



www.agritrails.com

# Trail Blazer



## OUR LOCATIONS

### CARLTON

785-949-2222

### CHAPMAN

785-922-6505

### COUNCIL GROVE

620-767-5105

### DILLON

785-366-7228

### DURHAM

620-732-3123

### DURHAM STATION

620-732-3315

### GYPSUM

785-536-4260

### HERINGTON

785-258-2286

### HOPE

785-366-7213

### LINCOLNVILLE

620-924-5228

### NAVARRE

785-479-2221

### PEARL

785-479-5870

### TAMPA

785-965-2221

### TAMPA FERTILIZER

785-965-2224

### WHITE CITY

785-349-2214

### WHITE CITY STATION

785-349-2225

### WOODBINE

785-257-3315

## FALL 2018

# The Basics of Basis— and More

By Jake Leis, Grain Originator/Merchandiser



Instead of talking about all the geopolitics and current events, which I am sure many of you are already following anyway, I would like to switch my commentary up and talk about how producers can use

basis and cash price to make better marketing decisions. First let's understand basis a little better. Basis is simply the difference between local cash price and the futures price (cash - futures = basis). The math, while very easy to understand, does not tell the whole story.

Basis is a clear indicator of what is going on in the market. A narrowing—or strengthening—basis indicates a willingness to accept or a need for your grain. A widening or weakening basis tells producers the market is full or not interested in the grain, and that they would be better off holding on to it.

The major factors affecting your local basis are transportation cost—what it will cost to get the grain from point A to point B—storage and handling cost, relative futures price level and, the most important one, local demand. Paying attention to the basis can tell the producer when the market has an appetite for their specific grain. Producers willing to track the basis and understand its seasonality can gain a huge marketing advantage. By knowing when basis will

strengthen, a producer can sell their grain into a greater demand market.

### DON'T OVERLOOK CASH PRICE

However, it is important that we also focus on a second part of this discussion. While basis is a great marketing tool, you must also pay close attention to your local cash price! Producers do not make their money off basis margin, but rather are working off a cash margin. A producer must look at the current cash price minus the cost of production. Even with a great basis, the cash price can sometimes be much lower than at other times.

Let's say you sell wheat at -20 basis with the futures board at \$4.00, giving you a \$3.80 cash price. Or, you may sell at -50 basis with the futures board at \$4.50, which would deliver a cash price of \$4.00. Even though the basis was better in the first scenario, the cash price was not. Therefore, while basis is a great tool we need to understand, it is best not to focus on that alone. You also need to be aware where the cash price is relative to your breakeven, and then market the grain when the cash price gives you a positive margin.

Understanding how these two work together can greatly improve your marketing skills. Think of basis as a gauge of the current and

New Addition at White City Station—**SEE ARTICLE PAGE 4**

CONTINUED ON PAGE 2

# Oil Totes Make Life Easier



By JD Bahret, Certified Energy Specialist

Growing up on the farm, one of my least favorite chores was emptying the oil drums. It was my job to make sure we got every drop out of the barrels. It was time consuming, very inefficient and I usually wound up wearing half of what I was trying to drain. Dad always preached, “Every gallon we lose is a bushel of corn we just wasted.” These days, it’s more like 3-4 bushels wasted per gallon.

That’s why when I started with Agri Trails, I was in awe of the bulk oil tote program. With the totes, the user doesn’t have to unload or move barrels, there’s less mess and more efficiency, and it’s price competitive. The totes have gallon markers, enabling the user to see their inventory and plan ahead. Our truck can be scheduled for monthly or annual bulk oil deliveries. If you’re interested in getting started with the bulk oil tote system or have questions, call me at 785-258-4239. ■



# The Seasons of Seed Cleaning



By Perry Gutsch, Lincolnville Location Manager

I believe most Agri Trails customers know we installed a relatively large seed cleaner and seed treatment system here in Lincolnville roughly five years ago. What you may not know is how we schedule seed cleaning jobs.

