

Vol 2 • 3

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WOC
Watertown Co-op

Communicating the Big Picture

By **Wayne Herman** *General Manager* • wayne@watertowncoop.com

Our mid-year financials are in, and we are having a good year to date. We're a little ahead of budget on net profits. However, in this second half, we are going to see the effects of drought as it settles over our trade territory. To date, we are unsure of the yield reduction that will be experienced and the impact it will have on our balance sheet. Certainly we empathize with you during these dry times.

Our new bunker worked out extremely well in its first full year of use. The final load went out of here on a 54-car train in early August. Quality was excellent and this investment will soon be back in use as we begin handling the 2006 corn crop.

The improved single-site probe system complements the bunker. Growers are able to get in here quickly and dump, saving time as we send them to one of our three designated grain receiving sites here at the Watertown facility. Besides establishing driveway efficiencies, we're in the market with competitive grain prices.

What makes this all work so well—the bunker, the probe system, competitive pricing, and our various merchandising tools—is that all of the individual pieces fit together for the greater good. They fulfill a big picture solution of helping our patrons become more profitable while maintaining this cooperative's strong financial equity.

As we've talked about in the past, more change is coming. What does the future hold for **Watertown Cooperative** and how should we adapt? Are we ready for it? If all we had to do to survive was hold on to the old way of doing business, there would be fewer decisions to make. But it takes so much more than that these days to endure and prosper.



So how do we go forward? It all begins with communication. There is no substitute for good judgment about the big picture as we proceed into the second half of 2006 and beyond. But we need your input. Listening and receiving feedback and hearing what you want from your cooperative is essential as we go forward. We need to know what you value about your cooperative and what you think it should provide to you in the future.

Please give me or any of our department heads a call or drop us an e-mail with your comments about what you want and need from Watertown Co-op—exciting times are ahead and we want your cooperative pointed in the direction you want, serving you to the best of our abilities. ●



www.watertowncoop.com

From the Agronomy Department

By Trevor Stieg Sales & Marketing Manager • trevorstieg.wce@midconetwork.com

and Ehren Grupe Agronomy Department Manager • ehren@watertowncoop.com

Small grain harvest is almost behind us with row-crop harvest looming. That means it is time to plan upcoming fertilizer applications. Soil sampling is the best tool for getting the most value from your fertilizer dollars. Along with this, we also have zone soil sampling available. Zone sampling can accurately chart which portions of your field carry more nutrients than others and those with possible nutrient deficiencies.

Additionally, we would like to announce that Travis Christensen is assuming more sales agronomist duties in the Watertown and Webster areas. Travis has been continuing his education in agronomy over the last two years while doing a great job as an operator, and he is ready to help our customers with their agronomic decisions.

The 24-row VRT/RTK strip tillage service requires advance planning so that mapping can be completed.

Mideast turmoil, the stock market, transportation infrastructure—issues that extend way beyond just basic fertilizer product. As always, we're dealing with a lot of unknowns as we look into the future. But be confident that Watertown Co-op is on top of world fertilizer issues as much as we can possibly be, and we will be ready to provide your spring usage needs.

Scheduling strip tilling services

We anticipate increased interest in strip tilling this fall. The reduced passes over the field and nitrogen placement accuracies could be a welcome benefit in light of higher fuel and input costs.

Our 16-row strip till services will be GPS-guided. However, this year we are also offering 24-row VRT-guided strip tillage with RTK technology. The use of RTK utilizes sub-centimeter accuracy, meaning we are able to band fertilizer exactly where it is needed most. The 24-row VRT/RTK strip tillage service requires advance planning so that mapping can be completed. Please call the Watertown agronomy department to line up your acres.

If you have any questions about strip tillage, please contact either of us for more information. We can help you determine if strip tilling is right for your acres.

Pest watch

The spraying season has gone well over the summer. We are now watching for bean leaf beetles and aphids. As you manage your Roundup Ready® acres, you might need to consider an insecticide application.

Fertilizer market

The outlook for phosphates and potash does have some room to move depending on overseas demand, which is still unclear at this point.

The natural gas market remains volatile because of weather,

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From 1.26 million bushels to empty, the covered bunker will soon be adding quality to the 2006 corn crop.



Business appreciation

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We appreciate your business this spring and summer. We remain optimistic that a good fall harvest is coming. We look forward to working with each of you as we begin the cycle all over again for next year's growing season. ●

Grow the Feed, Not the Weeds™ — Opportunities With Roundup Ready® Alfalfa

By **Brian Kohlenberg** Retail Seed Sales Manager • bkohlenberg@landolakes.com



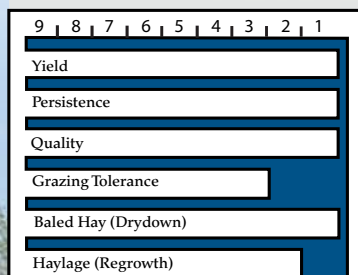
Thinking about fall seeding alfalfa? Consider Roundup Ready Alfalfa. Its buzz is deserved: it allows you to eliminate tough weeds quickly and easily, delivering highly consistent alfalfa in the process.

Built-in tolerance means healthier, faster-growing stands. It is a production solution for eliminating low-quality weeds and growing higher-quality alfalfa. Roundup Ready Alfalfa has multiple management benefits, resulting in more hay yield and greater profit potential:

Roundup Ready alfalfa has multiple management benefits, resulting in more hay yield and greater profit potential.

