



DODGE CITY COOPERATIVE

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EXCHANGE NEWSLETTER

FIRST QUARTER 2009

MANAGER'S DESK



I hope you had a good winter, and the holidays were good to you. After completion of harvest, the employees have been busy with yearly maintenance projects and getting what milo we had on the ground picked up. The grain department did a good job of having bushels moved prior to and during harvest. This allowed us to dump the least amount of milo on the ground. Our goal was to speed up your dump time and lessen our risk of having grain on the ground. With only two thirds of last year's wheat and only half of the fall harvest purchased, we will continue to move grain with our sights set on making room for this year's wheat harvest. Yes we are optimistic that we are going to get moisture. We complete a second truck dump at the Dodge City location and are looking at other ways to enhance our dumping capabilities at all the other locations.

Other projects that have been completed are newer gas pumps at the fuel center, new paint with a face lift to the ACE hardware store, and new 80 foot scale at the Gray Location. DC Coop has partnered with two other cooperatives (Offerle and Sublette) to add liquid fertilizer storage at the Ensign location, so we can source UAN by unit trains as well as by truck. Total storage

capacity will be 15,000 tons or 3 million gallons when completed. At the current time, we have two tanks completed and are working on the last tank plus the loading shed. We feel with this liquid facility along with the dry fertilizer shed will allow us to source fertilizer to you the member so we can be as competitive as possible. Look for more information as the facility gets completed.

Your cooperative is having a decent year despite all the economic challenges that is being thrown at us in the market place. As we complete our fiscal year, we also anticipate a decent return from our regional cooperatives that we do business with. The employee team has also done a good job minimizing risk considering the circumstances. We still have two more months to complete and account for and look to have the auditors in here some time the first of April to finalize the year end. The balance sheet of your cooperative still remains very strong and viable. We continue to try and perform as efficiently as possible, while constantly reviewing our expenses and looking for opportunities that will help lower our operating expenses. This often

becomes our biggest challenge as we still try to remain competitive and provide the proper service. If we do not meet your expectations, I apologize and take full responsibility for the total coop's business. We are currently operating in the most volatile of times in agriculture history. Even though this is not an excuse, we are walking in uncharted waters that we have never dealt with as a producer and cooperative. But one thing is certain, your cooperative has been here for 93 years and is going on its 94th year, and we have always met our obligations and commitments. My objective is to keep that strong history going forward.

As always thanks for your business. It is always appreciated. Have a good and safe spring.

**Jerald Kemmerer
CEO/GM**

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Safety Division



This winter we have seen our share of frigid days along with warm, sunny, spring like days. Some parts of the country have sustained devastating ice storms which have led to power outages. One of the primary concerns is the winter weather's ability to knock out heat, power and communications services to your home or office, sometimes for days at a time. The National Weather Service refers to Winter Storms as the *Deceptive Killers* because most deaths are indirectly related to the storm. Instead, people die in traffic accidents on icy roads and of hypothermia from prolonged exposure to cold.

Make a Plan

- Prepare an emergency supply kit. A checklist is available at <http://www.ready.gov/america/downloads/checklist.pdf> or Ready.gov
- Plan to stay inside, at least for a period of time. Keep in mind that during a severe winter storm it could be hours, or even days, before emergency personnel are able to reach you.

- If you have a wood burning fire place, consider storing wood to keep you warm if winter weather knocks out your heat.
- Learn how to shut off water valves (in case a pipe bursts).
- Keep fire extinguishers on hand, and make sure everyone in your house knows how to use them.
- Fill the gas tank for your vehicles in case you have to leave.

In addition, check or have a mechanic check the following items on your vehicle:

Antifreeze levels, Battery and Ignition System, Brakes, **Exhaust system - check for leaks and crimped pipes and repair or replace as necessary.** **Carbon monoxide is deadly and usually gives no warning.** Also check the Fuel and air filters, Heater and defroster, Lights and Flashing Hazard Lights, Oil, Thermostat, Tires, and Windshield Wipers.

When a Winter Storm WARNING is issued...

- **Stay indoors** during the storm.
- If you must go outside, **several layers of lightweight clothing** will keep you warmer than a single heavy coat. Gloves (or mittens) and a hat will prevent loss of body heat. Cover your mouth to protect your lungs.
- **Walk carefully** on snowy, icy, sidewalks.

- **Avoid traveling by car** in a storm, but if you must... Carry an emergency supply kit in the trunk. Keep your car's gas tank full for emergency use and to keep the fuel line from freezing.

