

ECIC

**Dedicated to Service ...
 Committed to Success ...**



MISSION STATEMENT:

**DELIVERING
 PROFITABILITY AND VALUE
 TO OUR PATRONS THRU
 INNOVATIVE
 PEOPLE,
 PRODUCTS,
 AND SERVICES**

**Business Hours
 7:30 a.m. - 5:00 p.m.
 Monday thru Friday**

During the busy service seasons (both Spring and Fall), East Central Iowa Cooperative will also extend hours to accommodate member service needs during the planting and harvest phases.

These extended hours are designed to meet patron need and may only affect specific divisions and locations of the Cooperative. During the Fall season, hours of operations will be posted at each elevator location.

ECIC TELEPHONE DIRECTORY

- CEDAR FALLS** (319) 266-0775
- HUDSON** (319) 988-3257
- Hudson TOLL FREE** (800) 400-3247
- Hudson AG CENTER** (319) 988-4511
- Ag Center TOLL FREE** (800) 859-0497
- JESUP** (319) 827-6226
- Jesup TOLL FREE** (800) 859-8061
- Jesup AG CENTER** (319) 827-3531
- Ag Center TOLL FREE** (866) 599-7666
- LA PORTE CITY** (319) 342-3013
- La Porte City TOLL FREE** (800) 877-3810
- WATERLOO ENERGY** (319) 235-6281
- L.P. Plant TOLL FREE** (866) 404-3242

WEBSITE:

www.ecicoop.com

YOUR BOARD OF DIRECTORS:

- Shane Clark** La Porte City
- James Grady** Waterloo
- Tom Greiner** Waterloo
- William Hesse** Cedar Falls
- Leo Kremer** Jesup
- Randy Lichty** Waterloo
- Dennis Rottinghaus** La Porte City
- Jason Trumbauer** Jesup
- Mike Reiter** Jesup

ECIC / LAND-O-LAKES

Grant to Black Hawk County Extension

Dennis Maas, ECIC General Manager recently presented checks totaling \$1,000 to Black Hawk County Extension. Receiving the checks from ECIC and the Land-O-Lakes Foundation matching grant program, were Julie Evenson, County Horticulturist, and Al Ricks, County Extension Education Director.



Al Ricks, Black Hawk County Extension Education Director, Dennis Maas, ECIC General Manager, and Julie Evenson, Black Hawk County Horticulturist.

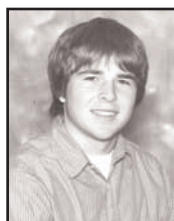
This donation will be used by Extension to develop programming at the Dick Young Greenhouse at the new George Washington Carver Academy in Waterloo. The greenhouse is a community-wide resource for the people of Black Hawk County. During the day it will be used by children and youth from all of the schools in the county.

Nights, weekends, and during the summer, the greenhouse will be used for educational outreach activities of Black Hawk County Extension, including the Master Gardener program and other horticulture classes.

Specifically, this grant will be used to purchase the start-up supplies (pots, soil, gardening tools, work benches, etc.) needed in the greenhouse when it opens in August, 2009.

According to Evenson, the greenhouse will be a premier facility for horticulture education in northeast Iowa. Ricks offered sincere thanks to ECIC for supporting Extension and its programs of outreach to county residents.

ECIC Scholarships Awarded



Alex Haight

Alex Haight, son of Richard and Janis Haight, of Denver, is one of the recipients of the E.C.I.C. scholarship awards. He graduates from Denver High School this year with his continuing education in Agricultural Engineering with an emphasis on Bioengineering and in Agri-Business at Iowa State University beginning this fall. Alex's goal is to work at John Deere to make machinery more efficient. Alex would like to be able to return to the family farm and continue on to be the 4th generation of farmers in his family. Alex has grown up on the farm and has worked with the machinery, maintained the corn



Alex Renner

quality during storage, worked with pigs and cattle while involved with neighbors, and through 4-H has learned about the financial aspects of farming. While in high school, Alex was the head of the House Agricultural Committee at American Legion Hawkeye Boys State. He was also the president of his 4-H Club and president of his church youth group. He is also a member of the Black Hawk County 4-H County Council and plans to run for Black Hawk County Fair King this year.

Congratulations to Alex on being a recipient of the E.C.I.C. \$500.00 Scholarship award, and we wish him the best of luck in his future plans.

