#### June 2023 Issue

# Farmers Pride

In the Field, on your Farm, in your Community.



## Growth, Upgrades, and Challenges



Dean Thernes
President/CEO

The spring planting season is now behind us. Weather conditions continue to present challenges, so I hope by the time you read this, we have received some muchneeded rain. When I look back at the spring season, I think about the insights your board of directors has had with various investments the past several years. The speed and space that has been added at

several locations has been some great improvements. In particular, the addition of the new dry fertilizer plant in Battle Creek was of great help this spring getting tender trucks back to the fields, keeping machines rolling and avoided tying up your local dry plants with the loading of semis for custom application. The added storage also really came in handy several times when product got tight at the terminals!

Spring has been challenging on the product side. I say that from both price and availability standpoints. We brought in the product last fall to secure supply, and then the price went down, creating a challenge to stay profitable. Combining that with very little product moving out over the winter made it very challenging at times to get the product to where it was needed. Your agronomy and transportation teams did a great job of staying in front of this and looks forward to serving you in the future as well!

Many headwinds are in front of the industry as we look forward: raising interest rates, large increases in property and health insurance, labor costs, and inverses

in the market channels. We will work hard to navigate these challenges for your company. On a very positive note, the regional cooperative system has had some nice opportunities in crush margins and refinery margins. Through the cooperative system, you are an owner of those assets, and those profits find their way back to Farmers Pride assisting to increase the company's bottom line.

In Osmond we are in the process of replacing some of the storm damage from last spring and updating some other grain assets. Those assets should be ready to go before fall harvest.

The Battle Creek location is also seeing a change as you drive by, a new bulk fuel plant and a 24-hour retail fueling facility. These new assets will allow us to consolidate a couple dated bulk fuel plants and provide a long-term fueling location for both diesel and gasoline products, including E-85.

This summer Farmers Pride, along with our regional cooperative Winfield United, will be hosting the Answer Plot Tours again. The date will be August  $23^{rd}$  with two sessions, one in the morning and the other will be late afternoon. Please be looking for information later this summer! It is a great opportunity to see different products' performance and how they can help to improve the bottom line of your farm. Many different demonstrations and practices are used on this plot. It is a great learning experience!

Good luck to all 4-H and FFA Programs through the summer-it's always an exciting time of the year! Please have a safe summer and thank you for your business and the support of your cooperative, Farmers Pride.



Dave Spencer Sales & Marketing

# **Energy Department**Thank you for the Opportunity - You Have Choices!

Farmers Pride's most vital asset is you, the customer! Without you, Farmers Pride would not exist. Our business is designed to service your needs and we realize you have multiple choices of where you choose to do business. For over 90 years, Farmers Pride remains your local farmer owned cooperative, servicing northeast Nebraska, western Iowa and southern South Dakota. Our mission remains to bring you the best products and programs in the fuel, propane and lubricants sectors for you farm, business, or home.

As always, thank you for your business in the past and we hope to earn your business in the years to come!

#### So where are these energy prices going???

Questions from the last 12 months have ranged from, "Why is diesel so high priced?" "Are there going to be diesel shortages?" "Is diesel ever going to less than gas at the pumps as it was in the past?" We will attempt to answer these from a local and world-wide perspective.

Wow-some big price drops from a year ago when the headlines were doom and gloom with predicted record high prices for diesel and natural gas. So now we ask, "Where do we go now with these energy prices?"

| Just one year ago late May 2022: |                     | This year on May 25, 2023: |                     |
|----------------------------------|---------------------|----------------------------|---------------------|
| \$4.26                           | RubyFieldmaster     | \$3.12                     | RubyFieldmaster     |
| \$4.21                           | Super Unleaded E-10 | \$3.39                     | Super Unleaded E-10 |
| \$1.89                           | Propane             | \$1.49                     | Propane             |

To answer this question, we turn our attention to the fundamental supply/demand questions for the United States that were raised last year and what that means for the rest of 2023.

BAD Headline News From 2022: Here are the concerns from one year ago with the energy markets;

- Continued low world diesel inventories (including the US) coupled with a boycott of Russian energy products remains to put pressures on diesel prices around the world, including North America.
- Couple this with the idea that potentially no natural gas will flow from Russia to Europe Union (EU), is putting pressure on other heating sources to provide solutions for winter demands.
- Sufficient electricity generation is a major cause of concern for Europe. Faced with soaring natural gas prices and limited supply, European utilities may choose to burn refined oil products such as fuel oil, diesel, and gasoline instead of natural gas for electricity generation.
- As natural gas prices remain elevated and electricity remains in short supply in Europe and Asia, Europe is expected to install oil and oil product burning capacity that will be utilized near 100% this winter-causing more demands for distillate products.

