

Jonah Schumacher of Pleasantville showed his breeding hogs through FFA at the 2023 Iowa State Fair. Showing pigs has helped Jonah develop leadership skills and explore his passions for entrepreneurship and mentoring youth interested in livestock.



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CONNECTIONS

A publication dedicated to informing and connecting members.



Key Perspectives

Heading into a large and early harvest

By Boyd Brodie, General Manager,
Boyd.Brodie@keycoop.com

THE GROWING SEASON has been long and hot. The heat has definitely sped up crop maturity, considering we were seeing several fields at full dent in the middle of August. According to the USDA, we're running nearly a week ahead of last year and several days

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Showtime!

Showing pigs helps Pleasantville youth develop leadership skills

By Sara Clausen, Director of Communications, Sara.Clausen@keycoop.com

THE IOWA STATE FAIR ... “nothing compares” to the mouth-watering food on a stick, larger-than-life concerts and thrilling trips down the giant slide. The fair is the single largest event in Iowa, drawing in more than a million visitors each year. It's been running for 169 years and is still recognized as one of the world's largest livestock shows.

Recent high school graduate Jonah Schumacher of Pleasantville grew up knowing he wanted to show pigs. “I began showing through 4-H at the Marion County Fair,” said Jonah. “It easily turned into my Supervised Agricultural Education (SAE) project for FFA.”

Though the Iowa State Fair is not new to the Schumacher family (Jonah's mom is a past Iowa Pork Princess), 2023 was the first year Jonah was able to show his breeding hogs at the state level through FFA.

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Energy Services for the Season

By Scott Richardson, Energy Division Manager, Scott.Richardson@keycoop.com

IT'S THAT TIME OF YEAR! We're preparing for harvest—our busiest season, the one that consumes all our daylight hours and stresses our operations to the max. The flow of fuel, propane, oil and diesel exhaust fluid could be called the lifeblood of our operations. Without it, all our equipment is at a standstill. A good preventative maintenance plan can help avert unnecessary breakdowns during harvest.

Key Cooperative offers discounted summer-fill plans to keep inventories of propane and oil topped off. If you haven't participated in these offerings before, please reach out to the Key Energy team to get your propane and oil filled before you need it most. The summer-fill program can provide significant seasonal savings, making sure you're filled early versus when propane and oil are at their highest demand.

We understand that the use of diesel exhaust fluid (DEF) can vary from operation to operation. Key currently has bulk storage of DEF at our Sully and Roland locations, and we have the ability to deliver bulk DEF gallons from our new DEF delivery trailer system. We also provide several storage options: 55-gallon drums, 140-gallon totes and 330-gallon totes, including pumps, hoses, nozzles and meters. If this is something you currently need or are considering, please reach out to us for solutions. We want to ensure all our DEF users understand how to keep their equipment operating efficiently with the product and reduce their risk of downtime due to improper handling.

Diesel fuel and gasoline are still at the heart of our equipment. Ensuring we have a high-quality product (and plenty of it) is a top priority at harvest. Key Cooperative has a team of 4 fuel delivery trucks and 11 cardtrol locations, all offering Cenex® premium fuels. We've transitioned our sites in Roland, Story City, Gilbert, Nevada Bulk, Bondurant, Newton, Sully and New Sharon to offer Cenex® Ruby Fieldmaster® premium diesel, so you can get fuel for your

farm equipment on the go. Getting your ag diesel with your fuel trailer, truck tank or tractor when you're out going field to field—instead of having to return to your home tank—speeds up your operation. You can also contract your diesel fuel needs at the cardtrol locations. Contact the Key Energy team to discuss contracting options at both the cardtrols and your farm-delivered storage.

Maintaining the equipment that handles these products is also very important. Our pumps, hoses, filters, nozzles and storage containers can all get neglected. It's important to change the filters on your storage tank pumps, check hoses for weather cracking and leakage and make sure your pump hasn't seized up and is still flowing at acceptable speeds. Check your fuel tanks for water condensation, which may have settled at the bottom. Key Cooperative has several trained and qualified service technicians who can work on pumps and storage tanks and replace hoses, filters and nozzles. We also keep a stock of these items in inventory at our locations, so they are readily available when needed.

