

RIVER COUNTRY COOPERATIVE



www.rivercountry.coop • 651-451-1151

FALL 2015 EDITION

Managing Change

By JOHN DUCHSCHERER, GENERAL MANAGER/CEO

Change has been a constant theme for River Country Cooperative since we first opened our doors more than 80 years ago. There is no doubt, however, that the pace of change has picked up in recent years. As general manager, one of my responsibilities is to evaluate the evolving needs of our customers and ensure that we meet those

needs. The level of attention our customers receive, the speed at which we deliver service, our product offerings and the level of technology we employ are gauges by which we monitor the changes needed—and the pace at which we need to move.

I can think of several recent examples of service-focused changes we've made. Some of these involve the addition of talented individuals, like Lance Prouty, our new energy division manager. Lance discusses another very significant change in his article—the re-

branding of our c-stores from Marathon Oil® to SuperAmerica®. We follow a very intentional process when choosing a strategic partner like SuperAmerica, and we are very excited about the opportunities presented by this alliance.

You've seen other examples in your fields this spring, as we continue to invest in rolling stock, from applicators and the tenders to keep them supplied to fuel and propane trucks with the latest technology.

Another change, our new office, enables us to function more efficiently as an organization which, in turn, helps us better serve our patrons. Our former office simply couldn't accommodate

CONTINUED ON PAGE 2



River Country Partners With SuperAmerica on 8 C-Stores

By LANCE PROUTY, ENERGY DIVISION MANAGER

The decision to partner with SuperAmerica® at eight of our c-stores is a positive change for River Country and our customers.

The first priority of importance when selecting a c-store partner was securing a dependable supply of fuel for ag and commercial diesel customers. Northern Tier Energy, SuperAmerica's parent company, purchased the refinery in St. Paul Park from Marathon several years ago. The proximity of our location to the St. Paul Park Refinery helps us quickly and dependably secure loads for our customers. The gasoline business we will deliver through our c-stores will also give us considerable leverage in securing diesel fuel.

Another benefit SuperAmerica brings to the partnership is the positive recognition of the SuperAmerica brand in our trade area. The c-store market continues to grow and evolve, both in terms of product offerings and technology. SuperAmerica provides a market-leading competitive advantage to customers with their loyalty program, My SA Rewards®. Tapping into their existing base of customers and layering on our RCC customers will enable us to continue to grow and remain competitive. They are also a leader in point-of-purchase technology, which increases convenience for our customers as well as administrative efficiencies. SuperAmerica delivers a consistent, top-quality in-store experience while offering visible marketing to our customers. We will be able to leverage their partnerships and visibility with organizations like the Twins, Wild, Timberwolves, Lynx and others.

"We are extremely excited about this partnership with RCC, and think the relationship is a great fit for our brand. I'm encouraged by RCC's commitment and desire to continue to drive excellent customer service and offerings, and are very much aligned and prepared to move forward together," said SuperAmerica president, Jack Helmick.

SuperAmerica continues to grow their brand, and partner with local franchisees in order to better serve our mutual customers. We're excited about our affiliation with SuperAmerica, and I know our c-store and energy customers will also appreciate the opportunities this partnership will provide.

Propane business grows

River Country Cooperative has acquired Pierce Pepin Propane Service, a business currently serving 2,800 customers in Pierce and Pepin counties in Wisconsin. This is a good fit for us and aligns with one of our core businesses, which has delivered energy products to rural America for more than 80 years.

In contrast, the propane business was not a core segment to Pierce Pepin Cooperative Service.

Managing Change

CONTINUED FROM PAGE 1

the growth the cooperative was experiencing. Our new space is more centrally located and provides a more professional environment to conduct business, as well as attract, train and retain talent.

The other face of change

Change, even when necessary, doesn't always feel positive to everyone involved. Our decision to sell our Webster location may fall into that category for some of you. One of our goals as a cooperative is to invest your equity in a way that creates value and generates an acceptable return on your investment. In Webster, the cost of the improvements needed to meet the needs of our patrons for speed, space and safety compliance did not meet the criteria for an acceptable return on investment.

This was not a decision the board made quickly or easily. We evaluated the situation in Webster over a number of years. And while we are selling the facility, we are not exiting the community. River Country will continue to serve the agronomy, energy and feed needs of this area. In fact, we have made sizable investments in rolling stock in the Webster area and will continue to consider additional investment to create greater value for our owners.

While some patrons might feel some changes are coming too fast, others might feel changes aren't coming fast enough. It is our job, as your cooperative, to gauge the changes you need, evolve as your businesses grow and continue to provide you the best people, products and services you expect when doing business with River Country Cooperative. Change is not easy—for any of us. But it is necessary to evolve, improve and earn your business today and in the future. ★

They desired to sell the propane business to spend more time focusing on their core business segment of electricity. The majority of new customers we acquired are home heat customers; so, the propane storage will help us meet harvest dryer demand. The large volume of home heat customers will also make our demand during winter months more consistent, driving efficiencies across our energy organization.