**2023 Update:** diesel stocks and production remain low(see graphs), but demand is slightly below last year.

**GOOD News From 2022:** United States distillate production is well above productions from the year before and refinery utilization rates remained very high all year. This meant supply was trying very hard to keep up (which it proved it did during the heavy irrigation demands last summer).

**2023 Update:** refinery utilization rates remain very strong again this year (see graph) and above the 3-year average.

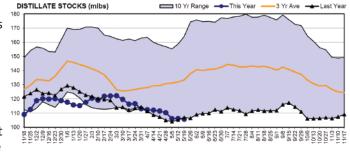
**Good News/Bad News 2023:** First the bad news. Inflation continues to affect all parts of the world economy. To combat inflation, the US Federal Reserve raised interest rates attempting to slow the economy. The good news? Energy prices have retreated and remained stable for the last 9 months, helping our pocketbooks!

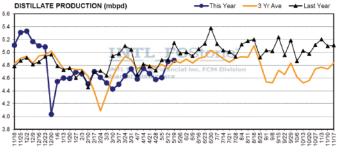
Future diesel fuel contracting options are looking attractive for this fall and even into 2024.

While there is now way to predict what diesel prices will be when we get to
September, next spring, summer or fall, but locking in some of your energy
costs between now and then will allow you to put a number in your operating budget for your operation.

75%

At Farmers Pride, we are here to help you with any of your fuel needs. Please visit with us if you have any questions about our products and how these markets are affecting our daily prices!







### **Propane Contracting is Available Now!**

### Lock in your propane costs for the year with a fixed-price contract.

Farmers Pride has the largest propane storage in the region. This storage allows us to avoid purchasing high-priced propane at the peak of the season and allows us to pass the savings on to you!

There are several contract options for your fall and winter propane needs:

**Home Heat Contract** 

Pay 100% upfront

Home Heat Budget Plan

Spread your payments over 11 months

**Home Heat Contract \$.15 down** 

Put \$.15 down per gallon

**Summer Fill Price** 

Fill before August 31, 2023

**Ag-Use Contract** 



Call us today for pricing and to take advantage of our summer contracting programs!

Battle Creek: 402-675-2375 | Oakland: 402-685-5293 | Ewing: 402-626-5293

### Farmers Pride Oakdale Sale

Farmers Pride is accepting sealed bid offers on the Farmers Pride Oakdale grain facility/property. Bids will be accepted until June 22<sup>nd</sup>, 2023. Bids must be received at the Battle Creek office(PO BOX 10, Battle Creek, NE 68715), Attn: Dean Thernes no later than 5:00pm on June 22<sup>nd</sup>, 2023. Bids not received by the last day to bid will NOT be accepted. Open Houses will be by appointment only, to view the property contact Troy Boggs at 402-887-5465.

Obtain a Sealed Bid Catalog and a Sealed Bid-Purchase Offer form from Farmers Pride Battle Creek or Neligh offices. The property will be divided into 4 tracts, the office building, the grain bins, the





flat storage building, and the area of land on the west end of the property. For any questions about the Oakdale sealed bid auction, please contact Troy Boggs, at 402-887-5463 or Dean Thernes at 402-675-2375.









# Agronomy Department Tissue Sampling



Bryan D. Hoffman Agronomy Department Manager

Wouldn't it be great if plants could tell us exactly what they need for top performance? Unfortunately, diagnosing crop problems isn't always easy, but there are tools to help us understand what's happening within the plant. Tissue sampling provides a

nutritional profile that can show hidden hungers in plants even before they are visible. This can help guide fertilizer programs, but the greatest value comes when real-time nutrient corrections can be made in-season to preserve yield. Here are some tips for getting the most out of tissue sampling this year.



**Timely sampling allows for action.** Consider sampling after the crop is well established, typically after the V3 stage for corn and soybeans. Sampling should continue through the season, especially ahead of key growth stages. Staying ahead of deficiencies allows for in-season fertilizer adjustments to avoid yield loss.

**Quality samples yield quality data.** The sampling data you receive from the lab is only as good as the sample submitted. Use correct sampling procedure based on crop stages. Your Farmers Pride Agronomist can provide guidance on when and how to tissue sample for best results. Choose random, healthy plant tissue (about softball size) from throughout the field.

**Avoid contamination.** Avoid submitting samples that may be contaminated by fertilizer residue or soil. If using tools to collect samples, clean them between plants to avoid transferring tissue from one sample to another.

**Plan ahead.** Sampling at the beginning of the week will allow time for shipping to the lab. Pack and ship samples according to lab directions. NutriSolutions 360® samples require specific tissue bags to prevent mold formation. Invest in quality shipping supplies to assure your sample arrives at the lab in good condition. If you are in need of tissue sampling bags, contact your local Farmers Pride location.

