

SFG UPDATE



Smith Fertilizer & Grain
June 10, 2011
Max Smith
Change, change, change

I sit alone in my office on the Saturday of Memorial Day weekend. I cannot remember how many years it has been since we have been able to close our Knoxville office and allow our employees to enjoy a 3 day weekend. It feels like a helicopter in the “whisper mode”!!!! We have been working very hard to help you get your crops in. Our staff is well deserving of a good rest.

Next week looks like a hot one! We expect to hit the ground running to finish up spraying beans as you plant them and get started on post corn work. Side dressing should be going full stride this coming week. Things have went well as our business continues to grow. We appreciate the new customers we have this spring and the loyalty of our long-term customers that we have had for many years.

As I mentioned in a previous newsletter, we are updating our credit files this summer. Our creditors require that we keep up-to-date records of all our credit business. In our business this is quite extensive. The majority of our credit work is short-term, but still has the same basic requirements as the long-term credit. I appreciate your cooperation as we update our files. We treat all credit information with the utmost confidentiality in our office. These records are kept in a locked, fireproof filing cabinet.

Farmers and ranchers are finding that they need to capitalize and fund portions of three years of productions. First, they must finance their investment in the carryover of the last year’s crop that still needs to be marketed. Second, they have an ongoing investment in the current year’s livestock and crops. Finally, there has been fundamental changes in marketing that entice us to make commitments that include rent and prepay of feed and crop inputs for the coming year. Not many people understand how much pre planning you, our valued customers, do to make these things happen. It is important for us to assist you in the future as we enter the “new” value crops and livestock have today. We will do all we can to create value-added programs to increase your profitability as the markets continue to work higher. A new list of programs will be available to you as we close out the planting season.

We are starting to put NH3 equipment away. All equipment goes through the shop before being put into storage. As we complete the spring work, we are already making changes for fall grain work. We have purchased one new grain dryer to help some of the bottlenecks this coming fall. We will keep you updated as changes are made.

Grain markets are way above our expectations. Most grain has been sold with about 15% left to be marketed. New crop opportunities are very good. We encourage you to sell some grain to offset rent and inputs for the coming year. This is a good time to lock in good margins for all sides. Talk to our staff about locking in some of your needs for fall this coming year. I won’t say it can’t get better but the odds are against it. Don’t hesitate to call our agronomy staff to help you this spring and summer. You will be glad you did. They have trained hard to be of assistance to you.

In the next newsletter we will discuss more about fall work and what our plans are to prepare for harvest, as well as changes within our feed department.

Enjoy summer and plan some special family outings. Summer seems to slip away pretty fast. Thanks for your trust in us this spring. We will do our best to earn it every day.

Sincerely,

Max Smith

Casey Cortum Seed Specialist



The past few weeks it just seems that we cannot get more than a half a day of field work done. It has to straighten out sooner or later (I am an optimist)! With all of this wet weather we have looked at a few soybean fields that have some spots that are becoming thin due to pithum, phytophthora or damping off.

A topic that often comes up this time of year (or at least the last 3 years) is replanting of soybeans or just planting beans as we get into the mid-June/July time frame. As far as the replant decision, even though this number sounds staggering, a UNIFORM stand of 75,000 plants per acre still carries a 97% yield potential of the max yield. Iowa State University suggests that a UNIFORM stand of 100,000 plants per acre sees no loss in yield potential. So keep that in mind before getting the disk out and starting over! This obviously does not include hail statistics, which has a different basis for replanting.

As we approach the middle of June with several acres of soybeans to still be planted in our trade area, I often get the question of, “should I switch to an earlier maturing bean?” The answer is no, which is opposite of what you would think and what we would recommend with corn. Here are a few tips that I use when planting soybeans in June and July:

- ◆ Bump your planting rates 10-15% in 30 inch rows to promote faster canopy and taller plant heights
- ◆ Plant beans in narrower rows to promote faster canopy and taller plant heights
- ◆ Stay with the maturity you are planting or maybe a few days longer because beans begin to mature due to daylight changes.

These are just a few things to keep in mind when making some decisions in “late spring”. Hopefully by the time you are reading this, the weather has straightened out and most of you are done planting. Have a safe summer.

In order to conserve paper, we have decreased the number of articles in the printed newsletter and will now be putting all articles on our website. To view the rest of the articles please go to www.sfgiowa.com.



Brad Kaufman C.C.A. Pleasantville Agronomy Sales

With today's prices for corn and soybeans we are searching for ways to increase our yields. One way is to use a product called Radiate. Radiate is a root growth hormone that has been shown to increase soybean yields by 2-5 bushels with a 4 bushel yield response being typical.