Alex Renner, son of Brad and Debra Renner of New Hartford, is also one of the recipients of the E.C.I.C. scholarship awards. He graduates from Dike-New Hartford High School this year and plans to attend Iowa State University to major in agricultural engineering. Alex would like to eventually work for Agco to help design more efficient agriculture equipment. Alex has grown up on the family farm and been involved in machinery repair, planting, spraying, cultivating, harvesting and ground preparation. Alex is motivated to continue the farming legacy of his forefathers family farm even if he is not actually farming.

We wish Alex good luck in all his forthcoming endeavors and congratulate him on his receipt of the E.C.I.C. Scholarship \$500.00 award.

MEMO BOARD

**Come help us celebrate
 Greg Smith's retirement!!!**
 After 37 years he is leaving us for greener pastures.
 We will be grilling and having cake on
 Wednesday, June 24 from 11:00 a.m. to 1.00 p.m.
 at the Hudson main location.
 Stop by and help us wish him well.

**Closings:
 All locations
 will be closed
 Friday, July 3rd,
 for the
 Independence Day
 holiday**





Message from your General Manager

Dennis Maas

I hope this newsletter finds everyone safe this spring. Sometimes our urgencies to get the work done have a tendency to compromise safety. While talking about safety, E.C.I.C. has established a safety committee. This committee of employees' goals is to create safety programs, review safety issues, inspect facilities and have oversight on all safety compliance. Elsewhere in this newsletter, you will find more on this safety committees actions. I thank these employees for stepping up and taking charge for all employee's safety.

E.C.I.C.'s eight months (September 1, 2008 thru April 30, 2009) local earnings are up compared to last year but lower than budget. There are two reasons for the local earnings to be less than we budgeted for. The first reason being the economics of the agronomy division in relationship to fertilizer inventories. The volatility we have seen in the fertilizer markets in the past year has been extreme. There has been more spread between the highs and lows of prices than we have ever seen in the history of fertilizer pricing. Our plan is to be as low on our inventory of fertilizer as possible coming out of this spring. The second reason is grain quality issues we have had at our Waterloo grain facility. It was with good intentions when we acquired this facility after the flooding of our Cedar Falls location that these two locations, Waterloo grain and Cedar Falls, would complement each other. The problem has been that there were grain quality issues not exposed during the acquisition, which has caused grain to be put on the ground and kept there longer than should have been. The end result is that grain quality discounts have been excessive and we (E.C.I.C) have had to absorb those discounts in grain margins.

E.C.I.C. is currently working with the past lessee and lawyers to resolve the financial concerns that the grain quality has caused. Knowing this will not be a short term resolution, the financial shortfall will affect our year end local earnings. We fully expect to recover our financial losses in the future. We will make every attempt to keep our stockholders informed as to the progress of our financial grain quality issues.

Now, with that being said, I want to share with you the numbers from our first eight months of operations. Our local earnings, which consist of revenue less expenses, are a positive \$679,000.00. This is (\$761,000.00) less than budget and \$439,000.00 more than last year for the same time period.

Our agronomy division has a (\$115,000.00)

loss for reason previously stated and because of reduced volume. The feed division is one of our very stable business units, and the numbers represent that, as it is producing a positive \$612,000.00 earnings year to date. Our energy division is contributing to a positive bottom line, as financially it is \$102,000.00. Energy has also had its ups and downs as you well know with what has happened to energy prices. Our energy division earnings are down from last year. Our grain division, our largest revenue division, is recording a positive \$80,000.00 bottom line. Because of previous discussions, it is obvious this number is well below expectations. We expect and plan for improvements to the grain division bottom line by year end. When considering the earnings for all divisions, about \$679,000.00, and adding in regional patronage, our net earnings through the end of April is \$1,402,000.00. We would expect the net earnings to improve at our fiscal year end, which is August 31, 2009.

As this newsletter is being written, excavation and construction of our new feed bag warehouse should be occurring. This is replacing the old woodhouse that sat next to the Jesup feed mill that was torn down last fall and winter.

In our commitment to keep our membership informed of our Cedar Falls location past flood issues, we have employed an outside consultant to study the feasibility and put together a business plan for a new facility. We are working with the City of Cedar Falls and the new property site. We have applied for government funding for a buyout of the old location. Financial funding for the project is still in the application process. As you have probably read or heard, the Iowa Northern Railroad (IANR) has received permission from all entities to rebuild the rail trussel in Waterloo. This is very important to the Cedar Falls location, as it is the only railroad access we have to southern markets, such as Cedar Rapids. We have been contacted by another business that may have an interest in sourcing identity preserved soybeans at the new industrial site near our facility. E.C.I.C. and this other business would work together in sourcing a specific soybean for industrial use.