Prior to driving in a winter storm:

- Let your car warm up for a few minutes
- Clean the entire car before you begin to drive.
- Make sure all lights work and are clear of ice and/or snow.
- Clean ice and snow off your windshield wiper blades.
- Check horn, adjust mirrors, test brakes.
- Before you leave make sure everyone in the vehicle is wearing their seatbelts.

Driving in a Winter Storm

- Always tell someone where you are going, what route you will be taking, and that you will contact them when you reach your destination.
- Remember only you can be the judge as to what you can do in a Winter Storm.
- If you are trapped in the ditch **DO NOT PANIC!!!** Many people lose their lives by thinking that they can make it to a place a quarter mile away. **Stay in your vehicle. It is the best protection from a bad storm.** If you have to stay in your vehicle be sure and crack the downwind window open when the heater is running to prevent carbon monoxide poisoning. Run the heater 10 minutes every hour. Also be sure the

exhaust pipe is not plugged with snow or ice. If the pipe is plugged do what you can to un-plug it. Do not permit all the occupants to go to sleep all at once. Turn on the vehicles warning lights and doom light so it will be more visible to road crews or other drivers.

- **Leave the car and proceed on foot - if necessary - once the blizzard passes.**

Immediately After a Winter Storm

- **Avoid overexertion.** Heart attacks from shoveling heavy snow are a leading cause of deaths during winter.
- **Cover your mouth, keep dry and watch for signs of frostbite and hypothermia**

Signs of frostbite: loss of feeling and white or pale appearance in extremities such as fingers, toes, ear lobes, and the tip of the nose. If symptoms are detected, get medical help immediately.

Signs of hypothermia: These include uncontrollable shivering, memory loss, disorientation, incoherence, slurred speech, drowsiness, and apparent exhaustion.

If symptoms of hypothermia are detected:

- Get the victim to a warm location
- Remove wet clothing
- Put the person in dry clothing and

wrap their entire body in a blanket
 Warm the center of the body first
 Give warm, non-alcoholic or non-caffeinated beverages if the victim is conscious
 Get medical help as soon as possible.

- **Help a neighbor who may require special assistance— as neighbors with infants, elderly people, and people with disabilities may need assistance during a winter storm.**

For further information on how to plan and prepare for winter storms, visit: Federal Emergency Management Agency (fema.gov) or the American Red Cross (redcross.org)

Steve Sawyer

Safety Director

**ACE
 HARDWARE**



Since 1938 Gallagher has taken great pride in the products and technology that they have developed for the management and

control of all types of animals. Each Gallagher 110/220 volt and battery energizer has performance indicator lights or digital displays and built in lighting protection. All the Gallagher battery energizers can be adapted for solar usage. The Solar S-50 energizer brings solar technology to a new level of performance. A large dial makes it easy to operate and lets you see if the unit is on or off. An LED flashes with every pulse and shows the unit is functioning correctly. An automatic night mode monitors light levels and lengthens the pulse rate to save power when animals become less active.

Ace carries a full line of 110 volt, 12 volt and Gallagher fences to cover most applications. We have the right size charger for the area to be fenced.

We also now carry the 12.5 gauge hi-tensile wire. This is on a wooden spool with ½ mile of wire. This wire has a tensile strength of 170,000 psi. It is engineered and manufactured for permanent power fencing. This 12.5 gauge is much stronger than standard fence wire and class III galvanization for longer life.

Ace carries a full line of Gallagher fence testers and insulators. Stop by and take a look at the full line of Gallagher. You will be glad you did.

**Jack Lane,
 Ace Manager**

Date	Wheat	Corn	Milo	Soybean
9/16/08	6.45	5.06	4.33	10.29
10/3/08	5.81	4.36	3.64	8.92
11/3/08	5.18	3.85	3.13	8.28
12/12/08	4.58	3.54	2.81	7.49
Last Year –Mar 2008				
AVG.	10.84	5.35	4.92	12.25

GRAIN DIVISION



Troy Presley
Grain Originator
Risk Management Advisor

With the turn of the year everyone changes mindsets. Now our attention turns to our winter wheat crop, and getting our fields ready to plant corn. The first part of the 2009 has not brought great news for the producer. Grain prices continue to struggle as well as cattle prices. Moisture has been hard to come by. Fortunately for us we do have decent sub soil moisture. The next couple months will be crucial not only for grain prices but for moisture as the wheat comes out of dormancy.