Apply Radiate early in the growing season for the best results. In soybeans, it should be applied shortly after the first trifoliolate opens its leaves. Radiate will help the plant through any early season stress, increase early season plant vigor and increase overall plant health. Increasing the plant health will increase root mass, stems and pods. This should in turn increase the yield.

Radiate is a fairly cheap way of adding yield to your soybean crop. At \$3.50 per acre for the chemical plus the cost of application you only need to average .84 bushels per acre at \$12.95 soybeans (October delivery) to pay for the chemical and application. Even on the low end of the yield response that is a 1.2 bushel per acre increase when not using Radiate. That would be an additional \$15.54 per acre profit at the \$12.95 price for soybeans.

As commodity prices continue to creep higher, can we afford to leave any additional yield out there? Radiate is a good and relatively inexpensive way to boost our yields. If you are interested in learning more about the product, contact your Smith Fertilizer & Grain agronomist.



Mark Young **Agronomy Manager**

Field monitoring or scouting, is the backbone of all Smith Fertilizer & Grain pest management programs. Before an appropriate pest control decision can be made, a detailed assessment of pest populations must be obtained. Efficient pest scouting requires our agronomists to have a thorough knowledge of pest and crop biology, pest identification and habits, correct sampling methods, and economic thresholds (when available). Currently we have **eight** agronomists and/or crop scouts monitoring your fields.

The goal of Smith Fertilizer & Grain scouting is to give a complete, accurate and unbiased assessment of pest populations. Our agronomist is the link between your crop and you. Scouting report forms are comprehensive enough so control decisions can be made directly from the report form. These forms not only serve as a record of current pest populations but are saved by Smith Fertilizer & Grain as part of the field history records.

The frequency with which a Smith Fertilizer & Grain agronomist visit must be made depends on the type of crop grown and pest present or expected. Fields visits are scheduled such that increases in pest populations are detected as soon as economic thresholds are reached. Crops are monitored at regular intervals throughout the growing season. Our agronomists, however, have flexible schedules to allow revisiting problem fields.

When monitoring crops a scout will carry the following equipment:

- ◆ Reporting forms, pen or pencil
- ◆ Knife, for splitting stalks
- ◆ Magnifying glass or hand lens for accurate pest identification
- ◆ Bags, plastic vials, for collecting plants and insect specimens for future identification
- ◆ Measuring tape
- ◆ Trowel, spade, for digging entire plant for proper pest identification
- ◆ Reference materials

With all the investment you have placed in your crops, it would be a shame to see anything happen to them. Talk to your Smith Fertilizer & Grain agronomist about scouting your crops. We have highly qualified scouts with vast experience. Our agronomist will do the field scouting and monitoring all year long. As a farmer, you have enough to worry about, let Smith Fertilizer & Grain do the scouting for you and tell you what you can do to enhance your investment.

Gary Sterling **Albia Location Manager**

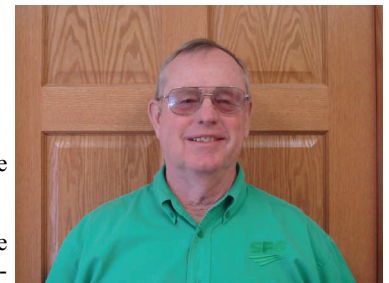
SFG specials for the month of June are \$2.00 a bag off any Hubbard mineral and \$2.00 off on crystalx tubs. These products are eligible for Hubbard financing.

We now offer creep feed (16% with rumensin), which can be contracted through December 2011. Prices will change every Tuesday. If you have signed up for Hubbard 0% financing, all Hubbard products can be applied to it. Any questions about Hubbard or Kent 0% financing can be answered at the SFG offices.

All feed prices are subject to big swings this summer due to the grain market volatility. If the USDA comes out with a report that we have plenty of stocks on hand the prices should go down, but any weather problems could drive the cost of feed up. Who knows what the weather is going to do until it is over.

Questions on feed should be directed to Mark Jacobs in the Albia office (641-932-2100) or Roger Maletta in the Centerville office (641-856-2828).

Crop progress and crop condition reports came out June 6th. Planting progress was about what they were thinking and crop conditions had improved. When the report came out, both corn and beans dropped about \$.25 each. This is the volatility that we will probably see all summer. You need to keep an eye on the markets so as not to miss an opportunity to price either your feed needs or sell some grain.



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