

SFG Update

Smith Fertilizer & Grain

July 10, 2015

Max Smith
General Manager



Change Change Change

Wow! Summer has reached the half way point already! We are seeing major differences, in our trade area. To date, some are experiencing the best crop ever and others have had so much rain they didn't get all their acres planted. Doing a lot of tiling has paid off big time this year but even that hasn't been enough in a lot of places. In coming years, we may see some land leveling equipment used to fill in low spots in the fields to promote in field drainage. The old mole board plow days have lasting effects on farm fields that helped create ponding over the years.

Having plenty of planting capacity has never been more important than it has been this year. One customer said he knew his planter was too big but this year it really paid off to get crops planted timely when conditions allowed him to plant. Hind-sight has been good for most of us throughout the years. If only....

I have seen some corn fields that are tasseling which is long past the "knee high by the fourth of July" status. Many of the beans look good in my area. To the south many fields did not get planted this year. Pastures are abundant with grass

but hay baling has been tough to get done due to all the rain. Water went over Highway 5 North of where I live reaching an all-time high and ripped out 50 foot chunks of the blacktop road. Very powerful water current has and can be dangerous to all. Maybe this is over for the year, sure hope so.

On the bright side, the grain markets have improved a bunch. Many of you have made catch up sales from the previous declining markets. It is difficult to make decisions with such wild changes in the weather. The crops that are planted look good. With a few more timely rains they look like they could produce near record yields. Much of Iowa has excellent crop ratings today. If that continues to progress, the recent market surge won't last long. Change is the only thing that is predictable!!

Our work crews have been lucky enough to have a few rains on the weekends allowing the week to complete tasks at hand. As we all know it doesn't always work that way. We now have 4 different maintenance crews working at our elevators fixing and repairing damage and the wear and tear from handling last year's bumper crop. Lots of grain bins needed floor repairs and a few have settling problems within the concrete. We take our storage safety factors very serious. Each year we go over all equipment with a fine tooth comb.

SFG has implemented new safety rules for all our employees and this year I am proud to announce that our Workers Compensation Insurance has reached an all-time low. At SFG we are at a .85 mod which is way above average in our type of business. Our employees are our most important asset. We will continue to

do our best to create a good safe work environment for them. The better we take care of them the better they do their jobs and take care of you, our valued customer!!!!

You might have noticed each year SFG has improved the looks of our equipment with new paint jobs after going through our shop and getting rebuilt mechanically. We have made great strides improving the looks of our equipment and keeping our costs under control by rebuilding and extending the life of all our equipment. This past year we have kept our OLD terragator's that are light weight and have minimum effects on ground compaction traveling over your fields doing pre-applications of chemicals and fertilizer, in excellent shape. We have our own mechanic shop with employees who take great pride in making sure our equipment is properly maintained and calibrated. This has been key to our success. We discuss the importance of this often with our employees.

On a personal note I want to thank you for the calls and concerns about myself & Sharon regarding our recent injuries from our motorcycle accident this spring. I had rotator cuff surgery May 1st and am healing at a fast pace. It still hurts and will for a long time but both of us are a lot better each week. We both feel lucky to have so many friends and customers who sent cards and called us. Thank you, Thank you, Thank you!!! It meant more to us than you may ever know.

Enjoy the remainder of summer and practice safety for you and your family every day!!!!!!!!!!!!!!

Max Smith—General Manager

For more articles and market information please visit our website at www.sfgiowa.com

Kyle Smith
Albia Location Manager



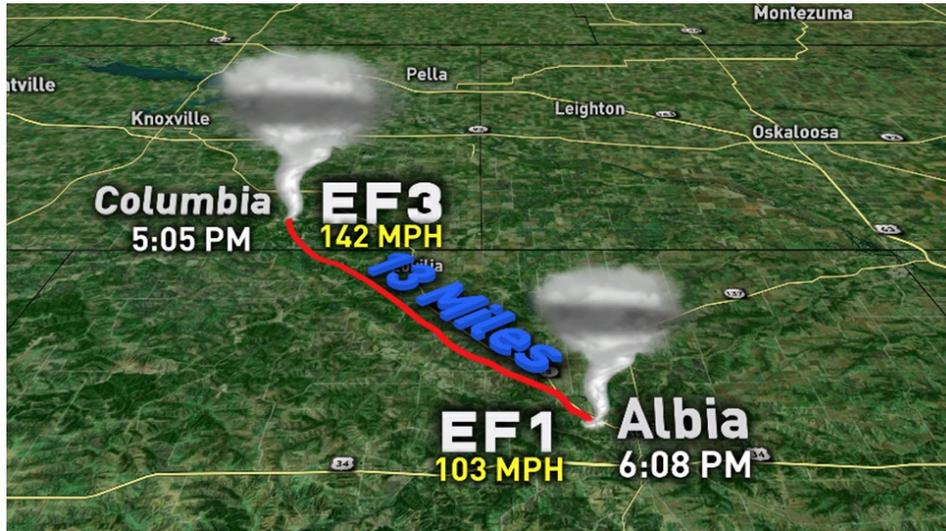
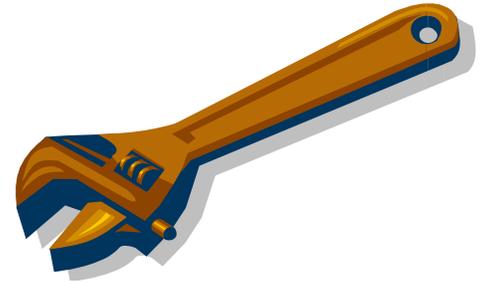
Wet and Stormy June!