Additionally, we recommend having someone look at your grain dryer installation if you intend to use it during the season. Checking for leaks and making sure the right amount of propane is running your dryer efficiently can help ease downtime when you start up these systems. Grain dryer systems don't get used every year, and they can start to break down or leak over time when they're not regularly inspected and maintained. Let our technicians help you get ready for the coming season safely and efficiently so you can maximize your time bringing in the crops!

YOUR CERTIFIED ENERGY SPECIALISTS ARE JUST A CALL A WAY:

Rick Kucera, 641-780-1624

Chad Larson, 515-290-0009

Bob Rabey, 641-521-6318 ●





Jonah is a mentor with Marion County's Pee Wee Swine Showmanship program, which gives kids the chance to learn about livestock and show pigs at the county fair.



Jonah and Ryan take their pigs to the local sale barn each March, where they meet new customers.



Year-round, Jonah and Ryan make sure their pigs' bedding is always clean so their skin and hair are primed for showtime.

Showtime!

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"Showing pigs has changed over the years," reflected Ryan, Jonah's father and a member of Key Cooperative. "Showing at the state fair level today is not about feed efficiency and meat quality, like it was when I showed."

The process of determining which pigs Ryan and Jonah will take to the county and state fairs begins in March. They evaluate their pigs each week. In April or May, they start to practice walking, so the animals are used to the "show feel." Ryan and Jonah also ensure the pigs' bedding is always clean to keep their skin and hair in tip-top shape. Come state fair time, the Schumachers stick to a consistent schedule.

"Everyone is doing the same things to prepare, but in a little different way," said Jonah. "We have success with a schedule that is the same for the pigs every day at the fair."

And what is that schedule? Feed, weigh, walk, rinse and repeat!

"Pigs are very smart animals," added Ryan. "They know the routine and what to expect next."

Mentoring and an entrepreneurial spirit are two strengths that have

helped Jonah become a stronger leader. Jonah has a soft spot for mentoring youth, especially those interested in livestock.

"Marion County has a program called Pee Wee Swine Showmanship," said Jonah, "The goal is to introduce kids to showing animals who may never have the means or opportunity to do so." The program pairs a child up with a mentor prior to the Marion County Fair. The "pee wee" gets to go to their mentor's farm to learn about caring for the animal and how to show it in a ring. This year, Marion County had 14 mentor/pee wee pairs who participated in the fair.

Jonah and Ryan recently established Red Rock Show Pigs and are committed to breeding and raising purebred pigs. This past March, they took 15 pigs to the Marion County sale barn and sold them all to buyers in seven Iowa counties and Illinois. "I really enjoy being there when the pigs are born, raising them, then being at the sale barn to meet our customers," said Jonah. "I even got to see some of our customers make it in the top 10 at the Iowa State Fair this year!" ■

Key Cooperative is pleased to congratulate Jonah on receiving the Mark Pearson FFA Leadership Scholarship from DMACC! This scholarship is awarded to just 15 qualified Iowa FFA Chapter Presidents each year.

GET READY FOR BUSHELS FOR AG 2023-2024



In the upcoming school year, Key Cooperative will partner again with local FFA chapters for a one-of-a-kind program: Bushels for Ag!

Through Bushels for Ag, Key gives high school students real-life experience marketing corn and soybeans in their ag marketing classes. Key donates 100 bushels of corn and 40 bushels of soybeans to each participating FFA chapter. All Key Cooperative growers are invited to donate additional bushels to the program. Then, Key Field Marketing Specialists help the students build marketing plans to sell these bushels. All proceeds go directly to the participating FFA chapter.

Interested in donating bushels? Check out the donation form on our website: www.keycoop.com/about/community-involvement

FOR MORE INFORMATION ABOUT BUSHELS FOR AG, PLEASE CONTACT THE KEY GRAIN TEAM:

Greg Artz
515-215-0062

Linda Kuhl
641-750-0633

Zack Gardner
641-521-1834

Maintaining a Balanced Nutrition Program for Sheep and Goats During Breeding Season

By Ceara Smothers, Lifestyle Feed Sales Specialist, & Carlie Miller, Feed Sales Intern

BREEDING SEASON is in full swing! Maintaining a balanced nutrition program through breeding and pregnancy is vital for the health, performance and reproductive efficiency of your sheep and goats. You need to ensure you're feeding the proper amounts of fat, protein, vitamins and minerals during flushing and through confirmed pregnancy. It is also important to ensure you're feeding quality ingredients to get maximum nutrient absorption.