In the past week I can bring some good news. The weather models are showing above normal precipitation forecasted for the central and southern grain growing regions. Unfortunately we have to sit on our hands and wait to see how much moisture will come. However we don't have to sit on our hands when it comes to selling our crops. We all saw just how quickly the grain prices can fall as we saw in December the corn price fall about 50 cents in a matter of ten days. The wheat price took even more of a tumble as it fell 66 cents in the same time frame. It wasn't long after that the grains prices did make reasonable comebacks. Only to show us just how volatile our grain prices still are. To stay in front of this market is a big task. Especially with all the problems our economy has seen over the past 6 to 8 months.

So let's not be reactive to the grain prices, let's be pro active. Set pricing goals for your grain; but let's make them reasonable. If you don't enjoy sitting there watching the markets trying to sell your grain, call the Dodge City Coop and put in an open order. An open order can be for ANY bushel amount, we do Day orders and GTC (Good Till Cancelled) orders. The GTC orders are good for 30 days then they expire.

For example, if you have 2000 bushels of wheat and you think \$5.50 is a good price. You can call and give us a GTC order to sell you wheat for \$5.50. We will ask if you want a check or a Deferred Payment. Now it's 2 weeks later and the market rallies and the \$5.50 cash level is hit. Then we will sell your grain and issue that check or Long Arm Contract. Of course a Day order works the same however the order is cancelled at the end of the trade that day.

If you do have an order in, and you decide to call a branch office or the main office and sell your grain it is your responsibility to let us know you have an order working. Otherwise your grain will get sold twice and that is a not a good thing. Now if you want to put an Order in the Overnight night we do require those orders be in 5000 bu quantities. We don't make producers accumulate bushels; I have had many producers ask about this. You can sell any bushels amount of any crop Monday thru Friday 9:30 to 1:10 as long as the Board of Trade is open.

Dodge City Coop does offer risk management strategies. We use options for these types of strategies. Many people are put off by the idea of using options in their marketing of grain. These are not as complex as many people think they are. If you have any questions please call me (Troy Presley) at the Main Office. We can talk about your needs and decide what would be best for you and your farm.

Well, enough of the easy stuff, let's talk about what has been moving those grain markets. The last half of January South America

was not getting the much needed rains it takes to grow their beans and corn. This helped fuel our grain markets, the 1st part of February they did finally see those rains. That can account for some of the reasons we have seen the grain prices deteriorate lately. The economy has not helped our grain prices much either. Last year at this time we saw a lot of money coming into the agriculture sector from outside investors. This year we don't see that money being invested and that means that many less "buyers" are in the grain markets. We are finally seeing the markets trade on supply and demand. With the big rallies we saw last year, we encouraged many producers worldwide to grow all crops. Now that demand for those grains has dropped off drastically. Crude Oil has fallen to half of what it was this time last year. This makes the demand for ethanol not near as strong. With all that corn that producers grew last year, intended for ethanol, still needs to find a new home. With a poor economy people are not eating beef; therefore the cattle getting fed in feed lots have dropped to the lowest levels we have seen since 1959. So it's hard to find a big demand for corn in the feed sector. So with the lack of demand for feed grains we have a really big carryout for coarse grains. This is another reason we are seeing grains prices under pressure. It's amazing how much our situation can change from year to year.

Troy Presley
Grain Originator/Risk Management

Unless commitment is made, there are only promises and hope; but no plans.

Peter F. Drucker

FEED DIVISION

SUPPLEMENTS IMPORTANT ESPECIALLY BEFORE CALVING

As winter forage quality declines and cow nutrient demands increase, wise operators begin to feed protein supplements to assure healthy calves plus cows that will rebreed rapidly. But protein supplements can be expensive, so producers usually try to feed only as much as the cow needs to stay healthy.

But, new university research suggests that this strategy of minimizing input costs may overlook the impact supplements have on the future performance of the calf.

Properly supplementing the cow can increase profitability of the calf she's carrying according to Nebraska research. In one study, steers from cows that received protein supplement while grazing winter range produced an extra 60 pounds of carcass weight worth \$80 to \$100 per animal compared to steers from non-supplemented cows.

In other studies, the pregnancy rate of heifers from cows that received protein supplements while grazing corn residue or winter range was 5 to 14% higher than heifers from non-supplemented cows. And steers from these supplemented cows graded choice 5 to 23% more often.

