

www.agritrails.com



### **LOCATIONS**

**CARLTON** 785-949-2222

**CHAPMAN** 785-922-6505

**COUNCIL GROVE** 620-767-5105

DILLON

785-366-7228 **DURHAM** 

620-732-3123

**DURHAM STATION** 620-732-3315

**GYPSUM** 

785-536-4260

**HERINGTON** 

785-258-2286

HOPE

785-366-7213

**HOPE AGRONOMY** 

785-366-7212

LINCOLNVILLE

620-924-5228

NAVARRE

785-479-2221

PEARL

785-479-5870

TAMPA

785-965-2221

TAMPA AGRONOMY

785-965-2224

WHITE CITY

785-349-2214

WHITE CITY STATION

785-349-2225

WOODBINE

785-257-3315

# New Agri Trails Coop facility offers more bulk storage, repacking system

Cale Miller, Crop Protection Manager



So far 2022 has proven to be just as challenging as predicted. With a huge number of active ingredients in short supply

to non-existent, as well as multiple price increases by manufacturers from the fall, it is important to have a herbicide/fungicide plan in place to ensure availability for your farm.

The addition of the new liquid fertilizer and chemical facility at Hope has allowed us to take advantage of early fills. We are in good shape to supply the Agri Trails footprint with product. That being said, wheat fungicide application is just around the corner and supply will be tight industry wide.

Please see an Agri Trails agronomist today and book what you plan to run. Along with increased bulk chemical storage capacity, the new facility is equipped with a state-of-the-art repacking system. This will allow for an easy, more efficient way to supply your bulk chemistry needs.



Hayden Funston and Kaylin Becker, are new hires at the agronomy center in Hope.

The new agronomy center in Hope offers state-of-the-art repacking system to supply your bulk chemistry needs.



# Ways to Capitalize As Grain Prices Near Record Highs

### Alex Strevell, Grain Merchandiser



Inflation fears, spring wheat production issues in the U.S. and Canada, South American soybean supply losses, and the Russian invasion of the Ukraine are all extremely

bullish factors that have combined to drive prices to near record levels. The managed money crowd, or speculators, noticed these concerns and piled into the grains with an incredible amount of money flow.

This money flow has dramatically increased the amount of volatility we see in our grain markets today. While this volatility makes traversing this market environment increasingly difficult, it does present marketing opportunities.

The marketing matrix pictured at right is a simple tool to help identify what the market is telling you and how to capitalize. Today's high futures prices clearly put us in the right two quadrants, while basis values are mixed.

Creative marketing options are useful in certain environments, but why overcomplicate things when we are at such lofty price levels? Simple strategies, such as Forward Contracting and Hedge to Arrive contracts would be excellent ways to take advantage of these marketing opportunities.

Let's dive into the differences between both contracts.

**A Forward Contract** is a straightforward way to lock in a favorable cash price for a deferred time frame (i.e., New Crop Delivery).

The Hedge to Arrive contract, or HTA contract, is only half of the forward cash contract puzzle. With the HTA contract, you set a futures price but leave basis unpriced on the hopes it strengthens later.

**Basis is a tool for grain movement.** When a large flow of grain is moving, basis weakens, when grain needs to be

coerced into entering the market, basis strengthens. We have seen wheat basis values plummet of late, as the cash grain pipeline is plum full.

There is concern that this does not correct back to a more historical level, but it is well within the realm of possibilities. The size of the current wheat crop will ultimately be the biggest factor, but the HTA contract may be worth a look given the recent weakness in wheat basis.

Lastly, having **firm target offers** to sell if price reaches a certain level is a great tool to use for both contracts. With the speed at which these markets trade, it is always good practice to have offers working.

Firm offers help to take the emotion out of marketing and make it easier to stick to one's marketing plan. These target offers can be placed at your local branch



Grain Merchandisers Bill Fish and Alex Strevell are here to help tailor a strategy to fit your marketing needs.

or by calling the Hope office. Offers can be cancelled or adjusted at any time.

We are more than happy to discuss these strategies in further depth or tailor one to fit your operation's needs. Please do not hesitate to call if you have any questions!

### **PRODUCER MARKETING**

What is the market telling you?

Strong Basis

Weak Basis

StoneX<sup>\*</sup>

### **Strong Basis & Low Futures**

- Basis contract
- Buy futures
- Minimum price
- · Buy a call

Strong Basis & High Futures

- Cash sale
- Forward contract

**Low Futures** 

#### **Weak Basis & Low Futures**

- Wait to sell
- Buy futures
- Buy a call

Do you have orders working?