On the topic of efficiencies, we continue to install computer systems and printers in all of our propane delivery vehicles. Your delivery tickets will now be computer generated at the point of sale. The new systems will further improve accuracy and greatly streamline energy accounting processes. If you have any questions about the changes, please contact us. ★



Derek Berg

Having been on the job less than a month, new River Country agronomist, Derek Berg, is still learning the lay of the land and meeting area producers. Fortunately, he thinks that's one of the best parts of his job.

"What I really enjoy and most look forward to is meeting farmers, getting to know them and helping them become more profitable through weed control, fertility management and crop selection," Derek says. "Building valuable relationships is rewarding."

A recent graduate from South Dakota State University with an agronomy degree, Derek grew up in the Wabasso area. "My father works for a large seed dealer, and I grew up helping out on my grandfather's farm. Agriculture is where I feel at home," Derek notes.

During his college days, Derek interned with a seed company and then with Dow AgroSciences in research and development. "I'm excited to be here and looking forward to the busy season this fall," he states. ★



Agronomic Difference Makers

In the world of agronomy, if you're not changing, you're falling behind. Not everything that's new, however, is right for every farmer. So we asked the people on the front lines—the River Country agronomy staff—what new products and practices have been delivering the best results for their customers.

Spoon-fed nitrogen

Changing nitrogen-management practices was a trend noted by several agronomists as a difference maker. The reason, according to Hastings agronomist Billy Bonderson, is simple.

"Splitting nitrogen application, especially on lighter soils, is almost a no-brainer," he states. "This is a practice the state is pushing for that is actually a better practice for your farm. Split application is more efficient in terms of nitrogen use, more cost-effective and ultimately results in better yields."

Bonderson notes that irrigated producers are moving past two applications and applying a third shot of nitrogen in the form of 28% delivered through their irrigation systems.

Split application is also delivering solid results on heavier soils, according to Montgomery-area agronomist Nathaniel Kasper. "Traditionally, farmers in our area put down all their nitrogen pre-plant because we have dark, heavy soils," he says. "But with the past two wet years, we saw a lot of nitrogen-deficient corn in this area. The guys that did put down an in-season nitrogen application saw a big benefit—up to 20 bushels in many cases."

Along with split application, the use of controlled-release nitrogen helps keep nitrogen in the ground until plants can synthesize it. "I won't put nitrogen down in the fall without N-Serve® to stabilize it," states Randolph location manager Dean Larsen. "We're also testing putting

down urea with Instinct® in the fall."

Precision progress

Along with improved nitrogen management, another trend we see is the growth of precision ag technology. Possibly the most visible representation of that trend is the River Country drone now flying over farmers' fields.

"It's something that is only going to grow in terms of the value it brings to our customers," states Hastings agronomist Andrew Duncomb. "At this point, it is a very helpful scouting tool. We can see skips, trouble spots and plant health issues you can't detect from the field boundaries."

"We want to fly a field, ground-truth the NDVI map with tissue sampling and put together a variable-rate nitrogen map using that information," Kasper adds. "That's where we're headed."

Strong weed pre-vention

Your Data, Our Mission

Change is the only constant. That statement is as true for those of us who manage the accounting processes of the cooperative as it is for an agronomist or energy specialist. It's the reason we have to constantly step up our game to better serve our customers.

Data has rapidly become the life-blood of the agricultural industry, and it is our mission to add value to your business by providing you with timely, accurate data. To that end, we've further refined our new accounting processes in regard to prepay dollars, specifically in our energy sub-accounts. Your energy prepay amounts are now reduced by gallons delivered at the down-payment

rate, leaving the remaining prepaid balance intact for future deliveries. You can now find the remaining prepaid balance at the bottom of your statement. Any amount due for the portion of the delivery not prepaid will be shown above. In addition, prepaid LP and diesel fuel contracts are available. This option allows you to fix your cost for the upcoming winter. Filling your tanks now helps moderate peak-season demands.

We are excited about the efficiencies our partnership with SuperAmerica will bring to our cooperative. Convenience stores are what SuperAmerica does best, and we will be able to examine our processes in light of some of the best

business practices in the industry. The convenience store industry is changing rapidly, and this alliance will help us become more competitive while bringing greater value to our customers.

Finally, as a cooperative, one of our main objectives is to return value to our member owners. To that end, our strong balance sheet and historical profits have allowed us to retire additional equity from the year 2000. We will continue to facilitate investments to ensure maximization of surplus funds, ultimately benefiting our patrons. Your continued support is sincerely appreciated! ★

The days of one-pass miracle chemistries are behind us. The use of pre-emergence weed control products is a practice that has been rapidly adopted. "The use of a pre-emergence herbicide on soybeans has been the biggest trend in my area," states Montgomery location manager Lowell Tangen. "We really saw a big jump this year and I believe it will be even bigger next season."

