



September 2009 Newsletter

SEC wants your grain this fall, and we will do whatever we can to make SEC your best option. We are bidding aggressively, and looking for offers on your grain. We have plenty of storage available, and have our bunker empty if we need additional space this fall. We offer convenient truck hours, and can assist you with reasonably priced transportation from your farm to our elevators.

We may not be able to dry 27,000 bph like one of our competitors, but we can certainly dry whatever grain you bring to us this fall. Last year's moistures were the wettest in recent history, and SEC never had to shut down early because of being full of wet corn.

Our sales staff has been doing several yield estimates in fields that are far enough along to get an accurate estimate and it appears that yields in those fields are going to be respectable. Obtaining accurate yield estimates in the later planted fields is going to be challenging with the wide variations throughout many of the fields. We have been using 80 to 90K as an estimate for seeds per bushel, however there is now some more accurate data on seeds per bushel based on individual varieties. See your seed seller for a more precise estimate on kernel size.

I believe we had enough moisture during August to raise another good soybean crop. Disease pressure appears to be low and the plants are setting lots of pods. The latest planted soybeans still may have some challenges, but they look better every day.

SEC's semis are ready to help you with your hauling needs. Our first load of new corn in 2008 came in on October 1st at 24.6% moisture, 2007's came in on August 28th at 17.8% moisture, 2006's came in on September 5th at 19-21% moisture, 2005's came in on September 5th at 14-18% moisture, 2004's came in on September 13th at 19-20% moisture, and 2003's came in on September 9th at 22-23% moisture. Our first load of 2008-crop soybeans came in on October 10th, with 2007's coming in on September 19th.

Be sure to watch your cornfields for poor stalk quality and to harvest those fields first. You need to use your

own judgment on when to start harvest, but waiting until all of your corn has dried down to 15.0 moisture could be a poor choice this year, with the potential for stalk quality problems as the fall extends.

Regan Wear's Notes: It doesn't seem possible that we could have 2 back-to-back growing seasons that are so similar. This was the opening comment from last year, and still is true this year. Hopefully next year it will change. We have had some very pleasant conditions like the cooler temps, and plenty of moisture in August, and we are seeing the very disappointing erosion and washouts in fields. I hope as harvest starts that everyone takes plenty of time getting fields opened up and stays alert to where these ditches could have opened up during the growing season. Many of the applicators have seen these areas re-open after they were worked in this spring and have had heavy rains all summer.



We are seeing welcome moderation in fertilizer pricing. This should allow producers to feel confident applying crop nutrients this fall and buying these products for the 2010-crop year. We do have a layer of fertilizer to sell for pre-pay for fall application for the 2010-crop. We have a good supply of product for fall-application that can be deferred and paid for after the first of the year if you would like.

We are ready for your soil sampling needs and Kevin from Alvey will be here again every week to pull samples. Keep us updated as fields are harvested to get them on his list to sample. Soil sampling continues to be one of the most important planning tools we can use with you to maximize profits. We still do mostly GPS sampling on 2.5 acre grids to give you the most value from the data.

This month marks the 25th year I have worked for Shipman Elevator Company, and I think change in agriculture is coming faster now than ever. The year I started we sold 750 tons of NH₃. For the 2010 crop year, we plan to sell 14,000 tons. It has been great to see the partnership opportunities we have developed, and I am very positive on the future ways we can grow together. If you have needs that you would like to see us address differently, please let us know and we will do our best to stay ahead of these needs.

As our people are our biggest asset, there is no way that we could keep up with your needs without good equipment, and plenty of it. For this fall, we have

added additional large NH3 nurse tanks, and additional NH3 toolbars. Over 65% of our total NH3 tanks are now 1450-gallon or larger, with 41 of our tanks being 4-ton tanks.



Jon Porter is the September spotlight employee for SEC. Jon began at SEC this spring as a seasonal member of our operations team, and was offered a full time job due to his great performance this spring. Filling NH3 tanks, loading trucks in our ag chemical building, and performing general maintenance are just some of the jobs Jon has done so far at SEC. Jon lives in the Chesterfield area.

Rich Metzger's Notes; Soybean Aphids populations have been on the increase in the Madison county trade area. I have looked at many fields the last week of August and have found most populations to be below threshold numbers. It seems that most of the higher populations have been found on later planted or double crop beans.