All of these issues take time to come together, so we will keep you updated on our progress on the new Cedar Falls location. Our goal is still to have a different location up and running by the fall of 2010.

E.C.I.C. congratulates Alex Haight and Alex Renner as recipients of the two \$500 scholarships for continuing education in the field of agriculture studies. The coop offers these scholarships to

graduating seniors whose parents or guardians are members of E.C.I.C. You will find more information on these two young men elsewhere in the newsletter. We want to extend our congratulations to all of the graduating seniors from the schools in our trade area. We wish them luck and success in their future endeavors of choice.

I hope each of you had a safe and enjoyable Memorial Day weekend. I thank all of our customers for their support of our products and services that we provided this spring. I also thank all of the full time and part time employees for their efforts in getting the job done in such a short window of time. I wish all of you a great 4th of July and a safe summer. **THINK SAFETY!!**

Cardtrol®

- Hudson
- La Porte City
- Vinton
- Dysart (pictured)



All locations have been updated to reflect logo changes



- Our new look -

- 24 Hour Accessibility
- Gift Cards Available
- Card Access System
- Security and Convenience
- E-85 Available at Hudson

Apply at your Coop today!

Controller Joe Murphy



Spring has finally arrived which means we are 8 months into our fiscal year and year end is right around the corner. We have had a few bumps in the road that have slowed our financial results for the year, but we anticipate solid results for the year ending August 31, 2009. Sales are up over last year by roughly 13 million which is driven mainly from grain sales which account for 10 million of this total. We are up on feed sales by 380 thousand and running ahead of last year on agronomy by 2.9 million driven by pricing and we are down slightly in energy due to lower fuel prices.

As I mentioned last March we are having an exceptional year on propane sales due to a busy drying season along with a very cold winter season. Our operating income is up over 1.4 million over last year as we have had a record year in drying income along with an exceptional grain storage income. Our patronage income of 773 thousand from the regional cooperatives has surpassed last years due to strong profitability across the board for our suppliers. We are on plan to meet our budgeted targets for the year and continue to maintain our strong balance sheet with working capital of 4.9 million as of April 30.

We are always looking for ways to reduce cost without reducing our services to you the patron. With vast improvements in technology and more people using email, we are asking you the customer if you have an interest in receiving your invoices or statements via email. This would reduce our postage expense and cut delivery time down to a mille second and allow you to keep your invoice or monthly statement electronically. If you have an interest with this process please contact Kym at the Jesup elevator at (319) 827-6226. We will always have the paper option available for mailing for the patrons with no interest in the email option.

Also keep in mind that we offer ACH payments for grain settlements to save you time and money. The setup for this process is customer friendly and will only take a couple minutes of your time to streamline your banking process. Contact us in Hudson for implementing this process.

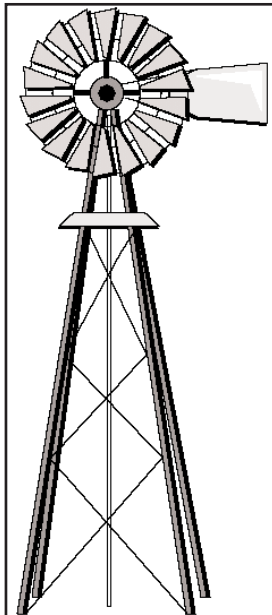
Have a safe and enjoyable summer.



Adam Jeffries New Employee

We would like to welcome Adam Jeffries to our Hudson location. You will see him loading trucks and dumping grain. When we asked Adam to write a bit of information about himself, this is what he wrote:

"I am 23 and a father of two wonderful children. For the last 2.5 to 3 years, grain bins have made a great impact on my life and I hope to continue that and learn a lot more. I am funny and outgoing but don't take my word for it, come down and meet me."



Beginnings of a new warehouse

Hello from JESUP

Jeff Lee



Hello from Jesup! As planting wraps up it appears this area has the promise for a good harvest in place for 2009. Many of you are still busy with spraying and making hay but hopefully the pace will soon slacken and the opportunity for vacations or more time with family and friends will be more available.

On May 11 Don Gardner Construction started preparing for the foundation for our new warehouse. As you can imagine, with the wet spring it has been a challenge to get to firm ground for footings. They have had to remove 2 to 3 feet of saturated dirt to get to solid ground. The plan is to pack fill back in for the footing. As soon as they get compaction right and tested, Kite Construction will do the concrete work for the foundation and floor.

The 34ft. x 80ft. building is scheduled to arrive in mid July. When complete, the warehouse will be used to store feed ingredients for the feed mill. It will have an unloading dock for unloading trucks with a forklift that is yet to be purchased. We can't wait till it's finished. It will be a great addition to the feed mill.