### **High Futures**

### **Weak Basis & High Futures**

- Hedge to arrive contract
- Buy a put

What does your marketing plan say?



# Fuel center upgrades complete in Tampa, White City

Fuel center upgrades in Tampa and White City have improved our customers' experiences.

Tampa's new fuel site was completed in November 2020 and White City's in May 2021. Each site features the latest fuel club card technology, underground tanks, and 24/7 pay-at-the-pump capabilities.

White City also received cosmetic upgrades to the fuel dispenser, faster pumps. Dyed diesel was also added back to the fuel island.

Come check out the new and improved fuel islands! ■

# Competitive fuel pricing still available despite market volatility

Chris Kremeier, Fuel/Petroleum Manager



Rising fuel costs have many of us on edge as we head into a busy time of year. While the unpredictability of the market can be concerning, you can rest assured that we

are committed to protecting our customers through these hard times.

As we go into planting and harvesting, it's important to note that Diesel Exhaust Fluid (DEF) — which is 30% urea — could potentially be affected by fertilizer price fluctuations. However, we have a great bulk setup to eliminate the high price spikes. This helps us price competitively and keep our products more affordable for the end user.

We are fortunate to have a great system with our McPherson rack, which I feel is one of the best spots to pull fuel from. In fact, we have very competitive offers for one- or two-year fuel contract pricing. Contact me for more details.

Our industry has been hit hard by skyrocketing inflation and supply chain disruptions. We appreciate your trust and business as we try to make the best of an increasingly unpredictable situation. We are committed to better servicing our customers and offering competitive pricing. When you're working with Agri Trails, you're working with one of the best.



The White City Station has new pumps and new employees: Ethan Barrett, Leanna Coons, Deanna Wright, and Dylan McKenzie.

## Consider Adding Alfalfa Back Into Your Crop Rotation

### Roger Will, Tampa Location Manager/Feed Manager



For those of us that have been around here for a long time we can remember all of the alfalfa fields through our countryside. Every cattle producer had alfalfa planted and some of them had a lot. The ethanol industry and inexpensive DDG changed that part of our cattle operations.

Now the only alfalfa we see in our area is from producers that raise it to sell out of state. Now might be a good time to think about adding some alfalfa acres back into your rotation.

You don't have to look back very far to remember prices that made alfalfa not work when balancing rations. Just going back to March of 2016, when our companies consolidated, and comparing those prices to our current commodity prices will probably scare you and make you reconsider.

Balancing rations has always been easier with the inclusion of some alfalfa. Now - with your protein costs more than

double — it really makes sense. No one knows how long the commodity prices will stay this high, but more than likely they will come down quicker than crop input prices will. When you are figuring your cropping plans for this year, it would be a good time to look at some alfalfa again if you're a cattle producer.

Commodities	2016 prices	2022 prices
Corn	\$ 6.25 / cwt	\$13.10 / cwt
DDG	\$ 8.75 / cwt	\$19.00 / cwt
Corn Gluten	\$ 8.75 / cwt	\$19.20 / cwt
Soybean meal	\$16.60 / cwt	\$29.10 / cwt
Soyhull pellets	\$ 6.25 / cwt	\$18.00 / cwt
Alfalfa (average)	\$80.00 / ton	\$125.00 / ton



## New Tank Boosts Capacity, Speed in Carlton

### Tresa Krueger, Location Manager, Carlton; Duane McAnarney, Location Assistant, Carlton

The construction of a new McPherson tank in Carlton is expected to bring increased capacity and speed in time for the 2022 wheat harvest.



The 60-ft. diameter by 120-ft. tall bin currently going up will hold 300,000 bushels — about double what we can hold right now.

A big selling point for the project was the amount of time it will save our customers. The bin will have a grain leg capable of processing 17,000 bushels per hour in comparison to the previous grain leg that could run only 3,000 bushels per hour.

The old elevator was built in 1949, when short trucks and pickups hauled in the harvest. Today's semi trucks carry four times that volume. Many staff and



customers shared the feeling that the upgrade was long overdue.

We are very pleased to have utilized many local contractors. Every crew on this project has

been outstanding. With all the extra traffic in and out of Carlton recently, we want to commend them all for being so great to work with. Thank you to McPherson Concrete, McPherson, concrete bin work; Frisbie Construction, Gypsum, mechanical work; Koffman Electric, Abilene, for electrical work; Tim Berggren, Meuli Inc., Abilene, dirt work.