Wheat is the biggest part of our seed cleaning business, but we also clean oats and triticale—a part of our business that has grown with the increased use of cover crops. Each crop requires a different setup on the machine, so we generally don’t change the settings back and forth. We do most of our cleaning by appointment, so please call ahead at 620-924-5228.

For your scheduling purposes, we generally switch over to wheat at the end of the first week in August and don’t switch out until the first of the year. We clean a fair amount of oats in February and July. And we usually clean triticale right after wheat harvest, so if you have oats or triticale, call to see which we’re setting up for first. The bottom line—if you have questions about what we’re cleaning and when, call us. ■

## THE BASICS OF BASIS

CONTINUED FROM PAGE 1

future demand while focusing on the local cash price to make sure you stay out of the red on your balance sheet. If you have any questions or want to better understand how these work together, let me know and we can set up a time to chat.

### MARKETING PROGRAMS

I also want to mention we have been visiting with FC Stone about a few new programs to help producers with their marketing. One that we are excited about is their “Merchants Plus” program. This gives producers the opportunity to place some bushels in a marketing pool that will be traded by an FC Stone-appointed committee over a specific pricing period. The producer will get their final price on those bushels at the end of the pricing period and fulfill the contract with new crop bushels. Please contact me for more information on the program.

Thank you for your support, and Happy Holidays! ■

**BIG YIELDING BEANS:** Kent Rock cutting a field of Asgrow 43X7 beans purchased from Agri Trails.





# Low Rain = High Nitrates?

By Roger Will, Tampa Location and Feed Department Manager



The lack of rain this summer has made a huge difference on the amount of feed available this fall. The amount of feed you have for winter should be a concern, and also the quality of that feed. Before you start feeding your hay and silage this year, it would be wise to test your forages to determine their feed value and nitrate level. We have seen numerous samples with high to very high levels of nitrate. If you would like to test your hay or other feedstuffs, please give Derek Schrader a call at 785-258-0604 or stop by your local

less painful to look at this winter with cheaper grain and reasonable protein prices.

ATC has a full line of supplements available to fill your protein, energy, vitamin and mineral needs. We can supply you with bulk or bagged supplements including DDGs, corn gluten pellets, custom base mixes, several varieties of lick tubs and liquid protein. If you are interested in pricing on these or any other products, please call Roger Will in Tampa at 785-965-2221, check with Derek Schrader or talk to your local branch manager. We would appreciate the opportunity to work with you, so please give us a call.



Agri Trails location and they will pass the information on to him.

Once your forages have been tested and their nutrient levels determined, we can help you balance your rations for the winter. Derek would be glad to come out to your place or arrange a time to meet with you at your local branch. Rations should be a little

On a final note, Monika Schilling and her husband Anthony have made the decision to relocate to be closer to family. Monika has been a valuable resource for the feed department and our customers over the past few years and we wish them success as they move on to their next chapter. ■

# EMPLOYEE SPOTLIGHT

Bobbie Jo Barrett, White City Store Manager

## START DATE:

January 11, 2010

## HOMETOWN:

A lifelong resident of White City, she grew up on a dairy farm.

## PRIOR TO AGRI TRAILS:

Bobbie worked as a clerk for the town grocery store until they closed, then applied at Agri Trails.

## FAMILY:

Bobbie lost her husband, Danny, five years ago. She has three children; Ethan, 15, Lane, 13, and Elsa, 8.



## OUTSIDE OF WORK:

After work, Bobbie handles the afternoon milking at the family dairy farm. She enjoys spending time with her children, flower gardening and reading.

## HER WORK AT AGRI TRAILS:

“My favorite part of this job is the interaction with the customers. I know pretty much everyone who comes in here, and you know who to tease. If I didn’t tease my regulars, they would think I was sick. And I love my co-workers.” ■

## New Addition

# SERVES COMMUNI

For four years, White City store manager Bobbie Jo Barrett had been thinking about the possibility of making some changes at the store to better serve the community.