On the grain side, if you still have old crop sitting in the bins, we do have price later contracts available for local delivery. I would advise that you take advantage of the rallies and get the balance of old crop sold in the near future. As temperatures warm up, it is a good idea to keep a close eye on stored grain. This is when grain likes to heat up, and the bugs soon follow.

Reminder: We will be closed on Friday, July 3rd, in observance of the July 4th holiday.

Thanks again for your continued support and best wishes for a great summer.

Beginning in May, the Black Hawk County Master Gardeners in cooperation with the Black Hawk County Extension Service are offering horticultural advice on Tuesday Mornings from 9am to 11am. The number to call is 319-234-6811. Messages can be called in throughout the week or by sending an email to aviet@iastate.edu and will be returned on Tuesdays. County residents may talk to a Master Gardener on a number of topics including lawn care, garden and flower concerns and pest control.

Another service available to all Iowa residents is The Iowa State Horticultural Hotline at 515-294-3108 or e-mail at hortline@iastate.edu. This service, located on the campus of Iowa State University, is available from 10am to Noon and 1pm to 4:30pm, Monday through Friday.

ECIC, Land O' Lakes, and FFA

*Contribute
to our
communities
and the
future of
Agriculture*



Dennis Maas presented Hudson FFA member, Allison Koch, a check for \$334.00 at the annual FFA Banquet.



Keith Koger presented Steven Babinat, La Porte-Dysart FFA chapter member, a \$334 check from ECIC, recognizing the FFA programs in our communities.



(l-r): Jerry Jackson and Dave Williams accepting checks from ECIC and Land O'Lakes on behalf of the LPC American Legion and VFW from LPC ECIC branch manager Keith Koger.



Roger Ohrt, Jesup feed sales, Lauren Riensche, Brian Zuck, and Jeff Lee, Jesup location manager presented a check to Jesup FFA members for \$334.



Land O Lakes Purina Feed and East Central Iowa Cooperative would like to recognize Rich Bathen and Roger Ohrt for their exemplary sales accomplishments in 2008. Rich Bathen was the recipient of the prestigious Expedition to Excellence, Challenger Award. Roger Ohrt was the recipient of the prestigious Expedition to Excellence, Peak Performer Award. These awards are given to recognize the top Farm Production Consultants within the Cooperative System who have obtained the highest level of Value Index Points (VIP) quota sales growth over the previous year. Both Rich and Roger are repeat winners that have won similar recognition in previous years as well. Land O Lakes Purina Feed and East Central Iowa Cooperative proudly recognizes and thanks Rich Bathen and Roger Ohrt for their outstanding sales accomplishments to earn these highly prestigious awards.



East Central Iowa Cooperative proud personnel is shown with Hudson FFA Ag Issues team that earned 3rd place Gold at State. FFA members back row left to right: Brooke Brinker, Jessi Sorensen and Holly Halstead; front row: Ross Droppert, Kyle Johnson and Stephen Foote. The FFA team practiced their debate with ECIC staff members.



Grain
Brad Stewart

Cash grain prices have rebounded nicely from their harvest lows. Cash corn is currently at or near \$4.00 at all locations. Cash beans have reached \$11.34 per bushel, and still seem to be strong.

Private trade continues to increase old crop corn export forecast with some now projecting totals exceeding USDA May projections by as much as 75 million bushels. Ideas of possible lower acreage and reduced yield due to late planting in the eastern states could cause ending stocks to fall below 1 billion bushels next year.

Should this occur the new crop supply/demand ratio would be 7.3%. This would be the smallest carryout ratio ever projected in an October supply/demand forecast. Price models suggest futures trading in a \$4.30 to \$4.85 range this summer/fall. Any type of yield less than the current projection of 155 bushels per acre could quickly propel futures towards \$5.00.

Soybeans have been strong due to tightening old crop supplies. Private analysts projecting old crop ending stocks at a tight 75 to 90 million bushels. Trade continues to watch for any signs that China is willing to liquidate recently acquired domestic reserves.

Most traders see few changes to those inventories with trade becoming fearful of tight old crop supplies. We will have a much smaller carry in number this fall, and even with the addition of two million acres of beans, our supply/demand situation remains tight. Look for grain prices to remain strong until we can get a better handle on planted acreage.

Thank you for your patronage, and please feel free to call me with any questions or concerns.

TRIVIA QUESTION

Our last trivia question was: Which President became vice president and president without being elected to either? The answer is Gerald R. Ford.

