



PEOPLE WHO CARE. PRODUCTS YOU TRUST. VALUE FOR LIFE.

A Federated Co-ops customer calibrates his corn planter in a field near North Branch, MN.



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Managing Your Crop in the Ground

Now that your crop (or most of it) is in the ground, what can you do to protect your investment? How can we help you? This issue of the *Agronomy Edge* addresses that question. We'll talk about managing your corn, soybean, or wheat crop to harvest. We'll also discuss reducing your risk through tools like Revenue Assurance crop insurance and contracting your crop nutrients well in advance of next season.

That way, you know your costs and can lock in a profit with the rising commodity prices.

We'll stand with you during this time of volatility and great potential for agriculture. At your local Federated Ag Center, you'll find **People who care. Products you trust. Value for life.** ☺

Soybeans: Focus on Weed Control

By Kevin Carlson, Certified Professional Agronomist



The most important thing you can do as a grower to protect your investment in your 2008 soybean crop is to scout for weeds and time their treatment to weed size and stage. But spray earlier than later, so you don't get locked out of effective weed control by wet weather.

In Roundup Ready® beans, you'll want to spray with glyphosate before weeds reach 3-4 inches in height. Generally, that first weed flush does not have much in common with insect activity, but look for bean leaf beetles as you make that first herbicide application.

Then, 20 days later, scout your fields and plan on a second application if any other weed flushes appear. At that time, you will want

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Filling one hopper of a 16-row planter, a farmer prepares to seed his 2008 corn crop. This *Agronomy Edge* discusses how to manage that crop in the ground.

Corn: Late Planting Needs Closer Watch

By Craig Gustafson, Agronomy Manager

A lot of corn didn't get planted until mid-May or even later. As a result, late-emerging broadleaves and grasses will make their appearance earlier than anticipated.

Scout early for these yield-robbing weeds and take them out at two inches tall. If you've planted Roundup Ready® hybrids, consider applying glyphosate plus a residual herbicide. Of course, no two farms are alike, so we'll be glad to sit down and discuss which herbicide package works best with your soils and management practices.

CONTROLLING UNDERGROUND NIBBLERS

Pay as much attention to what's happening underground as to what you see above the surface. Dig a few plants and look at the roots. Make sure you don't have any underground nibblers, like white grubs or cutworms, feeding on those roots. If you spot them early enough, we can apply insecticides and stop them before you lose your stand.

Treatment is economical in today's corn markets. What required 10-20 bushels to pay for in the past now takes only 3-4 extra bushels. We

need to do things differently than in the past to capitalize on the higher grain prices.

NOT THE YEAR TO CHEAT

With the late spring, you may not have put all of your nitrogen down before you planted. Another year, you might have skipped side-dressing – but with today's corn prices, this is not the year to cheat on nitrogen.

If your breakeven is 100 bushels per acre, every bushel beyond this breakeven point is worth more than \$5. It's that extra 20 bushels of yield you pick up from side-dressing that will put the profit in your farming operation.

A WARNING: Too many producers wait too long to side-dress their corn. It's best to side-dress corn when it is eight inches or less. Applying later can damage the crop. Early application will also reduce the risk that weather delays will keep you from side dressing at all.

OTHER MANAGEMENT TIPS

If you are under irrigation, it would be worth your while to consider foliar fertilizer treatment at the time of tassel.

Also, consider tissue sampling at ear set to accurately determine soil nutrient levels, which will help you boost yields of future corn crops.

For help with any of these recommendations, call your local Federated Co-ops Ag Center. Their phone number is listed in the directory on page 4. ☎



Pre-Buying Nutrients Best Option for Most Producers

By Jim Barthel, Agronomy Manager

Crop nutrient prices keep increasing, and world demand continues to grow. Consider pre-buying fertilizer through Federated Co-ops to assure a price and supply for future seasons. No one knows what the price will be in the future, but the past has shown that pre-buys save growers money. By locking in your input costs, in combination with forward contracting your

Of course, we do not recommend buying all of your fertilizer in advance, just as you would not typically sell all of your grain on a forward contract. By locking in a portion, if prices go up, you have at least bought some nutrients at a lower cost. If prices go down, you can buy the balance at the lower price.

In most cases, the price you pay to pre-buy your fertilizer will be higher than this spring's prices. And pre-buying your nutrients will require some money down, just as Federated's suppliers are asking for money down. For most producers, however, pre-buying will be the best way of stabilizing your cost of production in 2009.

NOTE: We can only contract certain crop nutrients. Call your local Federated Co-ops Ag Center to learn which ones. ☎



grain, you can assure a profit. (See Ken O'Brien's story, "Buy Ahead + Sell Ahead = Profit Certain," on page 4 of this newsletter.)

Absorbing Risk for You

By Tim Kavanaugh, General Manager

Risk is a word we talked about less frequently in the past – mainly in the context of weather. Weather is still the greatest variable we face in agriculture and the one we are unable to manage. Today, however, your cooperative is facing far greater risks than ever.

Earlier this year, grain prices set new highs. The thought on everyone's mind is, "How will I market in 2008 and 2009 to capture the most profit?" Producers must spend more time on that issue than ever.

High grain prices have already impacted livestock producers. Combined with higher hay costs, they have made dairy and beef production more risky than ever.

Fertilizer prices have skyrocketed to new levels. It appears that world demand for fertilizer will keep prices high for some time. Your cooperative is buying fertilizer for the 2009 planting season at levels well over two times the price we paid last year. Those higher

prices, along with much longer inventory carry times, represent great risk.

