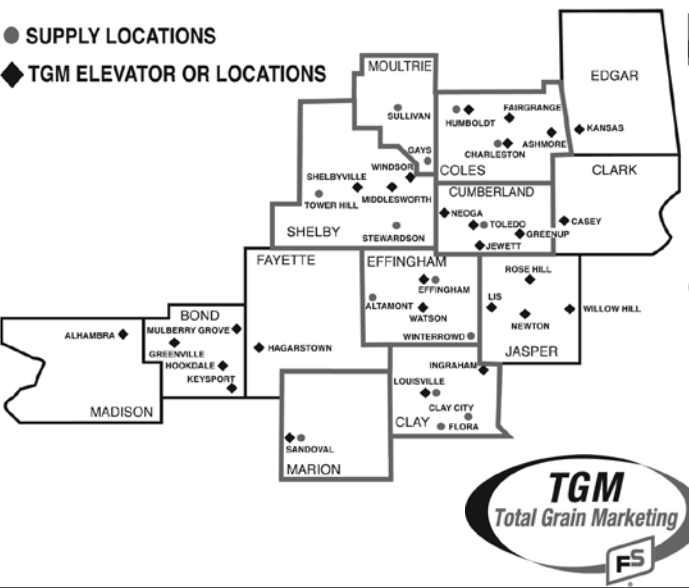




● SUPPLY LOCATIONS

◆ TGM ELEVATOR OR LOCATIONS



COUNTRY CONNECTION

www.effclayfs.com

GRAIN SCOOP: Risk vs. Opportunity



By Kim Holsapple

I am assuming you are reading this after the March 31st quarterly stocks and acreage report, which is information I do not have while writing this month's article. The one thing that I do know for certain is that no matter what the report says, the supply of old crop (2010 crop) corn and beans is going to be incredibly tight come August 31st.

As we all know the market will keep us from running out of supplies, as that is what the market does. As I mentioned last month whether it is at \$6.00 or \$10.00 the corn market has a way of rationing the available supply to get us to the new marketing year. It appears at this time it is the ethanol industry that is going to be the first to cut demand. One plant in Georgia has filed for bankruptcy while one in Texas has closed and another in Pennsylvania is in trouble. There are a couple of plants that have just been constructed that are holding off opening just because available supplies of corn are hard to get and this would cause them to

print red ink right out of the starting gate. The three plants mentioned above are all destination plants. A destination plant is a plant that is built close to the consumer of the end product. At the Georgia plant, corn is bought mostly from the Midwest and shipped in by rail. Most of the ethanol is used in the southeast, mainly Georgia. These destination plants are affected more by the high cost of transportation. This causes the raw ingredients, mainly corn, to be much higher than the average plant. The newer plants that are still being paid for are the next in line producing red ink and lastly the paid for older plants are hanging in there fairly well.

With the inverse between the 2010 crop vs. the 2011 you would think every kernel of corn will find its way to market by August 31st. But after watching the Minneapolis wheat market in 2008 go above \$24.00 per bushel and there was still wheat that did not get priced, tells me that we won't be able to squeeze all the corn out of producer's hands. We certainly will need to harvest bushels early again this year. This will happen, either by getting it planted early like we did last year or harvesting early and artificially drying it with gas.

No matter what the case, we have a lot of water to go under the bridge before the combines start rolling next fall. This will give us multiple opportunities to lock in some great prices for the 2011 crop as well as the 2012 crop. As has been the case in every bull market, something will come along to slow demand and this rally too will end. This market looks like an endless rainbow now; but like all rainbows, it will disappear only leaving us the memory of what it once looked like. Let's preserve some capital while the opportunity exists and be around in the years to come to enjoy one of the greatest occupations in the world. American agriculture!

THOUGHT OF THE MONTH

Kindness is in our power, even when fondness is not.