Our next trivia question is: Who is the only president to be buried in Washington D.C.? (Watch the next newsletter!)



Now available
Purina Mills

Strategy GX, Omelene 200, Horseman's Edge Sweet 12, Equine Senior, Equine Junior, Enrich 12, Enrich 32, Free Balance 12:12, Nicker Makers and more!
Call for help with your needs!

ECIC

SAFETY COMMITTEE

Have you noticed the "THINK SAFETY" stickers on the pick-ups and rolling stock that the coop employees have been using? These were put on to help keep everyone aware that a safe day is a wonderful day! We at the coop want all of our fellow employees, to go home at night un-injured and in one piece.

We also hope that all of our patrons can do the same thing. When things are in the hurry-up mode of spring planting, it is real easy to forget safety and take a short-cut!! Please, this is not an option! We and your family want you home safe. Please be careful when driving equipment on the roads and watch out for the other guy!! Be especially cautious when approaching rail crossings also.

As you are all aware, crop protection products offer dangers all of their own. Don't breathe the dust and washing your hands are just two simple tasks that don't take a lot of time to help to keep you safe.

Maybe some of you have noticed the safety suggestion boxes that each coop location has at their office? These are not only for our employees but also for you, our patrons! If you see something that you feel is unsafe and needs to be addressed, please drop a note in the box! All suggestions are brought before the safety committee, and management, on a monthly basis.

HAVE A SAFE DAY!

**The ECIC
SAFETY COMMITTEE**

**SUPPORT OUR TROOPS!
GOD BLESS AMERICA!**

**Hello from
CEDAR FALLS
Rand E. Renner**



Hopefully, by the time you read this article, the spring planting will be done!! Seems like the last two years the weather starts out cooperating early in the spring, then turning cold and wet! We had some cold temperatures on May 15th, and I have noticed that some corn fields got the leaves frosted. It doesn't look like there was any significant damage and now it seems like the weather is going to warm up. The market is looking for some yield reduction in the corn and beans, so there should be some fairly attractive marketing opportunities, for old crop that is left, and for new crop.

PLEASE, PLEASE, PLEASE, monitor your grain condition for bushels that are stored on farm and start hauling to the co-op as soon as you are able to do so. We have no cost price later, which will allow you to price bushels up to Sept 30th, 2009. With warmer weather approaching, grain that has not been stored properly will become an ideal haven for insects to invade and cause extensive damage. If there are concerns or questions, please stop in or give us a call, and we will be more than willing to assist in your needs.

Now would be an ideal time to consider spraying your yards, to control that pesky weed, everybody's favorite, Creeping Charlie. We have the product of choice, Mec Amine-D, on hand at all times. When applied at the rate of 1.5-2 oz. per 1000 sq. feet, it does unthinkable things to that weed and also controls dandelion, and violets. Now is an excellent time to fertilize your yards and to feed any trees that you have. Trees are a surface feeder so they are in direct competition with the grass growing underneath them. Extra fertilizer around the drip line will show remarkable results. Healthy, well fed trees are more capable to ward off insects, disease and storms.

Speaking of storms, this Memorial Day, marked the anniversary of the devastating tornadoes that ravaged Parkersburg, Sinclair, New Hartford and other NE Iowa communities. There has been a lot of rebuilding in those towns, and there is a lot more to be done. I have visited with several people from surrounding areas that were hit, and they are very grateful for all of the help that was extended to them and their communities. Iowa is a wonderful place to be if disaster strikes.

And finally, speaking of disasters, June 10th, is the one year anniversary of the "flood of '08" !!! Even after all of the damage that your Cedar Falls location encountered, we are going as strong as ever!! I can't begin to say how grateful we are for all of the help that we still continue to get. We still experience some flood related issues (mostly electrical), but all in all, operations are pretty well back to normal.

Please stop in on June 10th between 11:30 and 1:00 and have a PORK-BURGER, with us and help us celebrate the occasion!! If you haven't seen the scrapbook that has been put together, you really can't appreciate the damage that your Cedar Falls location was hit with by the flood. Please stop in just to visit and hob nob with your neighbors!!!

We greatly appreciate all of the business that our Cedar Falls patrons bring our way. It makes our days all worthwhile. Hopefully this can continue for many more years to come!! Being here at the Cedar Falls location has been almost like an extended family adventure.

Please keep in touch and we always have the coffee pot on and the popcorn is always popped.

Goldfinches, cardinals etc. are eating up a storm. We have plenty of mixed bird seed, suet, to feed our flying friends.