“Since our grocery store closed, people here have to drive 25-40 miles to go to Council Grove, Junction City or Herington,” Bobbie notes. “There was a need for having somewhere for people to shop right here for some basic

grocery items. I talked to people in the community, and then with Darel Anderson, and Agri Trails is going to try to fill that need.”

The addition underway at the store will feature an expanded selection of the basic grocery items like toilettries, canned goods, bread and pasta, that the store currently carries. This will also allow the addition of a deli case in



# A Strong Start for Co-Ag Propane



By Matt Miller, Fuel Manager

July 1 marked the launch date of our new joint venture, Co-Ag Propane. Thanks to a great response from patrons throughout our territory, business volume has exceeded our initial expectations. We appreciate your support and are excited to serve you.

To that end, we have two new Kenworth bobtail trucks delivering propane from our bulk plants in Hillsboro and Dillon. We recently hired Scott Richards to handle deliveries to customers in the northern portion of our delivery area. We're headed into the winter season with the staff and equipment in place to take care of your energy needs.

One final note: Although Co-Ag Propane is a separate business

entity, it is patronage-eligible. While it is unlikely we will pay patronage this first year due to startup costs, it is a benefit of doing business with Co-Ag that you can look forward to in future years. ■



# TY

the existing store. "I'm excited about the deli case," Bobbie states. "We'll be carrying Fanestil's Party Time ham, among other things. It's a favorite for weddings, graduations and every get together around here."

Mark Stilwell is the general contractor on the project, and work on the addition should be completed in time for the holidays. ■

**FAR LEFT:** The new addition will bring more grocery items to White City.

**MIDDE:** Bobbie Jo Barrett illustrates where the new deli case will be positioned.

**RIGHT:** The White City addition is ready for drywall.



# Sample Now, Save Later



By Jenny Whitehair, Agronomy Department Coordinator

Late fall and early winter are popular times for soil sampling farm ground. Did you know that Agri Trails offers grid sampling

in addition to standard composite sampling?

Grid sampling and the use of precision ag technology, such as variable rate application, continues to grow every year. Variable rate application is available on several pieces of our custom application equipment including dry

fertilizer trucks, air seeders and no-till planters. It is also available on our lime spreader at our Gypsum location. December through February and July through August are our busiest times for variable rate applying ag Lime.

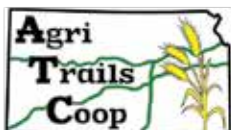
With the increase in grid sampling, we have also seen a rise in the amount of ag lime applied for growers. By grid sampling your fields, you get a more detailed result of how your pH varies across the ground and you are also able to see how nutrients like nitrogen, phosphorus and potassium vary as well.

Many times, choosing to grid sample a field—instead of pulling a single composite sample—can save enough in both the lime and the variable rate application to cover the cost of the grid sampling itself.

Winter is a great time to grid sample fields and apply lime if needed. Please contact me at 785-280-1965 or [jwhitehair@agritrails.com](mailto:jwhitehair@agritrails.com) or reach out your local ATC agronomist to discuss grid sampling and how it can benefit your operation. ■

## A REWARDING INVESTMENT. POWERED LOCALLY.

Earn a \$50 Visa® gift card for every 125 gallons of high-quality Cenex® oils, hydraulic fluids, gear lubes and greases you buy between November 1, 2018, and February 28, 2019. See us for details, and ask about the Cenex Total Protection Plan® for up to 10 years/10,000 hours of coverage. **Stop in today to earn gift cards.**



If you're interested in the bulk tote system or you want to participate in the gift card program, please call J.D. at 785-258-4239.



## SEED DISCOUNTS AND FINANCING OPTIONS NOW AVAILABLE

We are offering an 8% cash discount through Jan. 15, 2019 on our Asgrow®, DEKALB® and CROPLAN® seed. We also have:

- 2% discount and 0% interest from John Deere Financing on CROPLAN through January 15, 2019.
- Prime -1% interest and a 5% cash discount on Asgrow and DEKALB until Jan. 15, 2019.

Talk to any member of the Agri Trails seed team for details about these great options for 2019.