The current recommendation for across the Midwest is to treat soybean aphids when 80% of the plants exceed 250 aphids per plant during bloom through seed set (R1-R5). If you would like to have your fields checked feel free to give me call and I would be glad to check your fields.

The crop report for Illinois as of August 24th is as

follows; several days of rain and cooler temperatures this past week slowed the crop maturity rate. This weather pattern has also allowed for white mold to set up in some soybean fields, a mold rarely ever seen in Illinois. Corn in dough stage is at 64%, with dented at 12%. Soybeans are 72% setting pods, compared to a five-year average of 94%. If you missed the Answer Plot tour on Sept 3rd there is still time to do a walk through.

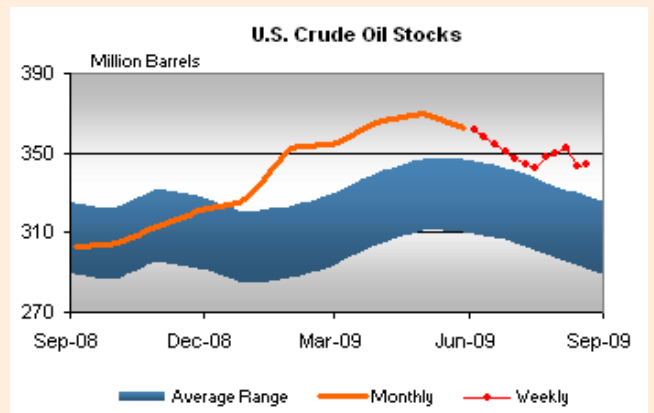
Thanks for your business this past year and looking forward to fulfilling your fall needs.

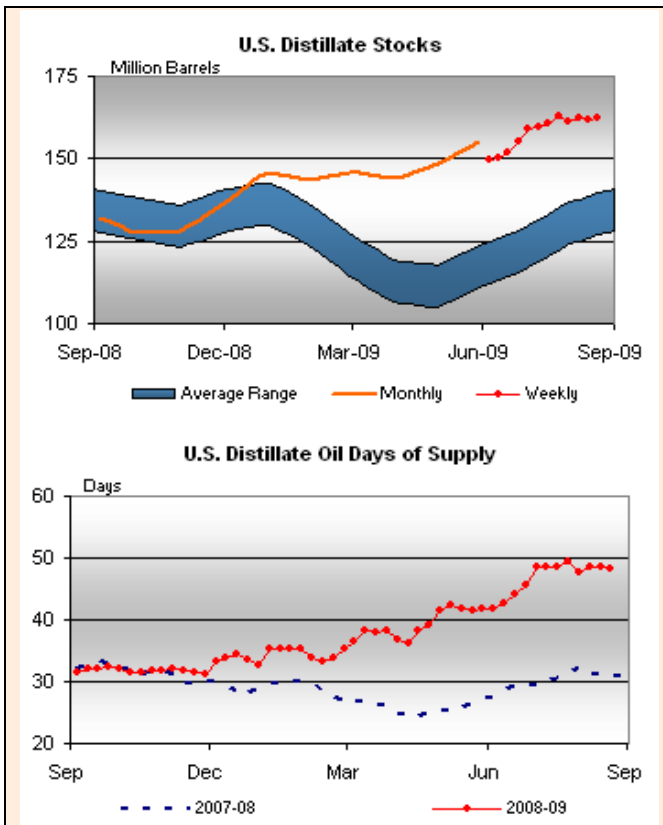
SEC and Top Ag Coop have entered into a product agreement at their Pierron location for the 2010 crop. SEC will be able to pull NH3, dry fertilizer, and mixed loads of ag chemicals from that location. This will enhance our ability to meet your needs, and give us another backup source in case of an untimely breakdown.

Training is very important at SEC, and we continually offer technical, safety, customer service, and leadership training for our employees. We are fortunate to be members of our trade associations and regional coops who do a great job at meeting our training needs.

Ron Sheppard's Notes: The energy markets have been somewhat range bound over the last few weeks with crude oil trading between \$65-\$75 per barrel. It seems that any positive economic news is deemed bullish and the energy markets push higher. Even though we currently have the maintained very high levels of crude oil and heating oil supplies, along with gas supplies being in the upper side of the average range, we have maintained a bullish sentiment to the market.