Rand E., Gary and Glynna

Agronomy Division

Gene Mitchell



Feed Division

Dennis Francik



Fertilizer outlook

What a wild spring! May's USDA Supply - Demand report showed a significant drop in corn ending stocks from 1.6 billion this year to 1.1 billion next year.

It continues to rain in the eastern cornbelt and less than half of the country's corn crop had been planted as of May 10. These two factors could set up a big corn crop in 2010.

Nitrogen

The market continues to be weak mainly because demand has been low, especially in Illinois and Indiana where it has been so wet. In fact, grower talk there is turning to soybeans which will continue to pressure the market. EuroChem, the world's largest UAN producer, announced it would cut production by 50% during the summer months.

Phosphate

The phosphate market is also considerably weaker as well. US product continues to be exported. India and Pakistan are the only countries buying much. CF and Mosaic have both indicated that they are going to do scheduled maintenance on their facilities, resulting in production decreases. Simplot and PCS also expect to cut production this summer. Lower phosphate production will also affect nitrogen since it takes NH₃ to make DAP and MAP.

Potash

This market has been fairly steady. Production was cut already last summer with strikes at three mines in Canada. A Russian mine was also out of production for a while when the railroad tracks leading to the mine disappeared into a sink hole. China is expected to settle a new contract with importers in the next couple of months which will set the tone on pricing for the rest of the world.

The take-home message in all of this is that we could be looking at a big 2010 corn crop and fertilizer supply could again become an issue.

A lot of you cut back on p & k this year and will need to make it up at some point in the future or risk losing yield. Add to that the late planting in the eastern cornbelt and the lower yields that it will bring and you have the makings of increased corn acres next year and higher demand for fertilizer. It will be important for you to make a commitment early to lock in supply. Waiting until the last minute could result in not getting the product you want or at the least not getting it when you want it.

On May 13th it took 37.5 bushels of December 2010 corn futures to pay for 150-110-120 (roughly a 2 year maintenance program). It was July 2006 when the relationship was more favorable with 33.8 bushels of December new-crop futures. It is time to consider locking in at least part of your

It certainly appears that spring and soon summer have arrived to stay. The weather this spring has again been a real challenge for the ag business. With early April staying cold and wet there were only a few planting days available late that month in which corn planting could start. In that short time window there certainly were a lot of acres planted before May kicked off wet and cold again. By the middle of May the weather actually allowed for the balance of the corn crop and beans to be planted and at this time the prospect for a normal fall harvest look good. Fortunately our trade area missed some of the heavy rains the second week of May that really saturated south east Iowa and much of Illinois. That rain system really continued the weather trend that has saturated much of the eastern cornbelt, and as a result corn, soybeans and soybean meal prices have ratcheted much higher due to planting delays and have taken many livestock producers by surprise. The other negative impact on the pork industry has been the arrival of the H1N1 flu virus which the media has termed "swine flu". Even though there is no scientific link to the flu virus and pork consumption, demand for pork went awry and prices declined severely. At the time of this writing pork prices have rebounded somewhat, but not nearly what producers were expecting considering this is the time of the year in which pork prices are historically strong due to the upcoming grilling season. The negative impact of the reporting of "swine flu" has been estimated to have cost the pork industry anywhere from \$39 million to as much as \$63 million dollars in that two week period. Even Smithfield Foods, which is the largest pork producer and processor in the U.S., is expected to report its first financial loss in thirty years. Hopefully our area producers will manage through these tough times again, but for them it has been a very long period of negative or break even production at best. Fire up your grills, stimulate demand and buy pork and beef for your summer grilling pleasures to help support our producers. The Iowa Pork Producers have a website at www.iowapork.org with wonderful pork recipes many of which are designed espe-

needs and covering them with corresponding corn sales. The industry got caught with a lot of unsold, high-priced inventory this year. Unless you make a commitment early, many retailers will be reluctant to secure you a supply based on "history". The risk is just too high. Remember, it takes up to 90 days to import product and most of what we use is imported now. That puts us into mid-summer as a deadline for firming up plans and making commitments. Before you know it, it'll be here.

If you would like some help navigating these stormy seas, please contact us. We are here to serve you and glad to help.

cially for the summer grilling season. Look them up and enjoy a great grilling season! In the March installment of our newsletter I stated that we were awaiting the financial result of the six month audit which was conducted at the end of February and upon those results I would update our feed division performance. Through March of this year total feed sales are at \$6.26 million versus \$5.85 million last year. Total service income is \$650 thousand versus \$602 thousand a year ago, so you can see that despite the poor market conditions we are still growing the feed business, of which a good portion can be traced back to the construction boom we experienced in 2007 and early 2008. We certainly believe we are fortunate to work with well-established and loyal swine operations, and hope that our business will maintain that pace for the balance of the fiscal year. Employee and operating expenses are staying within budget expectations, so, barring an unforeseen event, the feed division should post another good year of earnings for the cooperative.