Samuel Johnson (1709-1784)

FAST STOP GENERAL STORE

Effingham-Clay Service Company
410 S. Willow St.
Effingham, IL 62401
217-342-9234

April Specials

Big Red Dog Food #50
\$17.99

Lil Red Cat Food 40#
\$22.99

#20 LP Grill Tank Fill
\$11.99

Coupon:

Doug McCain's BBQ Sauce 18oz
\$2.00

With LP #20 Tank Fill



Effingham-Clay will be offering the option of Even Payment for your 2011-2012 propane needs!

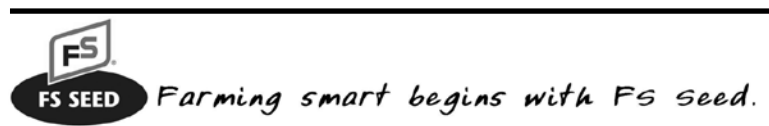
Sign-up will be held in April of 2011.

The Even Payment Program is an excellent program that will even-out your heating costs throughout the year. It is an 11 month payment program that spreads your heating costs out over the year, starting in May and ending in March.

We also offer automatic debit of your bank account for your monthly payment, which means no need to remember to write out a check each month, we will take care of it for you!

Please watch your mail for more information.

If you do not receive a packet in the mail by April 20th and are interested in signing up, please call Sara @ 217-342-9231.



Effingham-Clay Service Company renews commitment to Illinois Ag in the Classroom programs



Effingham-Clay Service Company recently renewed its commitment to agricultural literacy programs in Clay, Coles, Cumberland, Effingham, Marion, Moultrie, & Shelby Counties with a presentation of funds to the local Ag in the Classroom program. The funds are a portion of the comprehensive donation to the Illinois Ag in the Classroom program provided through the FS Seed Division.

The FS Seed Division of GROWMARK recently renewed its commitment to Illinois Ag in the Classroom programs with a check for more than \$56,000. The check was presented to IAA Foundation chairman Philip Nelson at a ceremony held November 18, 2010 in Bloomington.

“Years ago, most children, even those living in the city, still had someone in their family who lived on a farm. Now many children have lost that connection,” said Bill Davisson, GROWMARK chief executive officer. “The Illinois Ag in the Classroom program is dedicated to keeping that connection alive, and we are pleased to once again offer financial support for their efforts.”

The FS Seed Division has provided annual contributions to the Illinois Ag in the Classroom program since 2003. Effingham-Clay Service Company receives a portion of the total donation for direct grants to fund local programs. This year’s contribution brings the seven-year total to more than \$405,000.

The IAA Foundation was established in 1987 to support educational, research and charitable activities which benefit agriculture, Illinois farm families, and county Farm Bureaus. Illinois Ag in the Classroom provides agriculture-based curricula for K-8 students and teacher training. The IAA Foundation supports Illinois Ag in the Classroom programs through a variety of annual fundraising and donations such as the one from FS Seed.

GROWMARK is a regional cooperative providing agriculture-related products and services, as well as grain marketing in 31 states and Ontario, Canada. GROWMARK owns the FS trademark, which is used by affiliated member cooperatives. The FS brand represents knowledgeable, experienced professionals acting with integrity and dedication to serve more than 100,000 customers. More information is available at www.growmark.com. For more information, contact Gerald Witges at Effingham-Clay Service Company 217-342-9231.



Clay County F.B. Manager Keri Ulm (left), Joe Goodman (center) & Tracy Heurman (right), Effingham-Clay.



Coles County F.B. Manager Mary Cox and Mike Lemmon, Effingham-Clay.



Cumberland County F.B. Manager Sara Siefker and Pat Meinhart, Effingham-Clay.



Effingham County F.B. Manager Julie Stephens, Steve Mette (center) & Randy Bloemer (right), Effingham-Clay.



Marion County F.B. Manager Gary Kennedy (left) and Alan Mosler, Effingham-Clay.



Moultrie County F.B. Manager Kara Kinney, President Paul Roney (center) and Brandon Laue, Effingham-Clay (right).



Shelby F.B. President Robert Hemer (left) and Jason McKay, Effingham-Clay (right).



