



First Cooperative Association

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Visit Our Web Site At: www.firstcoop.com

June, 2007



MANAGER'S CORNER

By Jim Carlson
General Manager

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FCA SCHOLARSHIPS: Since 1997 the First Cooperative Association has been extremely pleased and proud to recognize outstanding achievement at our area High Schools by presenting young men and women in the year's graduating class with **\$500.00 Scholarships**.

This year we have a record number of **14 Scholarship Winners who have been named from the Graduating Class of 2007.**

With the awarding of these scholarships, **FCA has now presented nearly \$80,000.00 in scholarship funds** to assist and further the educational careers of some of this area's most outstanding young people, thus enabling them to pursue future opportunities in their chosen fields of study.

The photos of this year's scholarship winners appear in a separate insert in this issue of the newsletter, and as you glance through this fine group of young men and women you are looking at some of the leaders of the future.

I know you will join with all of us at FCA in extending our congratulations to this year's scholarship recipients, in wishing them the very best in their college career choices and the future, and also wishing for the very best for the entire Graduating Class of 2007.

SPRING WORK: It has been an extremely challenging spring season

2007 Grain Storage Expansion Projects Underway



A New 500,000 Bushel Bin Takes Shape At Marcus



As Does A New 500,000 Bushel Bin In Laurens

GIVING YOU 1,000,000 ADDITIONAL BUSHELS OF SPACE FOR FALL

for all of us as we have battled the combination of soggy field conditions and what I believe to be some of the most consistently strong winds we've ever endured.

These forces have condensed the time during which our men and machines have been able to be in your fields providing services, and I therefore want to sincerely thank everyone for their cooperation, patience and understanding in assisting us to plan, schedule and coordinate the orders for custom work.

Our new custom application equipment assets, which were featured in previous newsletters, definitely proved their value in a season like this, enabling us to cover the maximum number of acres on those various windows of opportunity that conditions were fit to operate.

Since there appears to be a consid-

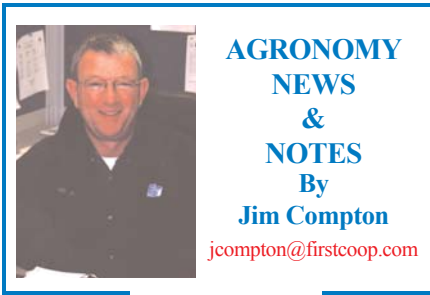
erable amount of variability in height and stage of development of the crops, and in the weeds/grass as well, the post-emerge spraying season will also likely be a challenging time.

Thus the cooperation and good communications between you and your local FCA Agronomist, as well as your continued patience and understanding, will not only be very important to the flow of services, but I can assure you they will all be greatly appreciated.

GRAIN PROJECT UPDATE: The photos on the front page of this month's newsletter show good progress is being made on the two major construction projects we have embarked upon this season in FCA's on-going expansion and upgrade projects to

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We've reached that stage of the season when a lot of different things are happening in the fields with your corn and soybean crops, a lot of things are changing and all of them are changing at a very rapid pace.

And this year, since our crops have been planted in spurts, with some fields planted much earlier before the first set of rain delays came, followed by more planting after things dried out and before the next set of showers, we have an even wider degree of variability to contend with.

For example, we saw a very large volume of nitrogen side-dressing during the late May to early June period, as both 28% liquid nitrogen and NH-3 were being put on at a rapid pace to meet the nitrogen needs of this year's expanded corn crop.

In fact, there was still some side-dressing underway as I was writing this article during the middle of the first full week in June.

But with the moisture and heat these corn acres are presently receiving, my guess is that crop development will be so fast in the days ahead side-dressing will be over by the time you read these words.

I do want to thank everyone for the cooperation and great communications shown to plan and schedule side-dressing products and equipment needs.

The window for side-dressing is always a narrow one, and with more corn acres planted this spring the demand for equipment was even heavier, thus it definitely helps everyone when we're able to work as closely together as this.

Despite huge challenges from the almost continuous winds blowing at high velocity, we have been able to make considerable progress on the post-emerge spraying orders for corn in recent weeks, and again it has been your cooperation and good communications between us that has played a key role in this.

I am sure that in most cases your FCA Agronomist spoke to most of

you about considering the use of a "conventional" herbicide in with your Roundup/glyphosate post application to provide some residual control if you didn't have a "pre" out there to begin with.

We were highly recommending this strategy as post spraying on corn got underway, and if there are any of you with fields of corn still on the agenda for a post treatment as you read this, the value of including a product with residual activity is certainly well worth investigating.