The May edition of the Iowa Pork Producer magazine had some very interesting data detailing portions of the 2007 U.S. Census of Agriculture. I will attempt a brief summary, but this is an excellent article for all farm operations, not only those involved in swine production. The 2007 report showed the number of Iowa farms had increased from the 2002 census by 2% to 92,856 farms. Iowa reflected the national trend which had a 4% increase in total farm operations; however the trend has been more small and very large farms with fewer mid-sized operations. The article summarized that the majority of U.S farms are smaller with more than half characterized as residential/lifestyle or retirement farms. Certainly we have seen that trend in our trade area as well. For swine farms in Iowa, the total number continues to decrease dating back to at least 1978. The report showed 8,330 swine farms in Iowa compared to 10,205 in 2002. However, total hog numbers in Iowa were up to just over 19 million head compared to over 15 million head in 2002. By county in Iowa, Sioux county overtook Hardin county for the number one spot and Hardin county is now second in pork production. For the counties that ECIC conducts the majority of business in, Black Hawk county decreased from 31st to 41st, Buchanan county increased from 28th to 23rd, Grundy county increased from 33rd to 27th and Benton county decreased from 57th to 67th. Those numbers certainly reflect the growth that we experienced in the past few years, as well as to where buildings were being constructed in our trade area. Again, for the entire article, look for a copy of the May Iowa Pork Producer Magazine.

I certainly hope that the balance of spring and summer provide our customers with favorable weather conditions so that we have another good harvest to anticipate. Have a safe and fun summer, see you again around September.



Waterloo Energy Center
By Terry Grant

Spring 2009 has brought us several rainy days, but the crops are nearly planted.

Crude oil has risen sharply in the past 10 days or so since May 1st. As of May 11th, we have seen gas go up from our wholesalers 30 cents per gallon and diesel fuels have risen 15 cents per gallon. This may correct itself back down given the inventories and the economy in general. Traditionally, gas will cost more during the summer vacation months and fuels increase in the fall and winter.

Please remember that your account must be paid in full so you can take advantage of our contracting and summer fill programs. We have LP contracts available, and it seems to be a good time to lock in for your fall and winter needs. Our summer fill is a good value and we encourage you to fill your LP gas tanks during our summer fill period. Call our office and get locked in for next winter. We also recommend our budget plan for a year-round payment plan (June '09-June '10).

It is also a good time for farm accounts to fill their LP gas dryer tanks this summer.

Our dust control is underway in most counties. Some counties are saying that our second application cannot start until July. This fall (approximately September) we will be getting our new tank wagon truck. Don Ames and Mike Hall are our tank wagon salesmen, and will both be able to serve our customers with 4500 gallon tank wagon trucks. It will be a great new addition for the Energy Center.

Our card-trol locations are nearly completed with the new CHS image. Please be sure and stop in and use the card-trols at all four locations, Hudson, Dysart, Vinton and La Porte City.

In closing, please have your account current, as we are approaching our fiscal year end. This will help us keep our company financially strong and enable us to serve you—our customers! *Thank you for your continued patronage.*



Hudson Ag Center
Gary Schulz

Greetings from everyone at the Hudson Ag Center! We hope everyone had a good spring. The rain and wind kept us from doing some spraying.

With the changing of herbicide programs there are some things to consider. Roundup ready crops pose new challenges. R R corn that is volunteer in soybeans will need to be treated with products like Select Max and we will have to be aware of the crop next to the soybeans. When treating the soybeans with Select Max try to treat the first on the first pass of roundup for a couple of reasons. One, it

JESUP AG CENTER
Norm DeJong



This spring's weather was an improvement over last spring's in most cases in this area. At this point it appears that the crops have a good start on a successful season. Here at the Ag Center, we plan on doing what we can to keep them in good condition. With fertility already taken care of, we will be making an effort to control pests and keep the crops healthy.