Comfort Pro by FS marketing booth at Salem March 5 & 6, 2011

Comfort Pro by FS (Effingham-Clay Service Company) booth at the Salem Home show displayed the many products we offer our customers. Thank you to everyone who stopped by to see us. The winner of the Collector’s Item toy propane truck was Lisa McConnaughay & son Jonathan.



Ron Kaufman, Southern Propane Sales 217-663-6698.



Left to Right: Nick Walsh, Effingham-Clay, presenting prize to Lisa McConnaughay and her son.



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Altamont Overhead Door-Division of Effingham-Clay Service Company



All of our doors are manufactured in Illinois!





Fly Control in Cattle

By Tom Deters, FS TLS Feed Marketing Mgr.

The most effective fly control around cattle and premises is prevention. Starting an effective fly control program needs to be implemented 30 days before the targeted flies appear. Flies causing the most economical losses on pasture cattle are horn and face flies. These two flies cause the most economical damage to cattle because of the blood sucking nature of the horn fly and the spreading of pink eye from the face fly.

Controlling these two main fly pests is relatively easy if started early, using a larvacide in the mineral program. Horn and face flies only lay their eggs in fresh manure. The pictures below show how using **Altosid** stops this life cycle. **Altosid** is extremely safe to the environment and offers the producer 7 to 1 payback in weight gains and feed efficiencies. (A 7 to 1 payback for corn growers, would mean corn would have to sell for \$42/bushel.) A NEW product offered in 2008, called **Clarify** and used in TLS dairy farms in 2010 has become quite a hit. **Clarify** is a larvacide designed to be fed to dairy and confinement cattle to control house and stable flies. TLS is also one of a few companies in the Midwest to have **Clarify** available in milk replacers to control those house flies commonly found around calf barns and hutches. Putting **ClariFly** in the feed, early before the flies appear can help control these pests. **ClariFly** and **Altosid** are only preventative larvicides. Once flies appear you must use premise insecticides.

Before you see those daffodils blooming, talk to your FS Total Livestock Specialist about how to feed **Altosid** or **ClariFly** and control those pesky money robbing flies.

The House Fly & Stable Fly Life Cycles

- A single female may lay 400-600 eggs in fresh manure or other organic material in her lifetime.
- Depending on species of fly and climate conditions, the egg to adult cycle takes 10-14 days (house flies) and 28 days (stable flies)

The Horn Fly Life Cycle

- A single female may lay 400-500 eggs in fresh manure in her lifetime
- The egg to adult cycle takes 10-20 days depending on the climate.

ALTOSID IGR FEED-TUB

Altosid® IGR Solution

Altosid is ingested as mineral or feed, carried in their manure.

Adult horn flies live 2 to 4 weeks, taking 20 to 30 blood meals per day.

1 to 2 days, eggs hatch into larvae. After 3 to 5 days, larvae molt into pupae.

Female flies leave the animal for a few seconds to lay eggs in fresh manure less than five minutes old.

Altosid breaks the life cycle here, preventing pupae from molting into adults.

ALTOSID IGR FEED-TUB

Cattle, Spring, & Daffodils

By Tom Deters, FS TLS Feed Marketing Manager

As the snow melts on the north side of the outbuildings and the daffodils start cautiously emerging from their annual slumber, it is time to start thinking about cattle grazing on pasture. Grass pastures provide economical forage for the beef cow herd, but they need to be supplemented with a simple, economical mineral and vitamin program. FS Total Livestock Services offer three different mineral programs to match the flexibility needed for different production needs.

Program I – FS Table-Steaks Mineral: FS Table-Steaks is a loose mineral maximizing a balanced nutrition program of 14 essential minerals at an economical cost. Table-Steaks vitamin package is designed to support an enhanced immune system along with high reproductive performance. Consistent consumption comes from the high quality ingredients formulated along with palatability enhancers. FS Table-Steaks is designed to be fed free choice in covered mineral feeders or hand fed at the 2.5 oz feeding rate.

