

SFG Update

Smith Fertilizer & Grain

September 15, 2014

Max Smith

General Manager



It has been a while since I have written an article, due to time commitments of several boards I serve on. This past week, I was named Chairman of the Agri Business Association of Iowa (AAI). This association represents retailers and progressive agriculture thinkers across Iowa. We also represent and lobby for the following associations:

- Iowa Aerial Applicators
- Iowa Nursery & Landscape Association
- Forage & Grasslands Council Management Team
- Wine Growers
- The Seed Association
- Certified Crop Advisors
- Commercial Applicators
- Iowa Auctioneers Association

Our AAI office is located one block from the Governor's office and South East of the Secretary of Agriculture and the DNR's main office. This is the highest honor I have achieved in my ag business career. Our number one goal this coming year is to accelerate the voluntary approach to the

Plant Nutrient Strategy and reduce nutrient run off from point and non-point sources throughout our state. Through the Governor allocating money to the Secretary of Agriculture to fund cover crops, water way improvement, and set backs around rivers and streams to reduce potential run off, Iowa has consistently produced corn and soybean yields ranking # 1 to # 2 in the U.S. This comes with a responsibility to minimize nutrient runoff to make the best use of these nutrients at all times.

In my position as a DNR Environmental Protection Commissioner for Iowa, I work to approve expense projects above the \$25,000 state limit set by the Director of the DNR. Like most of you I have several hats to wear. If I can be of any assistance providing information regarding water quality issues at the state level, let me know.

At SFG we encourage our agronomy staff to assist farmers to achieve the water quality goals we as Iowa citizens want and enjoy for our families and grandchildren. This personally is one of my top goals. In the next decade, we have pledged to set the bar high and make a difference for generations to come.

On SFG related business, we have had several company planning sessions to determine how to handle the "big crop" that is expected this fall. We replaced 20% of our semi's with new tractors and rebuilt several units from the ground up to meet our goal of dependable equipment. All our grain facilities are empty or close to empty. Bin augers have been updated to meet OSHA standards

and temperature cables have been updated to monitor grain temperatures as we enter the "cold" season. Grain dryers have been inspected. 3 of our 4 grain dryers are on natural gas to avoid fuel problems this fall.

An issue we are facing is how to maximize our grain storage. This week we are asking grain customers needing grain storage to provide us with an estimate of bushels or crop acres by commodity that you plan to bring to our facilities. This storage will be held for you until the first of November. On November 1st you will need to update your "saved" storage so we can accommodate as many customers as possible. Today, with the large equipment farmers have we can receive 100,000 bushel of grain daily in peak times. At that pace, we have to know ahead of time if you are planning to store or sell so we can best utilize our storage space. Bottom line communicate often with your local elevator manager so we can accommodate your projected needs. We want to be proactive not reactive! We are anticipating and preparing for ground piles at some of our elevators.

Ground conditions permitting, we will spread lime the day after harvest starts and anticipate a big fall NH₃ year. We have much to do in a short amount of time!!

Thank you for your past & present business. We are excited for harvest to start. We look forward to doing everything we can to keep the nutrients you buy from SFG in the soil and not in our precious ground water for generations to come.

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

Jason Smith Centerville Location Manager



Is September upon us already? Where did the summer go? Harvest will be here before we know it. With the near-record harvest upon us, the talk turns to storage. Yes we have the needed

storage capacity to accommodate everyone's needs. To ensure that we can maximize our storage potential for each customer, we are asking everyone who plans on storing grain at the Centerville location to let us know what your predicted storage needs will be so we may be of better service to you.

We are in the process of getting our elevator in tip top shape as well as cleaning out the rest of the grain we currently have in storage. Our goal is to have everything in shape by October 1st.

Our new shop is complete except for finishing up the interior. We have

saved this work for rainy days and the winter months. It will be nice to have a place to maintain our equipment this winter. The brick building is almost ready to come down, boy did it have a lot of stuff in it! If everything goes as planned it should be gone this month.

We will have an open house on Thursday, September 18th. Stop in and see our progress. We will also be celebrating Sharon Bolin's 20 years of service at this facility. Have a safe harvest!