At Agri Trails, we're focused on making our customers happy. We are confident that they will be elated with this new system and the time savings it will offer.



We are excited about the increased speed of the new leg, allowing you to spend less time waiting in line and more time in the field.





Location Manager, Daniel Durant and new Location Assistant, Brandon Saliba (pictured) wish you a safe and SPEEDY harvest!

### New Leg Ready for Harvest in Pearl

In October 2021 construction was completed on the new leg at the Pearl Elevator, increasing the speed from 1,000 to 15,000 bushels per hour. This increased Pearl's total pushing capacity to almost 20,000 bushels an hour.

# In Lincolnville's Seed Cleaning Process Order and Timing are Key

Perry Gutsch, Location Manager, Lincolnville



Seed cleaning customers should plan ahead to avoid missing their window of opportunity during the busy cleaning period of late summer and early fall.

In Lincolnville, we clean triticale, oats and wheat, in that order. Once the rush of wheat harvest is over, we set up the seed plant to start cleaning triticale in late July. In early August we move on to cleaning oats. Ideally, we like to be set up by the second or third week of August to clean seed wheat since that's what we clean the most of.

While we wish it was as easy as the snap of the fingers to switch from one grain to another, it's not quite so simple. Between each grain, our team performs an extensive cleaning process and changes out the screens according to the grain being cleaned. This is critical in preventing cross contamination and the process can take several hours.

We've found this is the best order — triticale/oats/wheat — to make sure the system stays clean of contaminants. While not hard-set, we aim to stick to our

timeline, knowing that the longer we push seed wheat cleaning back, the more it piles everything into a smaller timeframe. With a month or better of cleaning seed wheat, every little bit we can get done early is helpful so we don't get backlogged once it's time to plant.

Seed cleaning is usually an efficient process, but sometimes the weather can affect our schedule. We encourage customers to continue to make appointments at least a few days ahead of time. We look forward to serving you!



Seed cleaning in Lincolnville usually begins triticale in late July, oats in early August and wheat by mid August . ightharpoonup

# New Tire Shop Opens in Woodbine

This spring, the new tire shop was completed in Woodbine. This replaced some rather antiquated buildings. Our investment to support the Woodbine community not only includes tire services and feed supplies, but we're also excited to start offering oil change services in the near future.



Stop by and see Location Manager Bobby Fiest and his team, Matt Roe and Bo Fiest (pictured). They would welcome the opportunity to show it off!



# Rising Costs and Supplementing Phosphorus: What to Consider

Mariah Harris, Livestock Production Specialist



With current prices, many producers are questioning if the higher phosphorus mineral is worth the extra cost.

When considering the research, feeding phosphorus is necessary and beneficial for bone growth and reproduction. Phosphorus is commonly found in forages, however, is the costliest mineral to supplement. If the cow does not utilize all the phosphorus they are receiving from the mineral and forages, the excess is excreted in the feces and used as fertilizer.

Local research on phosphorus levels, while consuming native grass, indicate that phosphorus can be supplemented at a lower level and not be wasted in the feces.

This year it could save you money to supplement with a decreased phosphorus mineral. Research has recommended to feed 6-12% phosphorus for unfertilized grasses, 4-8% for fertilized warm season forages, and 0-4% for cool season forages.

Contact your Agri Trails nutritionist to book mineral today. Mariah (785) 643-7181 or Derek (785) 258-0604. ■



# Plant Same Soybean Trait Across All Acres for Spraying Simplicity

Aaron Brinkman, Seed Agronomist



Going into the 2022 growing season, there will be three main soybean traits planted. It is going to be very important to know what trait you

are planting and keep good records of what field each variety is in.

- **Xtend** is a combination of Roundup (glyphosate) and Xtend (dicamba) tolerance.
- **XtendFlex** is a combination of Roundup, Xtend, and Liberty (glufosinate).
- Enlist is a combination of Roundup, Liberty, and Enlist (2,4-D).

Last year there were multiple cases of Xtend only fields that were killed because Liberty was sprayed on them thinking that they were XtendFlex. If you are buying seed from a different source than the place that is doing your spraying, keep all seed tags and invoices to make sure of the trait that is planted.

The variety number will also tell you the trait of the soybeans. For example, AG 42XF1 is a popular bean from Asgrow, the X in the variety is

for Xtend and the F is for Flex. If your seed tag does not have a F and only has an X in the number, then it is not a XtendFlex bean and only Xtend. For Enlist varieties they will have an E at the end, like CP 4422E.