Know how to interpret results. Each lab reports results differently, so make sure you know how to interpret the findings. The WinField United labs feed results into the NutriSolutions 360® reporting system, containing a three part ratio balance of nitrogen to potassium and sulfur, a radar chart that visually displays nutrient levels and suggestions and product recommendations based on the results. Consult with your local Farmers Pride Agronomist for help interpreting reports and for recommendations on specific actions to increase fertility and yield.

The only way to diagnose plant deficiencies is with in-season tissue sampling. Relative to crop value, it's a low cost investment to help ensure healthy plants and high yield potential.



Please contact your Farmers Pride Agronomist today, and talk with them about tissue sampling in your fields this summer!



# **Deworming and Creep Feeding**

Chad Schomberg
Sales

I'd like to share some thoughts on deworming and creep feeding this summer. First, here are some deworming recommendations. If you have turned pairs out and you did not deworm yet, then 6-8 weeks after turning them out is a good time to do so. Then in all cases, deworm this fall after a good hard freeze. PN 16-8-12 Safegard Mineral is an excellent mineral and very cost effective way to accomplish the deworming objective. There's no better time than now to start a strategic deworming program, and we are here to help you with that.

Again this year, we are offering a calf creep contracting program for feeding from now through September. Our standard products are PN 18% Creep B68 & PN 16% Calf Creep B68. We have a formulation department that is very capable of putting together a customized formula for your calf nutrition needs as well. Let's take a look at the economics of creep feeding the calf crop to see what returns we could be looking at. We generally figure on the high energy/high protein creep, we should see a conversion of 4.5 to 5 lbs of creep to 1 lb of gain. Depending on feed efficiency,



that puts the cost of gain around \$.95 per pound. At present, it does look to be profitable to feed those calves and get the extra pounds. Again, we are here to help you tailor a program that fits your specific needs.



Following are some of my thoughts when developing a creep feeding plan:

- During periods of drought, or when pasture quality is declining later in the grazing season along with milk production.
- As part of a forage management program to conserve pasture or part of an early weaning protocol.
- I am trying to increase the pasture stocking rate.
- As part of my preconditioning program, creep feeding before weaning will help calves become accustomed to dry feed as well as putting them in a positive vitamin/mineral status, therefore reducing risk of morbidity or mortality at weaning.
- Prices for weaned calves dictate that it is economical to do so. A good return on investment.
- Late calves are being pushed for a set market date.
- When the price discount is small for heavier-weight feeder calves.
- When large-frame calves are immediately placed on a high energy ration and destined for slaughter at 12 to 14 months of age.

### If you have any questions, please contact one of our Progressive Nutrition consultants:

 Chad Schomberg
 402-750-3923
 Greg Schulze
 402-750-3892

 Stephen Wattier
 402-992-2892
 Dan Stark
 402-360-1227

 Cody Sitz
 402-750-4598
 Office
 402-371-2040

# **Human Resources & Safety**



Dawn Pochop Human Resource & Safety Manager

"Get Over It" – can I say this is one my most unliked phrases? I'm not sure why, but I tend to think it's because it sounds so gruff, un-validating, and unkind. It's just one of those phrases that "scratches the chalkboard" for me. I'm quite sure all of you have a phrase that just hits you wrong when

someone says it...we all do. In today's society, we are all trying to 'get over it' when it comes to politics, inflation, and a whole list of yucky things we'd rather not think about or much less discuss. But for the minute, let's get back to this phrase. How words are said, when they are said, and why they are said is important. Sometimes, I can't just simply "get over it" okay??

Sometimes those nail-biting phrases can send us into tailspins. At least that's what I call it. Unable to move on just because you told me I should. It's easy to say, 'well they don't know, they didn't mean anything by it' and so on and so on. Meanwhile, my mind keeps spinning, and spinning, and spinning on this small phrase and why someone would have the audacity to say it.

So what's the best plan to move forward? How can I be better at making sure my words don't impact negativity towards others? The simple answer

to the second question is called "self-awareness." In a world where everyone wants their opinions heard the best course of action, I think is self-awareness. It's important to be self-aware of how our words and actions can impact others, despite our best intentions.

Last month some of our Farmers
Pride team members were reading
our book club book: "The Happiest
Man on Earth." It was written by
Auschwitz survivor Eddie Jaku. In
the atrocities that he endured how
did he "get over it"? In his world, in
the darkest of times he couldn't

say what was on his mind or he would have been killed, and he had to "get over it" to merely survive the brutality. I won't give you all the answers from his book but here's a few that you can mark in your mind.

"Tomorrow will come if you survive today. One step at a time. If I could survive just one more day, an hour, a minute, then the pain would end and tomorrow would come." – Jaku says. Another one of his golden rules to remember: "For every cruel person in this world, there is kind one. And, you can save almost anyone with a simple act of kindness."