Program II – Rangeland Weatherized Mineral: Rangeland Mineral is a loose mineral maximizing a balanced nutrition program similar to FS Table-Steaks. The difference between Rangeland and Table-Steaks is the design package. Rangeland is a weatherized mineral designed to minimize feed losses in areas where weather could cause blowing or wet feed. Rangeland uses coarse texturing and enhancers to assure proper consumption of its 2 oz package.

Program III – Rangeland Mineral Tubs: Rangeland Mineral tubs are the ultimate in feeding flexibility and convenience. Rangeland tubs come in their own mineral feeders, a non-returnable 225# plastic tub. R.L. Tubs provide minerals, vitamins and cooked molasses in a low moisture tub enhancing consistent animal intake. The saliva produced from the cows licking the molasses tub, aids in forage digestion of grassland cattle, supporting a very efficient total nutrition package in 6 oz. of consumption.

These three programs come in a multiple of style and choices revolving around the needs of high fescue pastures, early season grass tetany, anaplasmosis, breed back challenges, and fly control. Talk to your FS Total Livestock Specialist about which program works best for you.

Effingham General Store 217-342-9234 or (toll free) 1-888-374-2748.



Jeremy Pruemer, Grass Cow Specialist.



Jason Propst, Swine Enterprise Specialist.



Ashley Sayers, Swine Enterprise Specialist.



Phil Westendorf, Dairy & Beef Enterprise Specialist.



Livestock Gross Margin Insurance - Dairy Cattle

LGM Dairy Cattle (LGM Dairy) provides protection to dairy producers when feed costs rise or milk prices drop. Gross margin is the market value of milk minus feed costs. LGM Dairy uses future prices for corn, soybean meal, and milk to determine the expected gross margin and the actual gross margin.

A **premium subsidy** is available for those policies that insure multiple months during the insurance period. The subsidy amount is determined by a dollar deductible.

To enroll, producers must sign up on the **last business Friday** of the month. The producer must also submit an application with a target marketings report for the milk and corn and soybean meal equivalents.

Prices for LGM Dairy are based on simple averages of Chicago Mercantile Exchange Group futures contract daily settlement prices, and are **not** based on the prices the producer receives at the market.

The insurance period contains the 11 months following the sales closing date.

The premium is due at the end of the coverage period. LGM premiums depend on each producer's marketing plan, coverage selected, deductible level, and futures and price volatility.

For more information call:



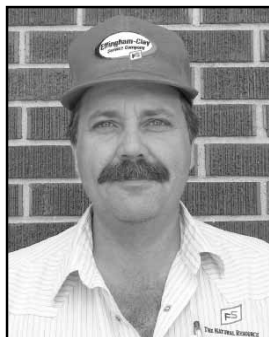
Tony Deters, Crop Insurance Specialist. 217-240-0143



Phil Westendorf, Dairy & Feedlot Specialist. 217-254-4121



Tom Deters, FS TLS Feed Marketing Manager. 217-254-2136



Stan's Safety Section: *Safe Chemical Application on Field Crops*

By Stan Joergens

Effingham-Clay Service Company recently had our annual refresher training on Safe Chemical Application on Field Crops for all of our Crops Employees and Salespeople. All of our Custom Applicators are tested and licensed as operators by the Department of Agriculture and all of our facility managers are licensed as applicators by the Department of Agriculture. We also have had several of our operators and applicators attend specialized training through GROWMARK Pro App and with the Illinois Fertilizer and Chemical Association. Now with this all inclusive training to all crops employees, we have also expanded the training to the employees that deliver the product and also the employees that work as Sales Administrator Assistants at the crops locations. This extra effort on our part is to expand the professional knowledge of Safe Chemical Application and delivery to our custom applicator rigs that are out there to apply and serve our customers crop production needs. The initial training was held at four different times at two locations to make sure all of the crops employees had an opportunity to attend. The session was also videoed for the purpose of further training new and temporary employees that expect to work in the crops area this spring and summer.