Below are the current stocks charts for both crude oil and distillates (diesel fuel or heating oil) and the days of supply of distillates in the US. Notice that we currently have about 18 days more distillate supply year to date compared to last year.





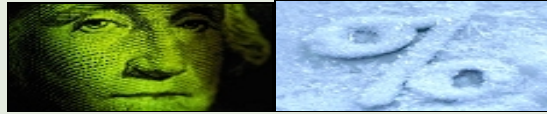
We have several customers that have filled their fuel and oil tanks in preparation for the harvest push. Currently, we are running about 10-15 cents under what fall contracts for diesel have been running. So, it looks like a good move to fill up now. Make sure you are ready for the fall push by calling SEC to place your fuel or oil order.

Many SEC customers have locked in their fertilizer needs for their 2010 corn crop by prepaying those inputs. SEC customers have prepaid a very large percentage of their NH₃ needs for this fall, and many have locked in their spring NH₃ needs. Potash and DAP markets are certainly different than last year.

Potash producers seem more than willing to keep the price way above historical levels, even though application rates are lower with the higher prices. There is some non-Canadian potash available, however the price is just slightly lower than the Canadian product, and the quality is lower as well. Our soils need significant potash applications in order to maintain high yields, and we are recommending that producers adequate potash to maintain those yields.

The phosphorous market is only slightly higher than traditional levels, and we expect normal DAP application rates this fall. Supplies are adequate for an excellent fall season.

Derek Kahl's Notes



The 2010 Loan season is now open! Financial competitors may give you many reasons why you cannot set up your financing now, but with CFA, there are many more reasons to start saving money today. Even if you are a current CFA user, you can apply for a 2010 crop loan, prior to paying off your 2009 loan.



Setting up your 2010 CFA loan will allow you to lock in part of your input costs for the 2010 crop year. SEC currently has Anhydrous Ammonia (for both Fall 2009 and Spring 2010), DAP and Potash prepay prices available. Locking in some of your input costs for the 2010 crop year will allow you to market some of your 2010 crop with the piece of mind that you will know your profit margin.

Today is a great time to start looking towards your 2010 crop year, even when your 2009 crop is still in the field.

Setting up your 2010 CFA Input Financing Loan is easy, all you need to do is give me a call to collect your information over the phone, or to set up an on farm visit.

SEC has used toolbars for sale to qualified customers. We have purchased several toolbars this summer that we are selling to our customers. Having your own toolbar allows you to have a toolbar equipped exactly as you would like. Disk sealers, larger coulters, tandem wheels, are just some of the options that you can tailor for your farm's needs. Another huge benefit is the flexibility to apply whenever it is convenient for you.

Having your own toolbar may be much less expensive than you think. We have used 13 and 15 shank DMI 4250 and 4300 bars for sale, and will take your existing toolbar in on a trade for a larger bar. Some customers who are upgrading toolbars are able to receive trade-in values equal to or higher than what they paid for their toolbars several years ago.

Dennis Wieseman's Notes: Now is the time to book your storage needs for this fall. We already have a good start on our bookings and expect to fill our available space again this season. Our minimum storage rates will be left unchanged this year at \$.16 for corn and \$.18 for soybeans until 1/31/09.



It appears that discount levels at the terminals will not be any cheaper than last fall's high levels. In fact, the discount for corn damage has increased sharply just this past week. River terminals are moving towards \$.05 per point for corn damage above 5%. This discount in the past has always been \$.01 per point. Terminals are struggling to get barges to grade better than #3 grade corn with all the damaged corn coming off the farm ahead of harvest. I would expect that the terminals will stay with this discount level into harvest until they see the volume of damaged corn in this year's crop.

If you need to move cash corn this fall, please give us a call before you spot corn at the river. We expect to have drying rates that will be cheaper than the discounts for wet corn and a bid that will make local delivery attractive. We will have harvest hours to accommodate our producer's needs. Please feel free to talk to Dean Allen or myself if you need help with your trucking needs this fall.

Our harvest hours will begin at 7:00 am with the closing time set around your needs. I encourage you to bring grain in early during the day for the shortest lines. Bringing in some grain before your bins get full may be a good way to assure that you can keep your combine rolling at the speed that you would like. We normally have some Sunday hours during harvest, however it is a good idea to call on Saturday afternoon to see what those hours may be. Our phone number at the elevator in Shipman is (618) 836-5560, and the number at the elevator in Medora is (618) 729-3228.