Key Cooperative is here to provide your sheep and goats with the best tubs! There are now TWO Purina® sheep and goat tubs to choose from.

Which one is best for your animals depends on your goals, target and operation.

The Purina® Accuration® Sheep & Goat R+R Block has advanced nutrition technology to help your sheep and goats during the specific high-stress transition of reproduction and receiving. This tub has all the “buttons” that help with everything from heat stress to intake-modifying technology, gut health, urinary calculi and fertility health. If you're wanting to take your breeding season to the next level, this is the tub for you.

The Purina® Accuration® Hi-Fat Block is designed to balance nutrient

deficiencies when forage quality is low. It's for sustained nutrition year-round to support body condition and reproductive success. If you need something for your entire herd, this weatherized protein block with fat, vitamins and minerals could be the best choice for you.

Purina offers feeding trials and a Proof Pays program for virtually every species. You guessed it—those are either 60- or 90-day programs! Contact Key Lifestyle Feed Sales Specialist Ceara Smothers at 641-260-6179 or Ceara.Smothers@keycoop.com to learn more about these programs and feeding options from Purina. ●

Which is Better for Your Operation?

Purina® Accuration® Sheep & Goat R+R Block



Great for reproduction & receiving transitions; Supports animals in times of heat & altitude stress

Includes:

- Chelated Manganese & Zinc for better absorption that supports reproduction, growth & immune health
- Alleviate® to support intake & digestive health
- Intake modifying technology

Purina® Accuration® Sheep & Goat Hi-Fat Block



Great year-round usage to maintain optimal body condition for reproductive efficiency

Includes:

- High fat content to support body condition & reproduction
- High protein content to support protein intake when forages are low quality
- Intake modifying technology



HELP US LOCATE THESE MEMBERS!

The members below have
unclaimed patronage dividends
from Key Cooperative:

Isabella Jones

Michael Bates

Harriss Tweet, Jr.

If you know one of these
members, please contact
Vicki Gruhn at 641-260-2111
or email
Vicki.Gruhn@keycoop.com.



Breaking Down Our Long-Term Grain Outlook

By Zack Gardner, Grain Marketing & Origination Specialist, Zack.Gardner@keycoop.com, & Colton Voga, Grain Merchandiser, Colton.Voga@keycoop.com

WHAT IS OUR long-term grain outlook now that the August USDA report is out of the way? Overall, the report was friendly—not bullish, but at least not bearish. It was a good mix of production decreases alongside some demand destruction. In the end, both corn and soybean production were lowered more than demand. **Here's a quick recap:**

- Corn yield came in with a 2.4 bu/acre drop, from 177.5 to 175.1 bu/acre. That was lower than the average of estimates. As for demand destruction, feed usage was lowered by 25 million bushels, and exports were lowered by 50 million bushels. Overall, our ending carryout of the crop we're currently growing (or our surplus at the end of the year) dropped by 60 million bushels.
- Soybean yield was lowered by 1.1 bu/acre, from 52 to 50.9 bu/acre. Similar to corn, we saw overall demand lowered to offset some of the drop in production. Imports were up 10 million bushels, and exports were lowered by 25 million bushels. The net change to our carryout was a decrease of 55 million bushels.

If the report was slightly friendly, why did markets drop the week after it was released? In our opinion, it wasn't bullish enough. The market knew going into the report that the data was derived before July 31 (prior to two weeks of rain that most of our area received). The market knew we would receive a yield reduction and that it was going to skew bullish. We were hoping we would see a knee-jerk reaction to finish pricing our old crop bushels. However, the market quickly shrugged off this report, figuring crop conditions will improve from the rain and the next report will probably add back on to our yield.