That's because just as we're seeing such a wide degree of variability in crop size and stage of development this year, we're also seeing a similar pattern in the weeds, with some that are tall, others just barely coming through the soil surface, while other species needing additional heat and/or late germinating weeds are yet to emerge.

This is also something you will definitely want to take a strong look at as the post spraying season on soybeans gets into full swing in the weeks ahead.

Speaking of which, you may also want to investigate the benefits of putting an insecticide in with your post bean application, since Bean Leaf Beetle activity has been observed in some areas.

Shifting back to corn once again, another program that we feel you should really be looking closely at for your corn acres is the application of a fungicide like Headline, since with the conditions we have been experiencing already this season, this could very well be perfect timing to put this strategy to work for you.

Any corn-on-corn acres you've planted would definitely be prime candidates for a fungicide treatment, since they will be among the most highly susceptible.

If nothing else, we feel you may want to conduct a few trials on this strategy to evaluate its merits in your operation.

The improved plant health fungicides make possible translates into much better crop performance and a nice yield bonus too, with numerous 2006 trial results showing an 18 to 20 bushel increase with Headline.

The prime window of application of Headline usually arrives around mid-July, so in most situations aerial applications are preferred, and since we anticipate pilots and planes will be in extremely heavy demand for these applications, it will be very

important to plan well in advance.

Maps need to be assembled and marked with all the pertinent information the pilots will need to provide these services.

There are clearly a lot of logistic details that need to be hammered out to make the most efficient and effective use of aerial services for timely application, so the sooner we get started, the better.

Talk to your FCA Agronomist if you have any interest in this, ask questions and, by all means, if you are going to have any aerial application of Headline done on your farm, get the maps and make the arrangements as soon as possible.

In closing I just want to touch on something which, unfortunately, it's too late to do anything about this season, and yet I do so because I want you to keep this information in mind for next season.

I'm sure as you were driving around the area during the past few weeks you may have noticed the vast difference in the appearance of fields where one of the pre-plant herbicides was applied this season compared to fields where none was applied, the so-called "naked acres" which will be relying solely on the post application for weed control.

At one of the many crop management meetings I attended this past winter they shared the results of some extensive university trials and studies that had been conducted in a five-state area to document the potential yield losses caused if weeds are not killed in a timely manner.

In corn, the results showed that for every 1-inch of weed height the crop will lose an average of 4.6 bushels per acre.

While not nearly as dramatic for beans, timely control is still economically important, since the average loss was 7/10 bushel loss in beans for every inch of weed height.

Considering today's corn and soybean prices, and the losses caused by weeds just one inch tall as the field is waiting for the post treatment, I think you'll agree the value of applying one of the "pre" programs can definitely pay off well.

**We Would Like To Say
THANK YOU
For Your Cooperation
And The Great Communications
To Help Us Plan/Schedule Services
Your FCA Agronomy Team**

CONGRATULATIONS

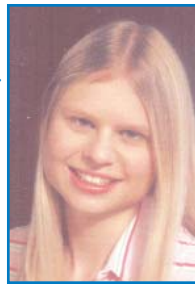
2007 FCA Scholarship Recipients

These young men and women have been selected to be the recipients of this year's FCA Scholarships and will be awarded a \$500.00 scholarship to assist in the pursuit of their college careers

Many of these young people will be entering agricultural and rural study related fields, and FCA strongly supports these fields of study in the hope of continuing to strengthen and support the rural economies of Iowa.

Crystal Abbas

Crystal is the daughter of Jerry and Starr Abbas and a graduate of Laurens-Marathon Schools. She plans to attend Iowa Central Community College/Buena Vista College and major in Accounting.



Brittany Anderson

Brittany is the daughter of Loren and Lisa Anderson and a graduate of Laurens-Marathon Schools. She plans to attend Iowa State University and major in Graphic Design.



Ryan Chalstrom

Ryan is the son of Ken and Terry Chalstrom. A graduate from Sioux Central Schools he is our representative from the South Clay Schools. He plans to attend Southwestern Wisconsin Technical College and Major in Engine Machining.



Chris Dean

Chris is the son of David and Mary Dean and a graduate of Sioux Central Schools. He plans to attend Iowa State University and major in Agronomy.



Chance Ferguson

Chance is the son of Craig and Terry Ferguson and a graduate of Laurens-Marathon Schools. He plans to attend Iowa State University and major in Animal Sciences.



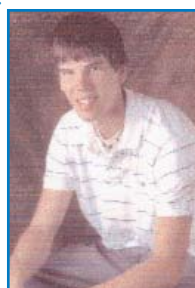
Vern Gebers, Jr.