Mark White Knoxville Location manager



Do you remember watching the launch of a spacecraft on TV and how they had a countdown clock that told everyone how much time was left before take off? That clock had been started months or maybe years before and continued to tick right up to launch time. The countdown for this fall's harvest started some time back for everyone, including farmers, machinery dealers, fertilizer dealers and so on. For those of us involved

in maintaining the facilities and rolling stock at SFG this countdown began in earnest around the first of June. We have been busy repairing, updating, and improving our equipment with the goal to make your harvest run smoother. Now as the clock ticks closer to takeoff we are beginning to see the light at the end of the tunnel. We have no doubt that this year's harvest will be the largest this company has ever seen. The southern 2 tiers of counties are going to raise a huge crop. Some of these areas have been coming up short for several years, so you deserve the joy a bountiful harvest brings to you. We intend to do everything we can to unload your grain as quick as we can and get you back to the field. There are some things you as a customer can do to help us achieve these quick turn arounds. Make sure whoever is delivering your grain has the proper information to tell the office personnel. This

would include whose grain it is, are there any splits, and whether you want to store or sell the grain. You might get tired of the person weighing you each time asking but we have found this is much better than making corrections down the road. We will start the season using a 5 day open option that gives you 5 days to tell us if you are selling or storing. If space becomes tight we may suspend this option and you will need to make your decision on every load. We want to have enough space to take care of everyone's storage needs. That means we need to know as soon as possible if bushels are being sold so we can haul it out. Allowing 5 days of open could amount to 200,000 bushels or more that we don't know if we can move it out or not. We plan to have our grain policy updated before the 15th of September. You will be able to view it online at SFG.com or ask for it at any location.

Jay Hoch/ Sharon Smith Knoxville Office



Autumn colors are beginning to appear throughout much of south central Iowa. As the leaves switch from green to brown and we transition into harvest, we want to wish everyone a safe year.

Beginning in September you will see a

slightly different look to your statement. We will be switching from a "balance forward" to an "open invoice" statement. What this means is your payment will now be applied to a specific invoice rather than applied to the whole account. Utilizing this method allows us to track payments/discounts better thus being able to include an improved "payment line" at the bottom of your statement. You will no longer need to deduct your discount from the amount owed.

Example: Total amount due is \$1000.00. You will now see this notation on the bottom of your statement:

"If paid by 10/15/14, pay \$950.00 (savings of \$50.00), If paid after

10/15/14 pay \$1020.00".

Please remember in order to receive your discount and avoid a finance charge, SFG must receive your payment by the 15th of every month.

With any questions regarding the new statement format, please call Sharon Smith or Jay Hoch at 641-828-8500. As always, thanks for your business.



Kyle Smith
Albia Location Manager



Labor Day has passed. 50 degree mornings and 60 degree days have started creeping up on us. The crops continue to look excellent as they begin to turn.

At the elevator, we are in the process of getting everything ready for harvest. We anticipate filling both Quonsets this year, and are in the process of moving vehicles out and cleaning and sealing in preparation of storing grain.

This summer we made it a priority to overhaul both of our grain dryers and are about to finish painting them. Once completed, we will need to replace one burner before test firing them.

We are adding auger load outs to bins 1 and 4. Both augers are currently installed; but we still need to connect the controls, install catwalks, and mount the motors/gearboxes.

I hope to see all of you at the elevator this harvest and look forward to doing whatever I can to earn more of your business. I have included our current feed specials!

September Specials



Buy 9 bags of Kent
 Framework 365 Mineral
 Get 1 bag FREE!



\$20.00 off per ton of
 Hubbard Mineral
 (1 ton minimum)



Save \$3.00 per 250lb Kent
 EnergiLass Tub



\$16.00 per ton off



Barrels

(1 ton minimum)



Charles Smith
Pleasantville Location Manager



Summer is starting to wind down and harvest is just around the corner. I don't know where the summer went, but summers seem to get shorter the older I get. I am ready for the rain to quit, so fields can have a chance to dry before harvest. It's going to be a challenging harvest if it keeps raining. Nobody likes to fight the mud.

Maintenance is in full swing around here at the Pleasantville location. We have been working on toolbars, while getting the elevator ready for harvest. We have no major projects to complete in order to be ready for harvest just the normal maintenance on the elevator. We go inspect all the bins to fix leaks and paint spots where water has leaked in. All conveyors and elevator legs have to be gone through to make sure they are in tip top shape. The way the harvest looks we anticipate that we are going to need every bit of space and won't have time for any major break downs.

We are preparing for soil testing too. We know that one of the keys to producing a great crop annually is a good soil quality. Lime and dry fertilizer

application will begin as soon as we can get in the field. We have a fair amount of lime to apply and would like to get it on before the weather doesn't allow us. We prefer to have the lime on before NH3 season starts. If you have any lime you would like to have applied this fall, let us know; so we can schedule your acres to be completed.

We just had our plot day here at Pleasantville this last week, and I would like to thank all of you that came. We invest a lot of time and pride in our plots and are glad to take the time to show you them. We have several plots this year anywhere from seed to different foliar feeds treatments. If anyone missed out on the chance to go through our seed plot feel free to give Brad or I a call. We will make time to show you.

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