## BULK DEF – WE HAVE IT!

As older equipment is replaced with newer models, the market for DEF continues to grow. To meet that demand, Agri Trails Coop (ATC) has invested in the storage and dispensing equipment required to offer bulk DEF. Whether in drums or totes, ATC will be able to offer DEF at a very competitive price. The Navarre location will be home to our bulk setup, which will be operational by year end. For more information, call JD Bahret at 785-258-4239. ■

**ADDING TO THE PILE:** The last truck in the morning lineup unloads corn in Navarre.



# AGRI TRAILS Welcomes ...

## JOHN ALEXANDER

**Start date:** April 9, 2018

**Job title:** Feed Truck Driver at Carlton

**Hometown:** Grew up on a farm near Lyons, Nebraska.

**Interests:** Farming and cattle production



## JAMIE WILLENBORG

**Start date:** April 17, 2018

**Job title:** No-till Operator at Hope

**Hometown:** Belleville, Kansas

**Interests:** Going out to eat and watching movies



## STEPHANIE WOOSTER

**Start date:** June 13, 2018

**Job title:** Clerk at White City Station

**Hometown:** Woodland Park, Colorado

**Interests:** Vegetable and flower gardening



## MATTIE TAYLOR-MANION

**Start date:** August 22, 2018

**Job title:** Clerk at White City Station

**Hometown:** Gainesville, Florida

**Interests:** Cooking and crafting



## JOSH WOOSTER

**Start date:** September 25, 2018

**Job title:** Laborer-Operator at Navarre

**Hometown:** Varna, Illinois

**Interests:** Auto restoration and mud bogs



## BRYCE NORMAN

**Start date:** October 1, 2018

**Job title:** Laborer-Operator at Navarre

**Hometown:** Abilene, Kansas

**Interests:** Music, rodeo, photography and agriculture



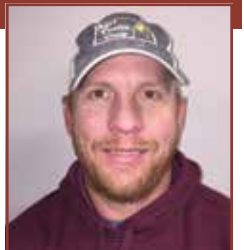
## TRAVIS MATTHEWS

**Start date:** October 15, 2018

**Job title:** Feed Truck Driver at Carlton

**Hometown:** Born in McPherson, Kansas

**Interests:** Spending time with family and coaching





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## IN MEMORIAM

In loving memory of our co-workers and friends, Lucas Hicks, Casey Schardein and Randy Rufener, who left us suddenly in August. Every day, memories of you all come to us in some small way. Though you are absent, you are always near. Still loved, missed and always dear to us as part of our Agri Trails family.



## Starting Clean in 2019

By Tanner Anderson and Cale Miller, Agri Trails Agronomists

Thanks to some welcomed late summer rains, some producers should find some decent soybean yields in their later-planted fields. Along with that moisture, we should expect a nice crop of winter annual weeds germinating this fall. We can conserve valuable spring moisture and reduce the risk of weed escapes by applying a fall burndown.

In the spring, we have all seen fields turn from green to purple from the henbit flower. Although it is a pretty sight from the road, we know it's not the best agronomic situation. Cheat, henbit, marestail and mustards are the species we target with this fall herbicide application. By coming into spring with a clean field, we can delay our first burndown and better time our residual application closer to planting. Fall-germinated marestail that bolts in the spring becomes very tough to control. An early spring burndown may be required to control marestail if a fall burndown was not made.

## PERFORMANCE TRIALS

The ATC agronomy team is constantly looking at new products and practices to help our producers' bottom lines. With the wetter weather and yield potential of the soybean crop this year, a popular topic was fungicide on soybeans.

A fungicide application at the R3 stage of beans helps increase plant health, improve stress mitigation, boost water and nitrogen use efficiencies and improve standability. Pictured here is a field of Asgrow 42X6 beans. An experimental fungicide was applied with insecticide to half the field at R3. The field will be harvested using Climate FieldView™ to show yield differences between treated and untreated and help you make decisions for 2019. Come in after harvest to see how this trial and others turned out. ■