Joe Kuykendall's Notes: Harvest is fast approaching and many of you have been getting your equipment field ready. **For those of you that have a combine on the Cenex Total Protection Plan Warranty, this is a good time to get those engine oil samples sent in and, if needed, sign up for any additional equipment.** Please let us know if you need Lubscan kits to collect these samples, as used oil analysis is the key to maintaining your warranty.



SEC has a good supply grease and other packaged lubricants for your fall needs. If you need any of these products let us know. We can

save you time by delivering many of them with your fuel order.

BLUEGARD: Lithium Complex Grease GOOD

Multi-Purpose
Extreme Pressure Properties
Excellent Bearing and Chassis Grease
Protects from rust and oxidation in moist areas.

MOLYPLEX: Lithium Complex Grease 1.3% Moly BETTER

Multi-Purpose
Extreme Pressure Properties
Protects against shock loading wear
Bearings, Great for pins, bushings, moist areas.

MAXTRON EP: Synthetic Lith. Complex 3% Moly BEST

Multi-Purpose Chassis lubricant
High temperature applications
Severe loads between metal bushings and pins
Superior Moisture and oxidation resistance



PIONEER
A DUPONT COMPANY

Matt Haarmann's

Notes: Our earliest planted corn in Jersey and Calhoun counties is starting to black layer this week. At black layer we are typically at 32% moisture. During early September we should lose ¾ to 1 percentage point of moisture per day. Also we are starting to see some Sudden Death Syndrome in the earlier planted soybeans. This results from cool, moist conditions early in the growing season. The infected areas we are seeing are not too severe.

Corn yield estimations can be a relatively easy way to help in planning for harvest. Including calculating how much storage will be needed. John and I are always willing to walk through your fields with you to estimate how well the corn will yield.

Pioneer is providing **FREE** Yield Mapping again this year. This is why it is very important to calibrate your monitors on the first day you go to the field so your maps will be as accurate as we can get them. Call John or myself to make sure your yield monitors are ready before this year's harvest.

We have a good supply of seed wheat this year for your fall needs. 25R62 and 25R47 are good for your high yielding and highly managed wheat acres. 25R54 is a good choice for after corn and has a very good disease resistance package for your wetter soils.

Thank You For Your Business!



One Earth Energy in Gibson City, IL began production earlier this summer, and has done very well so far.

One Earth Energy
Clean Renewable Ethanol

Margins for Center Ethanol Company are improving, and the prospects for profits there are improving.

Brent Phelps' Notes: I'm always interested in what types of tillage tools my producers are using. Now I'm not here to say one is better than the other. I think they all have a purpose in the right application. Last fall I had a chance to run an AerWay across my farm and a customer's farm. The machine I used was 15 ft with a spring tine harrow and double rolling basket. I know the fields we ran this tool in are very bad for washing and have claimed their share of broken hubs and problems.

If you have ever seen one of these AerWays, they look like a rotary hoe on steroids. Coming from a guy who loves iron, these things are built. Make no mistake they take a horse to pull them but let me get to the point. I have been scouting these fields all year to see if this type of tillage made that much of a difference. The first thing I noticed is that I had very little washing in those fields. They absorbed all that rain like a sponge.

As the year went on the crops were so much more uniform. I also took a soil penetrometer, (compaction tester) and tested some fields with only AerWay tillage vs rippers and chisels. The results shocked me. I'm not a rep for them but when I see and try something that I think could make you money I let you know. The soybeans I looked at yesterday were non-GMO and the tillage was AerWay and they are the best beans I have seen all year. When I get the yield data I be sure and let you know.

"LET'S GROW SOMETHING TOGETHER"

Dwayne Milner's Comments: For everybody working outside these past two weeks the weather has been pleasantly nice. The cooler than normal temperatures have also affected some hybrids in different ways. The Western Genetic Family males that like to have a

lot of heat and sun during its grain fill period have tipped back some from the ear that it originally started to fill. This is very prevalent where the kernel is shrunk back and there is just a yellow flat kernel left. On the other hand the Northern and Northern Tropical Males have filled to the tip in most areas. The cool and cloudy weather has not hurt the ear size of these males at all. So when we see this tip back on some hybrids come fall, remember that we've had a cooler and wetter year than we typically do and this is a great example of why producers need to diversify their genetic types when picking hybrids for each field and farm.