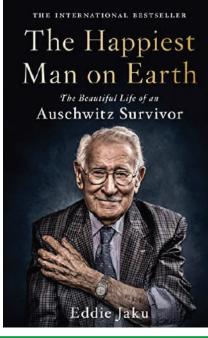
### "for every cruel person in the world, there is a kind one."

When I get pulled "off-center" whether it's worrying about the past, the future, or a recent annoying "get over it phrase" I think of Eddie and how he lived following the war ended. He promised himself to always love, to always be kind, to always forgive, to always be grateful. And if he can do it, so can I.

Need some self-awareness tips?

- 1. Keep a journal. Looking back will help you see your thoughts clearly.
- 2. Seek feedback from others. What are your strengths, your challenges, etc.
- 3. Identify and list your values.
- 4. Read non-fiction books. By walking in the shoes of others, you will better develop empathy and social skills.
- 5. Practice gratitude. Name one thing each day you are grateful for.

Until next time friends – stay safe and enjoy a wonderful summer!!



### Farmers Pride Scholarships 2023

Farmers Pride has again awarded the annual scholarships to seniors in the Farmers Pride footprint.

This scholarship aims to provide recognition to some of the most talented and deserving students in the region.

These students completed their applications and a short essay explaining their outlook upon agriculture and the importance of cooperatives in their community, including specific ways that Farmers Pride is able to assist them/their family in their farming or agriculture operations.

Congratulations to the following recipients who were each chosen to receive a scholarship this vear! We wish you the best



with your future college educations!

# 2023 Farmers Pride Scholanship Winners

Tristen Buss Levi Cronk Dylan Hitz Caleb Lipp Alexander Meier Karter Otte Kara Peterson **Evan Pinkston** Zachary Reikofski **Abram Scholting** Shilo Shabram Alex Thiele Carleigh Tietz Caden Wingert

**High School** Lutheran High Northeast Clayton Christensen Battle Creek High School Summerland Public Schools Battle Creek High School Laurel-Concord-Coleridge Pierce High School O'Neill Public High School Norfolk High School Osmond High School Pierce High School Neligh-Oakdale High School Summerland Public Schools Lutheran High Northeast Osmond High School

Northwest Missouri State Northeast Community College University of Nebraska - Lincoln Northeast Community College Northeast Community College South Dakota State University University of Nebraska - Lincoln Oakland-Craig Public Schools Northeast Community College Northeast Community College Southeast Community College University of Nebraska - Kearney **University of Wyoming** University of Nebraska - Lincoln University of Nebraska - Lincoln

University of Nebraska - Lincoln

Ag Éducation **Diversified Agriculture** Agronomy **Diversified Agriculture** Agribusiness Ag Systems Tech Agribusiness Agribusiness Mechanized Agriculture John Deere Technology Agribusiness Social Work Agribusiness Agribusiness **Commodity Marketing** 

### Join us this summer for the Farmers Pride county fair breakfasts!

Each summer Farmers Pride employees serve a traditional breakfast of pancakes, sausage, juice and coffee to the young 4-H and FFA exhibitors and their families at seven local county fairs around northeast Nebraska. Stop out and join us this summer at your local county fair!

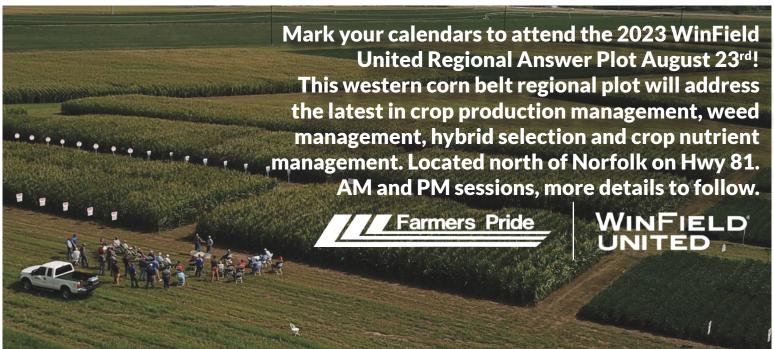
Thursday, July 6<sup>th</sup> Dixon County Fair Friday, July 14th Madison County Fair Friday, July 28th Wayne County Fair Friday, July 28th Pierce County Fair Thursday, August 3<sup>rd</sup> Antelope County Fair Friday, August 4th Dakota County Fair Friday, August 11th Knox County Fair





PO BOX 10 BATTLE CREEK, NE 68715

We are a locally owned Agricultural Marketing Cooperative with the mission of strengthening the well-being of Agricultural Producers, Employees, and their Communities.



Follow Farmers Pride on social media! See updates, pictures and other news











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Battle Creek 

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Oakland 

O'Neill 

Osmond 

Pierce 

Plainview 

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