Since fetal growth rate is highest during the last third of gestation, nutrient requirements of the cow and her calf are higher than earlier in her pregnancy. Most winter grazing programs use low quality forages so adequate supplementing can pay big dividends.

As cows approach calving time, don't scrimp on the protein. Feed what is needed, both for the cow

and her calf. You'll be money ahead.

Contact your Dodge City Coop feed branch for supplementing options available for your bred cows and heifers.

**Galen Frick,
Livestock Advisor**

AGRONOMY DIVISION

The need for soil sampling

Plant nutrient applications through fertilizer are based on representative soil sampling techniques and subsequent lab determination of soil pH and nutrient levels. Soil labs provide a quick turnaround for soil analyses and nutrient recommendations on a fee basis.

The first step in obtaining a representative soil sample is to separate each field into sample areas of similar management history and soil characteristics. Nutrient removal rates by a crop are important in determining residual soil fertility levels. Once each sampling area is identified, 10 to 20 soil cores (brush away surface plant residue material) to a 4- to 6-inch depth should be obtained in a zigzag pattern throughout the area to ensure good representation. The soil cores should be placed in a clean plastic bucket and mixed thoroughly, and a subsample should be taken to fill a one-pint sample bag. It would be helpful to construct an accurate map of the field so that sample areas can be taken the same time each year, preferably in the fall after harvest, to enhance the relevance of annual

comparisons. Soil samples are analyzed for pH and the plant-available contents of nitrogen, potassium, phosphorus, calcium, magnesium, zinc, copper, boron, and manganese. Recommendations to correct soil pH and provide sufficient levels of each nutrient for top yield performance will be made on the soil test report.

Soil sampling is to find out where you are to know where to go in order to make the highest yield possible with the lowest possible inputs. Taking into account for the increase in the cost of inputs, (seed, fertilizer, chemicals, fuel, and others), knowing what you have in the soil will lead to answers we need to make for the upcoming season. We at the Dodge City Coop can help provide the answers you are looking for. Call Bryan, myself, or any location manager for information on your cropping needs.

**David Seymore
CCA Sales/Agronomist**

AV Energy

It's only taken a few months for the price of oil to plummet from around \$150 to leveling off to the \$40ish mark.

For reasons why this has happened you can look at the hedge funds as the main topic of conversation.

As we enter 2009 the oil landscape has reversed dramatically from a year ago. The price of oil is lower than production costs and new exploration projects are being cancelled.

China flush with cash is currently buying all the oil it can get its hands on to pump into its strategic reserves.

One constant however is the depletion of major oil fields, worse than predicted at 9.1% year over year as we closed 2008. It's a matter of when, not if the economy recovers and when it does, expect a

strong bounce back in the price of oil in my opinion.

There has been some bullish news recently on the market but it hasn't been able to break into and stay in the upper \$40s, as well as the "Bears" haven't been able to take it down into a sustainable \$30 area. With this in mind things are staying at a level playing field until something of significance comes along.

As usual for us we are seeing our best contract fuel prices coming out this time of year. There have been ups and downs as normal but all in all, the price has stayed within the limits we expect. If you haven't called about contracts yet I would advise you too as soon as possible as it seem prices generally go up after the 1st of the year?

Jerry Bryant is hard at work with his oil and lube programs. Now would be a great time to give him a call and find out what he can do for you if you aren't utilizing his services. His phone number is 682-2359.

Winter is here but you wouldn't know it from the weather we've had so far. Mild temps, sunny dry days? Seems to me that the weather and oil market go hand in hand.....just when you think you know what it's supposed to do it changes on you. But like they say in Kansas, if you don't like the weather wait a minute, it'll change!

If we can do anything for you please give us a call at 225-4994 or call me anytime at 255-9250. Thanks and as they say, "Pray for moisture

Cal Lamberth
AV Energy

SEED DIVISION

This is one of my favorite times of the year, the wheat is greening up and Punxsatawny Phil has seen his shadow so we will have 6 more weeks of winter. Hopefully we will catch some rain in the next few weeks. With the soil tests I have been pulling there is really good sub-soil moisture and with a little rain or snow we can pull it together.

We have Jerry seed oats in stock at Howell and bags at the warehouse, if you are interested in getting some reserved, call Tony, David, Mike, a branch or me a call, and we can get you set up.