Another problem that I have been seeing in the fields from our current weather has been diplodia ear rot in some of our earlier planted fields. The high moisture in August combined with an upright ear placement, and loose husk are all contributing factors. So if you are in your field and see some premature brown husk, it's a good chance that you are seeing the first clue of diplodia ear rot.



A Picture of Diplodia Ear Rot.

Joe Wieseman's Notes: As harvest slowly creeps upon us and producers are beginning to dig out their combines and get them ready for the fall harvest I am providing the Pre-Harvest checklist that can be used no matter what kind of yield monitor you have installed.

Ag Leader pre-harvest tips:

1. Bring the monitor into your office and power it up using the wall-mount power supply included with your monitor. Review the "Initial Calibration" sheet in the calibration section of your manual. These settings are specific to your combine—verify that they agree with the settings in your monitor.
2. Make sure the memory card is operational. To do this, copy a file onto the memory card and put it into your computer to make sure the computer recognizes your card and the file you started. If you haven't already backed up last year's data to your computer, do it now.

3. Clear out last year's data (assuming you stored it to your computer in step two) and set up your current fields and crops in the monitor. Since its human nature to sometimes overlook the obvious, don't laugh when I point out that crop rotation means there is an entirely different crop growing in each field this year.

4. At the shop, visually inspect each connection on the combine. Be sure all sensors are plugged in and cables are away from moving parts.

5. Inspect the moisture sensor for wear, nicks, cuts, or a bent fin. Call us if the sensor is damaged. If you have an elevator-mount for your moisture sensor, the manual clean-out switch should engage the motor.

6. If you're not using an elevator-mount sensor, check the grain tank mount and look for worn flighting. If you detect excessive wear, talk to me; an elevator-mount sensor is the long-term solution to this problem, and we can install one.

7. Check the flow sensor on your combine. Is the grain elevator excessively worn? Are there missing paddles? Is the chain loose? (You're looking for a clearance of between 3/8 of an inch and 1/2 inch, so you might need to loosen the lower adjuster and adjust the top elevator). If your flow sensor's impact or deflector plates are worn, call us for assistance.

8. Next, put the monitor back in the combine cab and turn it on. Move your combine out of the building and into an open area. Power up your GPS receiver as well, watching for a strong "D" (differential) and "G" (GPS) signal. (A weak signal will come through as a small "d" and "g.")

9. It's time to raise and lower the header in order to verify the header sensor is working properly. If it is, the red light will go on and off or the "area on/area off" will alternate on the PF3000™ monitor.

10. Engage the separator and watch elevator speed on the monitor. It should read between 250 and 600 rpm and hold relatively constant in one range. Then, put the combine in gear and drive ahead to observe that the monitor ground speed indicator is working properly.

Your yield monitor system is now ready for calibration at harvest time.

If you are interested in a new yield monitor or have an older system that needs work, please let me know so it can be taken care of before we get started with harvest. If you would like us to calibrate your monitor please call me @ (618) 779-2741 to be put on the list ensuring prompt response when you go to the field and are ready to calibrate.

SEC can direct deposit your grain checks and email your settlement sheets. This process is very easy to set up, and very secure. We have customers using this service and they are very pleased with the process. Direct deposit is not an option if your lenders are requiring buyer notification.

We will be operating two custom NH3 tractors this fall in order to meet your needs. The later corn harvest may limit your ability to get all of your fall NH3 applied by yourself. Those tractors will be pulling 21 and 19-shank toolbars, and will be equipped with automated steering systems.



We have a few thousand acres lined up for those tractors and toolbars, however we have the ability to do much more. Get your orders in early to assure your orders get completed early in the season. I realize that the season can be challenging, however we have always been able to get our earliest orders finished.

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Dennis Wieseman	Grain Manager
Ron Sheppard	Petroleum Manager
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Mary Meyer	Grain Payable Bookkeeper
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John Hunter	Jersey County Agronomy
Matt Haarmann	Western Area Agronomy
Jim Walker	Precision Ag Specialist
Joe Kuykendall	Certified Energy Specialist
Dwayne Milner	Seed Specialist/Agronomy
Brent Phelps	Central Area Agronomy
Joe Wieseman	Precision Ag Sales
Rich Metzger	Southern Area Agronomy
Tim Gueldener	Central Area Agronomy

Go Cards!!!!