

THE MIDWEST

BIO-TECH NEWS

PUBLISHED QUARTERLY

MARCH - JUNE - SEPTEMBER - DECEMBER

Email: info@midwestbioman.com Homepage: www.midwestbioman.com

March, 2007

CELEBRATING OUR FIFTEENTH MARCH NEWSLETTER

As we get older, it becomes easier to see just how quickly time can pass, especially when you reach a birthday, anniversary, or some other significant milestone in time. This month, we are passing one of these milestones as we write our fifteenth March newsletter. We printed the first quarterly issue of the Midwest Bio-Tech News in March, 1993, in response to the growing number of product information requests that we received from our users. Although we had been involved with different agricultural businesses for more than 30 years at that point, we did not have any experience with writing or publishing a quarterly newsletter. So, we decided to give it a try for a while and see if it worked out. Fourteen years later, we are still printing the newsletter because we find that this is one of the most effective ways to communicate our latest information. Of course, things continue to change, and we recently expanded the coverage of the newsletter by posting it on our webpage and sending it by email.

Over the years, we have shared a lot of yield data and other product information in the newsletter, including some of our own personal experience. For example, our first experience with biological products goes back to 1978 when we were still farming. I had heard about the products from a friend who explained how we could reduce fertilizer applications while increasing crop yields. I was very skeptical because the story sounded too good to be true, but we decided to test the claims in replicated field plots on our own farm.

We conducted the research in a 40 acre corn field that was divided into four blocks, and each block was divided into four test plots: one plot with the full fertilizer rate and no biological products, one plot with the full fertilizer rate and the products, one plot with the half rate fertilizer and the products, and one plot with the half rate of fertilizer without the products. The plots received the same fertilizer and biological treatments each year. We also tested the soil before starting the field research, and the full fertilizer rate was based on the soil lab recommendation (168 units of N). We repeated the soil tests after each harvest, and the tests were sent to the same lab.

In 1979, the highest average corn yields were in plots with the full fertilizer rate and the products. This outcome is consistent with our experience because it can take more than a year to realize the full benefits of biological treatments. In the next three years (1980, 1981, and 1982), the highest average yields were in the treated half rate plots, which had only received 84 units of N per year. By 1982, the treated half rate plots averaged 176 BPA of #2 corn, which was 8 BPA better than the treated full rate plots. The soil tests also showed that the available soil nutrients in the treated plots remained about the same over time, even in the half rate plots.

The test results were so convincing that we ended the field trials after 1982 and started marketing the products full time. Although lots of other companies have come and gone since 1982, we are still here helping you to improve your soil and your bottom line.

MORE CORN IN 2007? WHAT WILL IT COST YOU?

If you pick up a recent newspaper or magazine, you are likely to see lots of articles about ethanol and the price of corn. However, based on the chats I have had with people at the winter farm shows, I think most farmers are now more concerned about the deeper issues that will affect their net returns for 2007, especially the potential impact of planting more corn this year. Although the market signals clearly indicate that shifting bean acreage and other land into corn should be a profitable decision, we have to remember that there are some possible drawbacks.

First, the current grain market analysis points to continued high prices for corn, but we all know that this is not guaranteed to last forever. We have to make sure that we don't get over-extended by pushing costs up too fast while trying to reach for higher yields. For example, one of the recent farm papers reported on a presentation delivered by a sales rep for one of the crop input companies. The speaker urged the farmers in the audience to target corn yields and prices that earn \$1,000 gross revenue per acre in the coming year. While this may be possible if the current price situation continues, what will it cost to earn this kind of revenue? We heard reports that land rents in some areas are already up another \$30-40 per acre from last year, and most input costs are sure to remain high. Also, what happens when corn prices drop back to lower levels? Can you still turn a profit if you aim high but per-acre gross revenue comes in at \$500 to \$600 (or less)?

Second, farmers have been talking to us about the additional problems of planting more corn acres, including problems related to residue management. We have heard lots of reports from people who experienced more trouble working their soil and planting their crops in 2006 due to heavy residue from the previous crop year. The residue problems seem to be especially difficult to handle if the previous crop was Bt corn, which tends to have an extra heavy stalk.