So, what's our long-term outlook? We're bearish toward corn and leaning friendly on soybeans. **Here's why:**

- It seems like whatever we do, we can't get below a 2 billion bushel carryout/surplus at the end of the year. If our recent rains bump us back up to a 177 bu/acre corn crop in the next USDA report, we will have a stocks-use ratio of 17.7 percent and an average cash price of \$3.85. Several central Midwest states had production hiccups this year. Illinois is improving, but they are still far from great, which has significant impacts on our corn balance sheet. But demand destruction is just that big! Russia shut down the Black Sea a couple of months ago, and we have yet to see one export sale come our way from that event. Brazil produced a record corn crop this year that completely offset the Black Sea getting taken offline. We're simply not the market for corn.

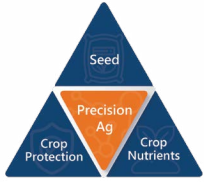
- Beans, on the other hand, might get a little exciting. We must be careful not to say "bullish," because we don't want to give any of you an excuse to not take advantage of really profitable bean prices if you see them. However, our new crop bean supply is looking very tight, with a pretty friendly outlook. Since the August report lowered our yield to 50.9 bu/acre, we've sold 51 percent of our new crop soybean carryout/surplus to China. Our carryout went down from 300 million bushels to 150 million bushels, which is what is considered rounding errors. On top of that, the soy crush data that was just released for July said we crushed 173.3 million bushels. That is 2 million bushels above estimates and 8.3 million bushels above the previous month. The U.S.'s soy crush is strong, which means we will start with the tank that much emptier going into harvest. This sounds pretty bullish. **Why shouldn't we just hold on?**
 - The really nice rains we saw a couple of weeks ago lead us to confidently say yields won't go lower. Were they enough to bring soybean yields back up to 52 bu/acre? A lot of producers said they saw 10 bu/acre rains! Just a 1.1 bu/acre bump back up to 52 bu/acre would put us back into the 6 percent stocks-to-use area, with an average cash price of \$11.50. We could easily out-yield this crazy demand.
 - China is still the wild card. They've been stockpiling cheap Brazilian beans over the past couple months. They probably have enough that they won't have to buy from us, even if we are the cheapest source this fall. In addition, they're experiencing some deep economic issues right now. In mid-August, China's third property development company failed to repay bonds, their central banking system cut interest rates while the rest of the world is raising them and the youth unemployment rate increased to a point where the Chinese Communist Party decided to stop recording and publishing the data. We don't know the full story, but worsening economic issues don't usually lead to more demand and more consumption.

SEE NOTE FROM KEY GRAIN OPERATIONS ON PAGE 7

In summary, take advantage of prices when you see them. We're bearish on corn, to the point of also keeping an eye on new crop (December 2024). On soybeans, we think there's some upside opportunity, but it could quickly get taken away from us. If you see a rally, don't be afraid to reward it. ●

Making Seed Decisions Simple

By Mike Tufte, Seed Specialist, Mike.Tufte@keycoop.com



SEED—IT'S AN impressive thing when you think about it. It starts off as one single grain, simply an embryo and a food reserve surrounded by a thin protective covering. We plant it in some soil, give it a little fertilizer,

then hope and pray Mother Nature gives us some moisture. That little seed sprouts and begins stealing carbon from the atmosphere. Molecules within the plant go to work like gears in a clock, producing “plant food.” Over time, the seed grows big and strong, like we were supposed to if we ate our green beans. That one single grain turns itself into tens (or hundreds) of new grains. It seems so simple, right?

Not always! Last year, there were five soybean germplasm companies in the United States. They commercially sold 174 different varieties under 10 different trait platforms. As time goes on, these numbers keep increasing. So how do we decide which variety we should plant?

Today, the important thing to consider is what traits we need to protect our acres from all the yield-stealing thieves—whether that be weeds, insects, weather patterns, etc. When we look at soybeans, we’re living in the world of 2,4-D and dicamba. The year 2024 will be the sixth commercial season for Enlist E3™ and the fourth commercial season for XtendFlex®. These technologies are all we currently have, and that doesn’t appear to be changing for the next four to five years. That doesn’t mean we’re not making progress. Breeders are constantly working to bring us better agronomic packages and yield enhancements. Each new generation seems to be stronger than the last. Just because a bean isn’t “traited,” it doesn’t mean it doesn’t have excellent field tolerance to a particular pest. Also, did I mention HT4 soybeans are on the horizon? These soybeans likely won’t see mass acres until 2027, pending approvals, but they are a tool coming in a time of need.