With all the trait differences in soybeans my recommendation is to plant the same trait across all your soybean acres. It can get very confusing by switching from straight Xtends to XtendFlex, even if your plan is to spray both traits with Xtendimax there is a chance the post does not get sprayed by the June 30 cutoff. If you have all XtendFlex then it is not a problem to just switch the post to Liberty.

We have a great supply of all Asgrow, Croplan, and NK XtendFlex varieties. We have been testing our Xtendflex soybeans for the last two years locally and know which varieties will work best for your fields. If you have any questions about soybean traits and herbicide programs that go with each, please reach out to your local Agri Trails agronomist we will be happy to help you figure out which trait will work best for your fields.

## **WELCOME**

New Team Members at Agri Trails



Mike Ryff
Feed Mill Operator
Carlton



Kaylin Becker
Agronomy Production
Specialist
Hope



Hayden Funston Fertilizer/Chemical Plant Manager Hope



**Lisa Sutton** HR Manager *Hope* 



Ethan Barrett
Station Attendant
White City Station



**Leanna Coons**Station Attendant
White City Station



Dylan McKenzie Station Attendant White City Station



**Deanna Wright** Station Attendant White City Station



Bo Fiest
Co-op Operator
Woodbine

## Congratulations to Our Retiring Staff Members

We express our humble thanks and sincere congratulations to both these fine gentlemen! Please join us in celebrating their achievements!



### **Curtis Frick**

After 31 years of leadership and commitment to our Durham location, Curtis is retiring on May 7. He and his wife, Clara, are looking forward to spending time chasing around their grandkids and participating in all their activities.



### Roger Will

Since 1984, Roger has served the Agri Trails family. He is retiring on May 20. Roger and his wife, Jody, look forward to spending time with their 8 grandkids and traveling to see as much of our country as possible.

**Curtis Frick Retirement - OPEN HOUSE** 

Friday, Apr. 29, 2 p.m. - 4 p.m.
Durham Elevator Office

Roger Will Retirement - OPEN HOUSE

Friday, May 20, 2 p.m. - 4 p.m. Tampa Elevator Office

## **EMPLOYEE SPOTLIGHT**

# Nathan Barney

### Nate, why the Coop?

I just love the ag business. I grew up 1½ miles south of Tampa, but my family didn't farm. The Coop was a great option, I got to be in the business and stay close to home!

### Did you try any other industries?

I started working summers at the Coop in 2008. When I graduated from college, I put my degree to work in the banking industry. That lasted 3 months. My wife said, "you're miserable." I came back to the Coop and haven't looked back!

# Speaking of your wife, tell us about your family.

My wife Camille and I have been married almost 5 years. Our daughter Skylar will be 4 in May and son, Wyatt is 1 ½.

# What do you like to do when you're not working at the Coop?

Get outdoors, either hunting or golfing!

# What gets you out of bed and into work every day?

The relationships with my customers. I love this business, because I get direct



feedback and see the fruits of my labors everyday. I know how my job impacts my customers' lives. Things in this business are changing fast. I just plan to grab the baton from Roger and run with it.

# OK Nate, final question ... how do you like your eggs?

Pickled, what else goes better with a cold beer?





P.O. Box 157 508 N. Main St. Hope, KS 67451-0157

## Celebrating Success, Setting Solid Foundation

Darel Anderson, General Manager



The Agri Trails Coop Annual Meeting was held on Mar. 23 at the Herington Community Building. Approximately 120 members and employees attended. We are happy to report 2021 sales of \$219 million, local earnings of \$4.2 million and total net earnings of \$5.6 million.

Earnings in 2021 were bolstered by higher grain volumes and solid supply sales. Additionally, the COVID Payroll Protection Program (PPP) loan forgiveness aided in the positive outcome of our financial year. This program was subsidized thru the US Small Business Administration and designed to help businesses keep their workforce employed during the COVID-19 crisis.

Based on these factors, we paid out \$1.15 million to members in cash patronage and equity retirement.

In other business news, we have three incumbent directors who were re-elected to serve another 3-year term: Heath Gfeller, Dan Oborny, Terry Reiff. Congratulations, gentlemen! Thank you for your contributions and service.

So far 2022 has been a roller coaster! But, because of a strong commitment from our members, a very competent workforce and a solid financial foundation, Agri Trails Coop is ready for the ride. As Zig Ziglar says, "Difficult roads often lead to beautiful destinations."