Vern is the son of Vern and Linda Gebers and a graduate of River Valley High School. He plans to attend WIT/Palmer Chiropractic College and major in Chiropractic.



Alan Hinkeldey

Alan is the son of Jim and Deb Hinkeldey and a graduate of Alta Community School. He plans to attend Iowa State University to obtain a degree in Finance/Accounting.



Ryan Parker

Ryan is the son of Bob and Peggy Parker and a graduate of Aurelia Community School. He plans to attend Northwest Community College and major in Industrial and Commercial Wiring.



Elizabeth Schmidt

Elizabeth is the daughter of Carey and Rhonda Schmidt and a graduate of Schaller-Crestland Schools. She plans to attend the University of Northern Iowa and major in Elementary Education.



Halley Schnell

Halley is the daughter of Mike and Danita Schnell and a graduate of Newell-Fonda Schools.

She plans to attend Faust Institute of Cosmetology and major in Cosmetology.



Nick Sennert

Nick is the son of Ronald and Barbara Sennert and a graduate of Sioux Central Schools. He plans to attend Iowa State University and major in Agricultural Studies.



Chris Smith

Chris is the son of Jerry and Linda Smith and a graduate of Washington High School in Cherokee. He plans to attend Iowa State University and major in Fisheries Biology/Wildlife Ecology.



Brian Weber

Brian is the son of John and Carla Weber and a graduate of Marcus-Meriden-Cleghorn Schools. He plans to attend South Dakota State University and major in Animal Sciences.



Tanner Winterhof

Tanner is the son of Dan and Lynn Winterhof and a graduate of Aurelia Community School. He plans to attend AIB College of Business and major in Ag Business.





LIVESTOCK PRODUCTION COMMENTS

By
Keith Reetz

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If a person looks at the market prices for corn and soybeans these days, considers the remarkable increases projected in the demand for corn and soybeans nation-wide and world-wide, the impact those increases will have on prices for the future, the key role livestock production plays in our marketplace and/or looks at the exciting developments taking place in the bio-fuels industry, there are certainly a lot of positive and optimistic feelings about the future of agriculture.

And yet are we doing all we can to convey this optimism to the future generation of crop and livestock producers?

Are we making them aware of the tremendous, exciting and numerous opportunities that are available for today, for tomorrow and for the future?

Are we even taking the time to fully investigate those opportunities for ourselves, our farming operations and our futures?

And if we are not doing any of these things for ourselves, or for our children or grandchildren who, I am sure, many want to see follow along in the family's farming operation to preserve the traditions and heritage of agriculture, then who or what do we expect to do those things in place of us?

We need more people interested in agriculture, not fewer.

We need more swine and beef operations, and more poultry operations too, if we are to meet the increasing demand for higher quality and a more abundant food supply by an ever-increasing world population, not fewer operations.

There are many viable, flexible, exciting opportunities in livestock production available that can provide a solid return on investment, generate additional farm income, build farm equities and worth.

And the best part of all is that a person can participate in the vast majority of these opportunities at the pace, size and scale at which they

are most comfortable and which is the most convenient and affordable.

FCA has a vast number of sources and resources that you can utilize to explore the exciting opportunities in livestock production that are of greatest interest/appeal to you, your family, your operation, and we welcome the chance to visit with you at any time about them.

On a related note, if you are aware of any opportunities you have seen or heard about from other areas or sources, products, programs or services you want and/or need that we are not presently offering, ideas or suggestions you have for how we can enhance or improve our services, things we're not doing you wish we would look into or any input you have to offer, **We Want To Know!**

Your input is vital and valuable, and it is greatly appreciated. So please, do not hesitate to ask questions, share your thoughts, offer ideas or suggestions, because we want to continue to grow, keep pace with change, be innovative, and to provide you, your family and farm with the best products, services, people and opportunities now and for the future.



THE PETROLEUM REPORT

By
Jim Bieber

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CARD-TROL REPAIR: I am pleased to report the new fuel pumps and fuel distribution system at our Marathon location Card-Trol have been repaired/replaced and **as of June 1st We Are Back In Business!**

This project took a bit longer than anticipated to complete as a result of weather delays and the extended period of time required to obtain the complex network of computerized equipment to make the system function properly.

We therefore thank all of our customers and patrons of the Marathon Card-Trol for their patience and understanding as this work was being completed, we once again apologize for any inconveniences, and we are naturally **Glad To Have You Stopping Back** now that

things are back to normal.

LP SERVICES: We have already had a number of customers taking advantage of our **LP Contracting** programs and services as well as the **Summer Fill Program**, both of which were detailed in the May issue of the newsletter.