The name HT4 itself can be confusing. HT4 actually brings us five traits of protection. It combines XtendFlex, 2,4-D and HPPD. It’s called HT4 because it is a fourth-generation bean. Regardless, HT4 brings us a single bean with all the protection we need in a one-stop shop. Pair that with the agronomic packages they’ve been able to breed, and you’re set up for success. The HPPD is a much-needed addition, but we still need to protect what we have. The best way to do that is to use a trusted pre-emerge, use full labeled rates and incorporate herbicides with residuals.

Yield is predetermined. As Key Agronomists, it’s our job to help you protect that yield. Contact your Agronomist about your plans for 2024, and let us take the guesswork out of the equation when it comes to your seed decisions. Seed can be simple again! ●

THANK YOU FOR ATTENDING OUR CUSTOMER APPRECIATION MEALS AND FOR THE WORK YOU DO TO TRANSFORM AG

*For over a century,
Key Cooperative has unleashed
the power of the producer by
challenging the status quo.*

*We appreciate your support
and the role you play in
transforming ag.*



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ahead of the five-year average. That is interesting, since we're 5 percent behind last year on growing degree days. Much like the message you'll hear in the Key Grain article, we've fortunately received some timely late rains to fill pods and add test weight to the corn. The Key Agronomy team's first round of corn yield estimates was 224 bushels in mid-August, which is 6-7 bushels better than that same timeframe a year ago. Last year, we lost 15 bushels off the average on the second round of estimates due to dryness, which we don't expect to see this year. Soybeans are always hard to estimate, but the conditions for beans have been the best we've seen in quite some time.

We've spent the last few months moving all the shippable grain out of our locations and completing our preventive maintenance checklist to prepare for what appears to be a large and early harvest, if conditions allow. Hopefully, an early start to harvest will also provide a bigger window for fall fieldwork. For a couple years now, we've been able to get most of the dry fertilizer and anhydrous applied, which really alleviates storage charges or being repriced by the manufacturers.

The Key Energy team just wrapped up the propane summer-fill season and is preparing for dryer gas and home heating

season. Propane contracts are out. Due to the market continuing to drop, we've been able to pass on 15 percent in savings to our customers. We appreciate your business and the opportunity to serve your fuel and heating needs.

Our Key Feed team has been busy with numerous activities, county fairs, livestock shows and promotions this past summer. They've introduced several new products and offerings, and they continue to see a steady growth of over 25 percent month-to-month and year-over-year in beef, sheep, goat, poultry and show feeds.

I would again like to thank all of you for allowing Key Cooperative to be your essential business partner. The markets will continue to be volatile. We must strive to be more efficient as inflation and interest rates challenge our profitability at the farm gate. Please maintain an open channel of communication with your Agronomist, our Energy and Feed Specialists and our Grain Origination team. They will help you stay informed on local markets and stay ahead of your operational needs. We're ready to serve all of you throughout the harvest season, and we look forward to bringing this crop in and getting the fall work done safely and efficiently. ■



MAKE AN IMPACT AS A KEY COOPERATIVE DIRECTOR!

Key Cooperative is governed by a 12-person Board of Directors. Ten members are elected, and two are appointed. Each fall, we invite our member-owners to consider running or nominating candidates for the December election. If you're interested, contact Board President Bryce Arkema (Bryce.Arkema@keycoop.com) or Vice President Mike Engbers (Mike.Engbers@keycoop.com). New directors are announced at the Annual Meeting and take their seats in January.

HIGHLIGHTS OF BEING A DIRECTOR:

- Directors develop personally and professionally.
- Directors work as a team and build their leadership skills.
- Directors learn how to navigate the cooperative system through strategic planning and budgeting.
- Directors have regular opportunities to network with their peers and develop relationships within the industry.

QUALIFICATIONS:

- A director must be a Class A member in good standing.
- Each elected director serves a three-year term.
- Each director serves on one subcommittee.
- Directors must attend the monthly Board meeting.
- Directors must be willing to support events and activities throughout Key's territory.