We sure had a wet and stormy June! We recorded a total of 12.7" in our rain gauge for the month and had an F3 tornado go through the South side of town. Below shows part of the tornados path as it came down from Columbia. Definitely too close for comfort!

Around the elevator you may have noticed that we have some bin rings removed on a few of our bins. We're currently going through our 36' bins and removing the aeration flooring to clean any grain/fines that have slipped through over the years as well as ensure the base's are sealed tight to allow for efficient fanning.

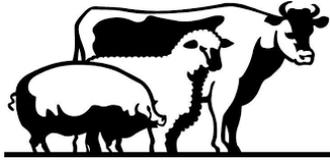
Other general maintenance such as replacing worn out paddles and ensuring chains on conveyors are at proper tension will continue throughout the summer while we're moving grain.

Creep feed usage is picking up. As of right now we still have creep feeders available for rent at both Albia and Centerville. Please stop for more information.



Support Our Youth at the County Fair

Marion County Fair– July 10-16
 Monroe County Fair– July 23-27
 Lucas County Fair—July 25-30

Jason Smith
Centerville Location Manager



Rain, rain go away. Seems like just as soon as it starts to dry up enough to get in the fields... it rains again. It's been staying wet enough that the only thing getting done is mowing the yard. Over this past 4th of July weekend the ground was fit enough to get in the

fields in select areas. My son, Beau and I both did some spraying over the weekend. All of the corn is sprayed and we need about one week of dry weather to get the 2nd round of bean spraying completed. In our travels we saw several fields with hay down and being conditioned to be baled later that day. I also saw several growers making a last ditch effort to get their bean crop in. Equipment operators are finding all the wet spots and ditches cut from the 5 inch downpour we had a few weeks ago. I even saw a turbo till that had been used in what seemed to be a failed attempt to "dry" the ground out a little quicker. It was sitting by the field entrance packed full of mud.

One of our sprayer operators just called in and their rained out. We'll have to regroup and try this again another day.



Meghan Pratt
Knoxville Office Manager



I hope everyone had a safe and happy 4th of July. My name is Meghan Pratt. I joined the SFG Team in March as the Knoxville Office Manager. I have only been here a short time but there is no doubt this is where I belong. Max and Sharon are wonderful people and employers. They truly care about their employee's and call each one of us fam-

ily. My education is in Business Administration/Accounting from DMACC. I have spent the last 9 years in the recycling industry. The agricultural industry is definitely a change but I'm learning quickly!

I would like to discuss our payment due dates. First, I want to stress the importance of opening all mail from SFG, we try not to flood your mailboxes so if you receive something it's probably important. Our payment due date is the 15th of the month. All payments received in our office on or before the 15th will receive any earned discount. The discount amount is highlighted in yellow at the bottom of your statement along with the total due if paid by 15th. If we do not receive your payment on or before the 15th a finance charge will be assessed.

More customers are requesting to have their invoices/statements emailed so they can receive them quicker. If you are interested in receiving your statements/invoices emailed send your email to me at meghanp@sfgiowa.com or you can call our office at 641-828-8500.

I am very excited to be a part of the SFG family and look forward to working with each and every one of you. Enjoy your summer and stay safe.



Charles Smith
Pleasantville Location Manager



Summer is here. We are 90% done with post spraying here. Another week of good weather and we will be done.

With all the rain, the crop couldn't look much better in this area. We received 7.5 inches of rain for the month of June. Some areas received that much rain in just one day!

The corn is starting to tassel here. Within the next 2 weeks we will start applying fungicides with the plane. Seems there is more disease in the crop due to all the moisture this year. We are starting to find some corn that needs fungicide already. If you think your field is showing signs give us a call. We would be more than happy to come look.

Some summer work is starting and some is finishing up. We will be going through all sprayers to get them ready for next year. This means anything from fixing a hose that has a worn spot to touching up the paint. We also have been doing this to the NH3 equipment which is mostly complete now.



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Service is Our Specialty!



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