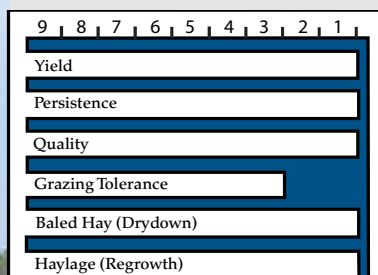
- Roundup Ready Alfalfa varieties contain in-plant tolerance to Roundup® agricultural herbicides.
- Unsurpassed weed control means fewer weeds in hay resulting in higher-quality feed.
- Superior crop safety allows for greater yield potential.
- The simplicity of one herbicide—the best, most complete control without the need to tank-mix.
- The widest window of application provides the ability to spray as necessary, when necessary. ●

NEW Maxi-Pro 3.10RR (Multileaf Alfalfa)



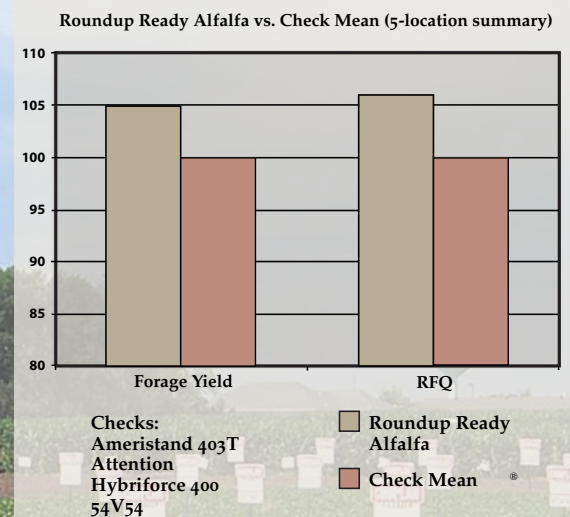
- Legendairy performance and flexibility with the Roundup Ready trait
- High resistance rating for all major alfalfa diseases and resistance for pea aphid
- Cleaner, higher-quality forage for more hay yield and greater profit

NEW Consistency 4.10RR (Multileaf Alfalfa)



- Consistent forage
- Resistance rating for stem nematode and pea aphid make this a very versatile product
- Cleaner, higher-quality forage for more hay yield and greater profitability

2005 Alfalfa Variety Agronomic Performance



Conventional herbicides used in 2003 establishment, no herbicides applied in 2004/05.

Answers in Our Own Backyard

Answer Plot Grower's Tour

Plot location: 1/4 mile north of Cowboy Convenience Store # 3 on north Highway 81. The plot is on the west side of the highway.

Please join us for a tour of the corn and soybeans at our Answer Plot. We'll have the following speakers:

- Craig Treiber—Monsanto®
- Joe Schefers—Monsanto agronomist
- Marty Burkhardt—NK® Brand

- Eric Bartels—Croplan Genetics® Midwest product manager

Our Answer Plot is one of 84 locations nationwide, comprising 1,680 acres. A total of 42,000 soybean comparisons and 84,000 corn comparisons will help provide answers for growers.

Join us for an enjoyable and interesting evening. We are making sure it will be time well spent. ●

30 Join us...
August 30 at 6:00 p.m.



Feed Department Q & A

By Jon Hegge *Feed Department Manager*

Jon, we missed you in the last newsletter. Where were you?

I was on the panel at a Land O'Lakes® Beef Enterprise seminar in St. Louis. Besides contributing with my nutrition comments, I also brought home valuable nutrition information.

What products can help us manage herd nutrition as we cope with stressed pastures?

Several products can prolong your pasture and keep cows in good shape for next year's calf crop: Creep Past-Gest 14 B68 and Creep Past-Gest 14 AU140 B68. Studies have shown that Aureomycin® and Bovatec® used together can increase feed efficiency and weight gain.

How will creep feeding help?

Besides the potential for increasing calf weights by 75-100 lbs., creep delivers vitamins and trace minerals which help a calf's immune system. Creep can benefit cow production by helping overall herd condition and stretching grass.

What's the latest on the new product being tested in feed trials?



We are proud to finally unroll Ration Manager. Land O'Lakes has been conducting feed trials on it over the last year and we're extremely excited by the results.

The pelleted feed is mixed with fine cracked corn in a creep feeder. Formulation percentages depend on the amount of feed you'd like your animals to consume daily. Our recommendations are to follow up with it after calves are eating 5 to 6 lbs. of creep feed.

What are some good tubs for this time of year?

Our RangeLand™ pasture tubs deliver protein, minerals, and vitamins, helping to better utilize forages. These cooked molasses tubs are low moisture and are no deposit/no return, removing cross-contamination concerns. Our large selection

includes protein tubs, mineral tubs, and Altosid® and Tasco® fly control tubs.

What are some other supplement choices?

Our cow cubes are great for keeping cows in shape. QLF is another valuable product that will be extremely useful this year for increasing hay quality and reducing hay waste. Our warehouse is well-stocked with nutrition products of high value.

How do we find out more?

Give us a call any time about any of these products. Besides our own expertise, utilize the services of our livestock nutrition consultants. Thanks for your patronage and stay safe as we head into fall. ●

Mission Statement: To profitably enhance the success of our patrons.



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Henry Branch	605-532-5812



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