Dave, Tony and I had several multi-hybrid test plots and side by side plots out on corn and milo. One of interest is the plot on the DC3 ground to the north of Koch Nitrogen. We had 28 hybrids from 6 companies; it was no-tilled into standing wheat stubble. When people say that no-till is farming ugly they mean it. The weeds we planted into were at least 18" tall, we burnt it down and it remained clean the rest of the summer. We had an experimental that won the plot with Garst and it is released this spring as 5613. Please see the results following this article.

We have several varieties of wheat seed production out this year; the varieties are T-136, Tam 112, Endurance, Fuller, and T-151, on the triticale side Tamcale 5019. The T-151 is a new release from Trio Seeds and is looking very good in all of the nursery trials. It is a cross of T81 and KS93U206, the data thus far shows it to be at least 1 day earlier in heading than T81. In two years of testing in the Federal Hard Winter Wheat Performance Nursery, it beat the mean yield of

TAM 107 by about 11 percent in 52 locations. It looks to be well adapted to central and southern high plains region. It is resistant to SBMV and tolerant to WSMV. The variety has good tolerance to BYD, but is moderately susceptible to leaf and stripe rust. It tends to have above average yield and test weight.

Everything looks to be in really good shape, we have had a little freeze damage on the tips. Hopefully with some moisture, we should be in a position to meet most of the wheat seed needs for this fall.

As we have mentioned earlier all the feed seed is in short supply. If you are planning to put out feed this summer, we need to get it ordered immediately. We already have several orders locked in and the supply is dwindling. The same is also true on the grain sorghum seed. At this time we have the ability to get some seed but the insecticide treated seed is all but over. We do have an excellent planter box treatment that will provide some protection against most soil insects. Contact Dave, Tony or myself if you have any questions.

Everyone at the DC agronomy and seed departments, want to thank-you for your patronage and hope that all of you have a bountiful harvest.

Bryan Brauer
Sales Agronomist/DC Seeds
Cell: 620-682-5416

"Alone we can do so little; together we can do so much"

Helen Keller

Everyone at the DC agronomy and seed departments, want to thank-you for your patronage and hope that all of you have a bountiful harvest.

2008 Dryland Sorghum Plot

Grower Name: Dodge City Community College
 Dodge City
 City: KS
 Planting Date: 6/9/2008
 Harvest Date: 11/7/2008
 Soil Texture: Silt Loam

Brand	Product	Harvest Moist.	Yield/A Bushels	Yield Rank
Sorg Part	KS310	13.1	50.4	24
Garst	5875	10.2	59.4	22
Garst	5750	13.5	80.6	19
Gldn Hrvst	H-262	13.4	65.5	21
Sorg Part	NK4420	12.9	98.8	10
Sorg Part	KS35-Y5	12.9	90.5	15
Garst	5624	13.3	98.3	11
Garst	5676	13.3	78.4	20
Garst	5616	12.7	104.1	3
Dyna-Gro	742-C	13.2	94.9	13
Dyna-Gro	764-B	13.3	100.9	8
Gldn Hrvst	H-307	13.5	55.3	23
Gldn Hrvst	H-390-W	13.4	83.6	18
Gldn Hrvst	H-454	13.0	87.7	17
Mycogen	IG600	12.9	87.8	16
Fontanelle	4532	12.8	104.0	4
Sorg Part	KS5418	11.5	93.0	14
Sorg Part	KS585	12.0	103.7	5
Garst	5613	15.4	110.5	1
Garst	NG-056	13.5	100.7	9
Dyna-Gro	766-B	14.4	102.1	7
Mycogen	627	12.8	102.8	6
Mycogen	3838	12.8	95.3	12
Fontanelle	5615	13.0	107.5	2

Plot Average

13.0

89.8

Online Account Access Now Available

Dodge City Cooperative has the capability to offer our patrons access to accounts receivable activity, grain balances and prepaid contract activity via the internet. A proof of yield can be generated and printed at your home office. Copies of invoices can be printed or an entire year's activity can be printed at once. We've gotten good reviews on the capabilities offered and we will share your input with our developer for incorporation into future updates. Sign up can be completed by going to <http://patrona.dodgecitycoop.com> or clicking on 'Patron Access' in the left hand column from our homepage www.dodgecitycoop.com. After we receive your request, we will verify your information. You will be contacted by e-mail or phone when your account is ready for you to access. Tammy Rich, our Web Access Administrator or Monte Broeckelman, our Chief Financial Officer, can help answer any questions you have. You can still find 10 minute delay quotes, weather, and other Ag related news at our homepage.

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