to others traveling on the multi-lane road.

- Traffic on unpaved roads must yield to motorists on paved roads.
- Look behind and to the left and right before turning.
- Apply the brakes before making a turn as opposed to during the turn.
- Do not park a tractor closer than 50 feet from a railroad crossing.
- Park a tractor completely off a roadway.

Remember these safety recommendations and traffic rules to keep yourself and others safe on the roadways. (This information courtesy of CHS Insurance, Zywave.) ★