This summer, ECIC Jesup location is providing a corn variety show plot at the Rick Youngblut farm at the intersection of V62 and Independence Ave., on the north edge of Jesup. Please take some time to observe the plot and please watch our web site for more information regarding a tour date. We hope to see you there. Also this summer, one of several concerns is plant disease. For example, if a rainy weather pattern occurs thru June, Gray Leaf Spot on corn to may flourish. Gray Leaf Spot and some other diseases are more prolific in rainy weather. The rain drops bounce the spores from the ground onto the leaves and from the lower leaves onto the higher leaves. If Gray Leaf Spot becomes prevalent, that increases the probability that a fungicide application will be economical at the beginning of the reproductive stage of the corn plants of susceptible varieties. Please come in or give us a call to discuss the benefits of yield protection products.

This fall may bring a higher demand for dry fertilizer application. Last fall and this spring, many fields were switched from a two year application program to a one year program. There are fields needing a fertilizer application for 2010 that would have waited another year before having another application. Preparing for fall by planning for fall soil testing and dry fertilizer application will be more important this year. If we have current tests, we can plan the fall application and get the fertilizer on during good soil and weather conditions rather than being forced into applications made under less than ideal conditions. If we need new tests, please get those arrangements made so we can get the samples pulled and results back in good time. Anything we can do to get started sooner and be more efficient will help you get your fertilizer applied when you need it and avoid the wait. Thank you for your business.

Please, Always Be Careful.

takes less herbicide to control the corn thus less cost and usually at second pass time if any corn comes it will not be competitive.

Our friends the insects will be next on the list. With all the south winds it could be a year for black cutworms so let us know if you may need a field scouted. Early planted soybeans may need to be scouted for bean leaf beetles. Soybean aphids may or may not be a problem it is to early to tell.

All that said, have a good growing season from everyone at the Ag Center, and Thanks !



La Porte City

With spring behind us and the crops in the ground, it is time to focus on cleaning the grain bins. On days when they can't be in the field it has been like harvest.

With the weather warming up, we will start seeing some insect activity. Also we have seen some damage in the higher moisture corn already.

As you have probably noticed the market is having a hard time finding a direction. If you have a price in mind let me know and we can watch it for you.

With hay making time here, I want to remind you that we have a good supply of 9000 and 16000 feet Sisal Holland twine and 30000 feet of 140 tensile fybrom plastic twine.

Stop in and see Larry for all your summer fencing needs. We have several types of fencing along with Sioux gates and hay feeders.

Please have a safe and enjoyable summer, and remember the Festival of Trails celebration on June 19th and 20th. See you there!

WORD SEARCH

D	A	Y	L	W	S	O	B	P	W	Z	K
I	G	D	E	A	I	S	Z	O	A	L	F
R	K	F	W	N	B	S	R	L	D	A	K
E	S	Z	T	M	Z	E	A	U	U	C	O
C	J	N	F	G	G	N	L	F	P	I	S
T	O	Z	G	N	O	T	I	C	E	R	C
I	Q	N	A	I	C	W	M	V	O	T	K
O	V	D	T	N	S	R	W	V	X	C	Y
N	O	U	H	R	L	X	Q	N	S	E	O
C	A	W	I	A	O	R	G	E	P	L	T
C	O	H	Q	W	V	L	N	D	H	E	T
E	I	R	L	F	H	D	S	G	W	Z	O

Find the following Safety Words above

- Signs
- Safety
- Danger
- Caution
- Warning
- Notice
- Controls
- Electrical
- Direction
- Label

COMPLETE THE SAFETY WORD SEARCH AND RETURN TO YOUR NEAREST ECIC LOCATION. THE FIRST 3 CORRECT RETURNS AT EACH LOCATION WILL RECEIVE A PRIZE.



Customer Connection

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In this issue:

- SCHOLARSHIP WINNERS
- Manager Reports
- ECIC, Land O Lakes, and FFA
- Cardtrol® Locations updated
- ECIC Safety Committee

ECIC Locations:

• **Hudson**
602 Washington Street
PO Box 300
Hudson IA 50643

• **Jesup**
661 Douglas Street
Jesup IA 50648

• **La Porte City**
106 Cedar Street
La Porte City, IA 50651

• **Cedar Falls**
212 Lincoln Street
Cedar Falls IA 50613

• **Waterloo - Energy**
1467 West Airline Hwy.
Waterloo IA 50703

Today's Markets

6-2-09

	<u>Corn</u>	<u>Beans</u>
<u>Today</u>		
Hudson	4.09	11.72
Jesup	4.09	11.72
La Porte	4.17	11.72
Cedar Falls	4.17	11.72
Waterloo	4.17	11.72
<u>Month Ago</u>		
Hudson	3.83	10.53
Jesup	3.87	10.53
La Porte	3.97	10.53
Cedar Falls	3.91	10.53
Waterloo	3.91	10.53

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