You still have an opportunity to receive a **10-Cent Per Gallon Discount** off the daily posted price for **Summer Filling in June**, with the billing deferred until August.

However, this discount drops to **7 Cents Per Gallon** for **July Summer Fills**, and to **5 Cents** for **August Summer Fills**, so to get in on the maximum savings, be sure you order for June.

There is also an additional 2 Cents Per Gallon savings if you pay for your Summer Fill within 5 days from the date of delivery.

Our **LP Contracting** for the fall and winter of 2007/08 season has also been very well received, with **3 separate LP Contracting programs** available, plus a budget billing program that's offered for residential customers.

Customers contracting LP with us can also earn an additional **2 cents per gallon discount** off their contracted price when they sign up to be included **on a Keep Full Route.**

Please feel free to contact any local FCA office if you have any questions on any of these programs/services and to place your orders with us.



Back In Business At The FCA Card-Trol In Marathon

The new pumps have been installed and as of June 1st the Marathon Card-Trol was once again providing quality fuels to area customers with the total flexibility and convenience of 24-hour per day, 7 days a week access to the pumps.



HEDGERS' HOTLINE

By
Randy
Dunn

rdunn@firstcoop.com

The 2007 corn and soybean crops are emerging nicely and, as of this writing as we complete the first full week in June, they look pretty good, for the most part, despite less than ideal planting conditions.

The USDA national crop ratings of more than 70% good-to-excellent for both corn and beans would seem to indicate we may be on our way to good yields.

About the only trouble spot in the Grain Belt is some dryness in Indiana and Ohio, and there are some traders who fear the trend toward dry weather in the east could eventually work its way back west into Illinois, or perhaps even further.

Normally, crop ratings this high for this time of year would send grain prices lower.

But as has been the case since late last summer, historical trends haven't meant much in determining grain prices this year.

Bean prices have recently made new contract highs for the year, and corn prices have also gained, although we are still well below corn prices seen in February.

About the only logical explanation I can find for this contra-season price rise has more to do with the rest of the world than it does with our Grain Belt.

For one thing, China has experienced some drought conditions in parts of their main agricultural areas, plus there have also been drought conditions in some of the wheat growing regions of Europe, both of which have provided some support to U.S. corn prices.

Additionally, the Brazilian currency (Real) has been very strong compared to the U.S. dollar, and this is making our beans more competitive in the world export markets.

Also, palm oil, which is produced in Asia and competes with soy oil, is trading at high prices because of the bio-diesel boom around the world.

The real market maker will start to kick in as we get closer to July as the all-important corn pollination

ADVANCE NOTICE - HOLIDAY CLOSING

All FCA Locations Will Be Closed For Business

WEDNESDAY, JULY 4th

The FCA Feed Team Asks For Your Cooperation To Please Plan All Supply-Service-Business Needs In Advance Of This Mid-Week Holiday

weather will start being debated, with large price swings based on the latest weather forecast almost a certainty for the months of July and August.

If you have a selling price in mind, let us help you make the sale.

We have an automated program for filling grain sales orders that even works on the overnight session.

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Continued From Page 1

enhance FCA's grain receiving, storage, drying and handling capacities and capabilities.

We're putting up two 500,000 bushel capacity storage bins, one at Laurens, the other at Marcus.

From the latest Crop Condition Report ratings USDA has come out with, it appears a very good crop is in the making, so the additional space these projects will provide will almost certainly become a more valued asset as fall arrives.

NEWS FOR ALL: I was visiting with one of our members a few weeks back, and during the course of the conversation he mentioned one of his friends who lives in another part of the state was putting up a building to finish pigs and the arrangement would enable him to use the manure from this facility for crop nutrients.

He then indicated he thought this

was something that might be of interest for his operation at some point.

I pointed out that FCA also had numerous opportunities of a similar nature available, and that over the past several years our **Feed Department Manager Keith Reetz** had included quite a bit of information in various newsletter articles about those programs, and was always looking for patrons interested in exploring them.

When I then inquired how he might have missed this information, he said that since he hadn't had livestock on the farm in recent years, he no longer read Keith's articles, assuming they were focused only on livestock nutrition, management and so forth.

My purpose in bringing this up is to point out that we strive to utilize the articles in the newsletters to keep all of our members informed, up to date and aware about all of the many products, programs and services FCA has available, as well as to alert them to various trends and opportunities in crop and livestock production which are available today and for the future.

So while a specific issue may not be relevant to you or your farm today, it could become so next year, or the next, and the information that Keith or any of the other staff members include in their articles about what is happening in their respective fields may open many doors of opportunity for you or members of your family.



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