Resistant weeds have powered the move back to pre-plant and pre-emergence chemistries. They have also been the driving force behind new seed lines that will provide both an opportunity and a challenge for growers in 2016 and beyond.

"With the Enlist and Xtend systems coming online, communication is going to be critical," Larsen stresses. "Farmers using these systems will have to keep very close track of what they have planted where, and they will have to work closely with their agronomist to communicate that information."

Larsen adds that pricing for these new chemistries is still an unknown and that herbicide pricing in general is a frequent subject of customer questions.

"Pricing for next season is

a hot topic," he continues. "Experience tells me that the best prices will come in November and December, and that's one of the reasons we offer a prepay program. It's a good way to lock in the best pricing."

Experts in the field

Central to all of these trends are highly trained River Country agronomists. They have become key partners for area farmers, and as a result, are spending more time than ever in local fields.

"The way I see it, that's our primary role," states Bonderson. "It's much better to be proactive than reactive in farming. We want to be a resource for our customers, preferably by finding a solution before they ever encounter a problem. To do that, we need to work closely with our customers and be in their fields." ★



Energy Industry Veteran Joins River Country

With two decades of experience in all facets of the energy industry under his belt, Lance Prouty was a natural choice to head up the River Country energy division. "I think I was one of the few people in the CHS organization to serve as an account or district manager in every product area—fuel, propane and lubricants," Lance notes. "It's given me an in-depth understanding of the entire energy picture, something I'm excited to bring to River Country energy customers."

A native of Redwood Falls, MN, Lance graduated from South Dakota State University and went to work for CHS as a Certified Energy Specialist. During his career there, he managed energy resources from the Pacific Northwest to Kansas and Missouri.

"My propane experience makes safety a number-one priority with me,

and that's definitely in line with River Country's mission," Lance states. "Delivering a high level of customer service is also extremely important, and the fact that we have Mark, a dedicated CES, on staff is a big advantage for our customers in that regard."

Lance was also attracted to River Country by the opportunity to lead the energy division of a growing cooperative in close proximity to the Twin Cities. With the move of River Country C-Stores to SuperAmerica and the recent acquisition of a Wisconsin propane retailer, his first few days on the job have been exciting.

"We have some tremendous opportunities ahead," he says. "I'm looking forward to the positive impact these acquisitions and alliances will have on our business and our ability to serve our customers in the near future." ★



River Country Committed to Servicing your Seed Needs

By JOEL THORLAND, SEED MANAGER

River Country Cooperative agronomists have spent extensive time this summer learning new ways to bring you value through our seed offerings. RCC agronomists have partnered with each of our seed suppliers (Croplan, Gold Country, NK, and Rob-See-Co) by attending their answer plots and spending time at their research centers. Although RCC will no longer carry the DeKalb brand, RCC has a suite of seed products and genetics that will meet your seed needs, including seed varieties that utilize Monsanto genetics.

If you recently attended our Seed Plot on Aug. 26, you experienced the value of our agronomists' education and recommendations in person. If you were unable to attend, another Seed Plot is scheduled for Friday, Sept. 11. We would enjoy meeting you there to talk about our seed results and recommendations.

Join RCC in the Field Seed Plot

Friday, Sept. 11

River Country Co-op Seed Plot
(Off County Road 86)

We take our products and recommendations very seriously and understand the impact placing the right seed on the right acre can have on your farm. We are committed to gaining a deeper knowledge of the seed we sell to elevate the recommendations that will produce results for you in your fields. Ask your agronomist about our seed varieties for more information and begin booking your seed orders for next year today. ★





Double Cropping Yields Solid Benefits

By DUANE FOWLER, LIVESTOCK CONSULTANT

One of the farming practices receiving increased attention throughout the ag industry is the use of cover crops. From an agronomic perspective, adding a cover crop to your rotation can help prevent erosion, increase organic matter and improve soil structure and soil health.

Many farmers in southeast Minnesota are considering the benefit of double cropping with a cover crop—a particularly viable option in livestock and dairy operations. The most popular cover crop choice in this area is winter rye.

We sampled winter rye from three dairymen who harvested the cover crop for silage. Yields averaged between 5 and 6 tons per acre at roughly 60% moisture. Cows tend to milk better and consume more feed when a more highly digestible forage is fed, and winter rye certainly fills the bill on that score. The NDFD (fiber digestibility) for winter rye is actually much higher than alfalfa.

The winter rye was harvested around May 20, after which the farmers planted no-till beans or corn. By the end of July, the corn had tasseled and the beans

were as big as other fields in the area. The optimum time to plant winter rye is immediately following corn silage harvest until the first week of October.

Double cropping with winter rye certainly appears to be an option worth considering for livestock producers in our area. We have winter rye seed available at our Miesville and Randolph locations. Please contact me or your local agronomy representative to discuss cover cropping options on your farm. ★