A NOTE FROM KEY GRAIN OPERATIONS

The Key Grain team has wrapped up all preseason maintenance work at each location. All major installs and repairs have been finished. Only a few places need to get bins emptied out, so they can address flooring issues and install new sweeps. Our southern locations have nearly completely cleaned out all their beans. Up north, we have a few contracts left to haul, and then these locations will be pretty much cleaned out of beans as well. When it comes to corn, most locations will be empty across the cooperative once contracts are filled. Compared to previous years, we're ahead of the game on being emptied out prior to harvest. We give a huge shout-out to all locational staff for assisting the Key Grain team and millwrights to get things ready for your harvest!

After the recent rains and weather, we're expecting a big crop to come this fall. We've reviewed the yield estimates and talked with our Agronomists, and it looks like our market area is going to have increased yields in both corn and beans. In response, we've been preparing to take on increased bushels. Our current focus is to pay close attention to rail values, since they play a major factor in shipping out early beans to make room for our corn take. We continue to see bean export sales to both Mexico and China. These exports will help strengthen the early new crop rail bid and allow us to put ourselves in the best position possible.



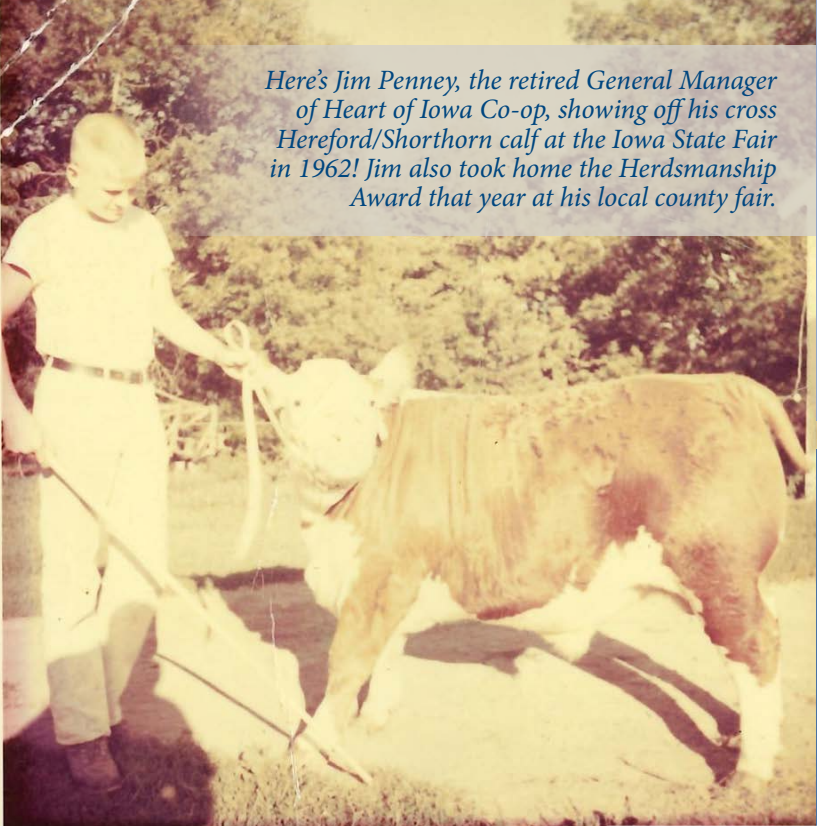
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PHOTO CONTEST WINNER: A BLAST FROM THE STATE FAIR'S PAST

By Jim Penney

WE ARE
KEY



Here's Jim Penney, the retired General Manager of Heart of Iowa Co-op, showing off his cross Hereford/Shorthorn calf at the Iowa State Fair in 1962! Jim also took home the Herdsmanship Award that year at his local county fair.

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Would you like to see one of your photos featured on this page? Enter the Connections photo contest, which is open to any member or customer who receives our newsletter. One winning photo will be selected and placed in the newsletter. **Winning photographers will receive a \$20 gas gift card!** Photos must feature agriculture or rural settings; Iowa-based scenes are preferred. Photos must be submitted by the 10th of each month in order to qualify for the following month's newsletter. Please include your name, address, phone number and email address with your submitted photo(s).

Submissions may be emailed to Sara.Clausen@keycoop.com.

Key Connections is sent to you courtesy of Key Cooperative. Please send comments or suggestions to Sara Clausen at 515-388-8030 or at Sara.Clausen@keycoop.com.