Effingham-Clay Service Company is constantly striving to improve efficiency, productivity, and especially professional services to our customers.

All employees of our companies want to express to all of our Farmer Customers to take time to practice safety in their farming operations this spring and have a productive planting and growing season.



Charleston FFA Farm Safety Program

February 9, 2011 Total Grain Marketing LLC (TGM) at the Charleston facility donated a check to the Charleston FFA to financially assist them in their endeavor to host a Farm Safety program.

The Charleston Facility had just recently won \$500 from the Safety Committee of TGM, which was the result of their ongoing safety observations and safety recommendations that were submitted and acted on at their facility.

The money that they won could have been used at their facility and divided among their employees or used for things such as buying lunch for the employees, but they decided to make better use of the winnings by donating a portion of the money to support their local FFA in their endeavor to promote safety in their area farming chapter.

Total Grain Marketing is proud to be a supporter of the local FFA and 4-H groups in our area and is excited and eager to help them in promoting safety to the farming industry in our trade territory.



Left to right: Cassie Carson, Brooke Homann, Logan Burgett, Jon Thomas, (TGM, Charleston Manager Richard Vail) Ben Oakley, Jerad Ferguson and Teacher Mrs. Niemerg.



Roundup Ready Alfalfa Update

After 4 years of waiting, the USDA has published their "Intent To Deregulate" Roundup Ready alfalfa. The USDA completed the Environmental Impact Statement and has announced a full deregulation. This means that farmers can plant Roundup Ready varieties anywhere they choose. In an earlier statement, the USDA talked about a possible limited deregulation which would have imposed planting restrictions on many areas west of the Mississippi River, including Iowa. The decision to deregulate without limitations is good news for alfalfa growers and makes a positive statement about genetically modified crops, as well.

WL Research and Forage Genetics International, WL's parent company, are coating and bagging seed as quickly as possible. The FS System will have a very good supply of seed, especially WL 355RR. The court ruling that stopped the sale of Roundup Ready alfalfa in 2007 did not stop seed production, so we will have good supplies of good quality seed. In addition to WL 355RR, we will offer WL 350LH.RR and WL 367HQ.RR. WL Research is the only company to offer stacked trait varieties in 2011. Supplies on these unique varieties are somewhat limited. As with Monsanto-traited corn or soybeans, farmers will need a Monsanto Technology Agreement on file to purchase Roundup Ready alfalfa.

Bags and promotional materials will prominently display the Genuity logo. All Roundup Ready alfalfa will be coated with a purple color, just as it was in 2006. In addition, WL varieties will be coated with "The Gold Treatment Plus." This seed coating improves germination, promotes early nodulation, and stimulates seedling growth. The "Plus" in Gold Treatment Plus is an extra amount of LCO Promoter to further stimulate plant growth and nodule formation. Alfalfa seed is expensive. The Gold Treatment Plus enhances stand establishment reducing stress on young seedlings.

Even with all of the excitement, as an industry, we need to be prepared for possible legal action by organizations opposed to genetically modified crops. In order to be prepared, Monsanto has decided to collect the GPS coordinates for all fields planted to Roundup Ready alfalfa planted in 2011. This will allow Monsanto and FGI to quickly address issues raised by organic alfalfa producers and others. We are working with Monsanto and WL Research to make this as easy as possible on members and farmers.

Farmers that planted Roundup Ready alfalfa in 2006 were extremely pleased with its performance. Grower surveys showed a very high satisfaction level. It is our belief that there is a large pent-up demand for this product across all three states.



Comfort Pro by FS marketing in booth at Effingham Home Builders Show February 12th & 13th

Comfort Pro by FS (Effingham-Clay Service Company) booth at the Effingham Home Builders show displayed the many products we offer our customers. Prizes and other give-a-way items were at the booth. Two of our winners won \$50 gift cards.



Travis Kreke (left) Effingham-Clay and \$50 Gift card winner Brett White (right).



Travis Kreke (left) Effingham-Clay and \$50 Gift card winner Doug Hille (right).