

ILLINOIS VALLEY SUPPLY, LLC
March 2008



Greetings from the "Valley!"

March has finally gotten here and our busy spring season is right around the corner. We are entering a growing season with record commodity grain bucks as well as record input costs. These two pieces bring both excitement and opportunity along with nervousness. Illinois Valley Supply will be your long term partner through success and struggles. We look forward to addressing your individual needs with solutions in today's environment.

As we think about solutions, **variable rating** comes to my mind. In 2008 we are going to see N, P, and K prices that will be basically doubled from 2007. There is no better time than now to **make sure we are putting our nutrients in the places they are needed!** All of us have fields and fertility levels that are different. IVS can create programs for your particular needs. For example, let's say you typically apply 200# DAP and 200# Potash over a whole 80 acre field. A GPS/VRT soil sample taken on 2.5 acre grids can determine fertility levels. Based off of this analysis we can do whatever application you want. We can

put a cap on the recommendation that says do not apply more than 200# DAP on a given grid but also apply less than 200# or nothing if not needed. This particular scenario would have you never putting more on than you ever have and less if not needed in the field. Each grower's fertility bucks will obviously offset recommendations. The point is IVS can do about any program you need to maximize efficiency of nutrient use, plus keep as many dollars in your pocket as possible while leaving maximum yield potential right there in the field. Please contact your salesman for further details or discuss how we can make this work for you.

We will be adding a **new dry fertilizer application machine** later this summer before our fall fertilizer season begins. It will be **equipped with a multiplier bed** which can variable rate apply both DAP and POTASH in one pass. We will still have our other machines which have always been able to variable rate apply but only one product at a time. IVS is excited to be able to offer this machine and the values it will bring to us all.

John Quandt had a knee replaced the middle of February. John is doing well. He is getting rehab therapy and is still at home. We all wish John a speedy recovery and look forward to him coming back to work.

We have finished most of our top dress on wheat for this winter but we still have a few to get taken care of. Let us know if you have a need in this area. IVS can also apply clover seed right through the truck with the 28%.

Fungicide on wheat is a topic that is not talked about very much. Depending on the spring season and environmental conditions **wheat is very susceptible to disease.** Our last two or three springs have been relatively dry which has kept wheat diseases fairly low. A wetter spring will bring more chance for disease and a fungicide application can be very beneficial. Data has shown a 10-12 bushel increase if disease is present and a fungicide is applied at proper timing. For more details contact your salesman for cost and etc.

Todd

STEVE'S TOPICS:

Last chance to prepay 2008 crop inputs

We have always encouraged our customers to come in and talk to their salesman and make plans to prepay their crop inputs and this year is no exception. In years past we could always tell you that you would save some where around 6% between January and March and an additional 10 % between March and in season cash prices. As of today the customers that paid for their inputs in January have saved as much as 37% on one product. Now this is the most extreme case that we have seen so far but nothing surprises us anymore. Our **last day to take advantage of any prepay prices will be March 14.** If you would like to prepay for your inputs by March 14, but you haven't sold your grain yet, we do have the CFA financing available. Call and talk to Kyle Lake for more details.

Crop Insurance

We have less than 2 weeks to make our final decisions on Crop Insurance. This year our spring price for corn is \$5.40 and soybeans are \$13.30. I will be in contact with all of our current customers in the next 2 weeks to decide which product to use for 2008. The best advice I can give to anybody on the crop insurance is determine what your reason is for purchasing insurance.

- 1.) Insurance covers risk ie: if you want to sell 85% of your grain ahead of time then buy 85% coverage.
- 2.) Insurance covers risk ie: if you want to cover your expenses and you can do that with a 75% level then choose that level.
- 3.) If you choose a 75% level then you have agreed that you will absorb up to a 25% loss before the insurance kicks in. (25% of a 150 bushel corn at \$5.00 is a big deductible)
- 4.) Finally you are not going to make money off of insurance, but if insurance gives you the ability to make better sales, and protects you on production losses on certain farms, and keeps the bank satisfied then it has done its job.

Call or stop by the office if you would like to discuss this further.
217-248-1269

For those of you that still need clover for wheat or inter-seeding pastures IVS and the Carrollton Elevator have a good supply.

TYLER'S TOPICS:

After the month of February and these first few days of March, it's hard to believe that we'll be planting in less than a month. However, Mother Nature seems to always right itself and surely this weather pattern will straighten out. By no means are the moisture levels completely replenished but I hope we at least have plenty of water to get the crops off to a good and healthy start.

Kyle **has assembled, repaired, and ran many meters** this winter. He has done a great job in a timely manner. In some cases, he has found some items that either needed replaced or fixed. Had those faults gone unnoticed, trouble could've ensued in your field this spring costing you time and money. If you haven't had your meters in here on the stand, we still have some time to get them done. We are caught up as of right now so let us know as soon as you can if you would like to get your meters tested.

For those of you who have taken early seed delivery, thank you again. It helps us out as far as warehouse space goes, especially with spring herbicide and insecticide starting to show up. We would like to get a lot more of the **seed delivered in the month of March** before things get really busy for everyone. Please contact me or your salesman and get a date set up.

As noted before, **soybean seed is extremely tight**. I hope everyone has beans spoken for and if not I urge you to

do that immediately. Extra beans and double crop beans will be hard to come by so please pay special attention to seeding rates and try to avoid much over-run. Also, keep in close communication with us in cases where we might have to find more beans. We did end up with a little bit of extra non-GMO seed corn so if anyone needs a little extra let me know. I also have one pallet of very reasonably priced corn that would be great for food plots and duck holes. Lastly, we appreciate any opportunity to get involved in any **plots and/or 'side-by-sides'** you might be implementing on your farm. Please notify your salesman if you would like us to participate in any such activities.

Please have a safe and timely planting season.