Rising energy prices, both diesel and propane, represent tremendous risk for Federated Co-ops. To offer buying opportunity to customers, we must lock in costs much farther into the future, while our own truck diesel operating costs continue to soar.

We are fortunate to have a strong balance sheet built over the past 10 years, which allows your cooperative to absorb some risk for you. Our size gives us the ability to find the best values and research the market for opportunities. I can assure you that our staff members are working hard to moderate risk on your behalf. ☺



Don't Forget Your Wheat

By John Swanson, Seed Specialist



Wheat has 15 distinct growth stages. What you do during five of these stages is critical to protecting your investment in this crop.

2 LEAF STAGE

Check your stand and begin scouting for weeds.

4-5 LEAF STAGE

Continue scouting for weeds and diseases. Consider herbicide and fungicide applications. Select the right herbicide program for each individual field.

- 2,4-D is your basic broadleaf killer.
- Bronate® Advanced picks up a little bit larger spectrum of broadleaves.
- Huskie™ offers a new mode of action capable of picking up some of the harder-to-control broadleaves. It also includes short-term residual, a first in wheat. New for 2008, Huskie has a use rate of 11-15 fl. oz. per acre and requires one-half to one pound per acre of AMS.

- Puma® is effective in fields with economic levels of grass.

Tan spot can appear throughout the growing season. Scout for this disease in the 4-5 leaf stage and consider adding low rates of fungicide to your herbicide.

FLAG LEAF/HEADING AND FLOWER STAGES

We'll lump these two stages together. Between flag leaf emergence and heading, scout again for insect and disease problems like tan spot, rust, and scab.

If disease appears at flag leaf, add a strobilurin such as Stratego® or Headline® at full rates. In early heading, consider a 3+3 program: 3 oz. of Folicur® with 3 oz. of Proline.™ This helps suppress both scab and foliar diseases.

With higher wheat prices, the return on investment in the application of these foliar fungicides has never been better.

PHYSIOLOGICAL MATURITY STAGE

Consider pre-harvest management tools such as a glyphosate burndown – to kill the wheat or late weed flushes.

For assistance in scouting and advice in treating specific pests in wheat, contact your local Federated Co-ops Ag Center. ☺



Buy Ahead + Sell Ahead = Profit Certain

By Ken O'Brien, Grain Division Manager

Managing your grain production costs is a good start to a financial risk management plan. However, it's only the first half of a solid plan. Profit is not guaranteed until you have locked in a sale greater than your production costs.

Grain has been trading at all-time highs, and the outlook is promising, but there are no guarantees. Even with continued high grain prices, profit is not certain, given higher production costs.

To develop a solid marketing plan, it has always been important to know your production costs. What's harder today is to put numbers to these costs, with fertilizer and fuel prices doubling. Inputs will likely remain extremely tight, with shortages and outages in some areas. You need to begin locking in the cost of inputs with pre-buys and contracts; then lock in a profit margin with grain contracts.

You've got three good years in a row to lock in some good prices, but you don't know they ARE good prices unless you know your crop input costs. This year, you're going to be able to do that. (See

Pre-Buying Nutrients Best Option for Most Producers on page 2.) A year ago, \$3.50 corn looked pretty profitable, but with today's crop input prices, it would be a loss. So, start buying ahead and don't be so worried about the exact cost per ton of fertilizer. The question is, "What's the profit?"



Does that sound like contract farming? It is, but it may be necessary with today's high costs and volatility. Financial lenders may require it.

If you're worried you won't grow the grain you need to fill your contracts, that's where crop insurance plays an important role – specifically, Revenue Assurance policies. Contact me at 888-806-4220, and I'll be glad to show you the role crop insurance plays in a good marketing plan. ☺

Focus on Weed Control Continued from front page

to look for insects like bean leaf beetle, soybean aphid, potato leaf hopper, and spider mites that might reduce your yields. If you need assistance in identifying insect problems or economic thresholds for treatment, stop at your local Federated Co-ops Agronomy Center.

Later in the year, during early podding, you should get serious about controlling disease with fungicides. Last year, we had a lot of pod and stem blight. If this summer is warm and wet, we could see other fungal conditions in addition to Asian soybean rust.

After pod fill, very little else needs to be monitored, except to check nutrient levels for next year. Tissue testing is still a very good idea and actually more valuable than a soil test. You'll want to pull a few soybean plants in both June and July to check the roots. They

should be loaded with nice, pink nodules, an indication of the adequacy of your nutrient program for future crops.

A FOLIAR BONUS

If you make a second application of glyphosate, consider adding a foliar fertilizer like MAX-IN™ to the spray mixture.

Last year, one of our customers with a yield monitor recorded an additional 4-5 bushels consistently where he had run a strip trial of MAX-IN. The yield increase was a response primarily to the manganese in the mix.

At current soybean prices, investment in this additional nutrition would produce a very good return. ☺

FEDERATED CO-OPS, INC. AG CENTER DIRECTORY

Albertville	763-497-2122
Isanti	763-444-5561
Ogilvie	866-472-4712
Osceola	715-294-2789
Pease	320-369-4220
Rush City	320-358-3292

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ANSWER PLOT FARMER TOUR

BEHIND THE CENTRA SOTA AGRONOMY PLANT
SANTIAGO, MN
JUNE 18, 2008
LUNCH SERVED AT NOON

TOPICS: Planting date, soil types, local review of growing conditions, root system morphology, nutrient management for corn and beans, early weed control and staging corn growth, early pest management, topics for soybeans management, seed treatments for corn and soybeans.

Come on your own or call your Federated Co-ops agronomist to arrange a ride.