Third, people are thinking ahead to 2008 and wondering how the shift to more corn could affect their operations in future years. The farm papers have already printed several articles about the factors related to the switch from corn-soybean crop rotations to continuous corn. Much of the attention focuses on the drop in corn yields that tends to occur after moving away from a rotation that includes legumes like beans. We also know that soybean yields tend to be lower after continuous corn, and part of this is due to the presence of excessive amounts of heavy corn residue. For example, recent agronomy research shows that soybean yields are about 5 BPA higher if the preceding corn crop was chopped for silage and most of the corn residue was removed from the field. There is related agronomy research on bean-after-corn yields that extends back over 20 years, and much of the work shows a similar negative impact of corn residue on soybean yields. What happens in 2008 if the market signals reverse and you want to shift acreage back to soybeans or some other crop?

As we have always told people, we are not in the business of telling you how to run your farm. We are here to help you make the most from the cropping decisions you want to take, including helping you manage the potential challenges associated with planting more corn in the coming year. The Chandler Crop Products are designed to improve yields while making better use of soil nutrients or applied nutrients. Chandler Soil helps to make soil nutrients available to the plant so you can reduce or maintain fertilizer application rates while generating higher crop yields. Our long-term users of Chandler Soil also highlight the importance of using the product every year in order to build soil tilth and reduce soil compaction, especially in fields planted to continuous corn. Chandler Biocat 1000 works to break down crop residue that can hamper tillage operations, harbor pests, and limit plant growth. The product also works to release nutrients from the residue that can be used to support growth of the next crop.

TAPPING INTO THE POTASH IN YOUR CORN FIELDS

The amount of corn residue left in fields has increased over the past few years for a number of reasons, including higher plant populations and heavier stalks (especially for Bt corn). We used to figure that the average corn field had 5 tons of residue per acre after harvest, but most corn fields now have at least 8 to 10 tons per acre. This amount of corn residue contains about 200 units of nitrogen, 74 units of phosphate, and 300 units of potash that can be released for the next crop if the residue is left in the field and broken down. By using Chandler Biocat 1000 after harvest, you can release the nutrients back to the soil and reduce your need for commercial fertilizer.

Many Biocat 1000 users report that they were applying 250-300 units of potash each year before they started to use Biocat 1000. After using the product, many users have not had to apply any commercial potash because they recover enough nutrient from the residue in their fields. For example, a producer from Eastern Iowa tested his soil just before he started using Biocat 1000, and the amount of K₂O required was 135 to 155 units per acre across his three fields. He then used Biocat 1000 for the next three years and tested the soil again. The new soil tests showed that the required K₂O levels dropped to 0 to 60 units per acre in the same fields. The producer became a long-time user of Biocat 1000 and the other Chandler products, and he credits the products for the sharp drops in his potash needs and his fertilizer bills.

LATEST NEWS ON CHANDLER DRY SEED TREAT

As we first announced in the December, 2006, issue of the newsletter, we had to raise the prices for Chandler Dry Seed Treat as of November 1, 2006, due to higher costs of the dry ingredients. This cost increase did not affect the liquid Chandler products, and these prices remain the same as last year.

Despite the higher price, Dry Seed Treat remains to be very cost-effective due to its many benefits, including faster seedling emergence, more robust early plant growth, and higher yields (complete details on the product benefits are posted at our website, www.midwestbioman.com). We have also received many reports about good product performance during 2006. For example, some of our users farm in areas that had a lot of rain last spring (especially Central Indiana), and they reported no trouble with emergence or plant growth in the cold and wet soils while some of their neighbors had to replant much of their corn acreage.

APPRECIATION DINNERS

As in previous years, we will host our traditional Appreciation Dinners throughout the month of March. We do not have a formal presentation or meeting, and the schedule is open so you can arrive at your convenience. We will furnish a meal to show our appreciation for your business, and we will be happy to answer your questions about Chandler Crop Products. Also, please let us know in advance if you want to pick up your product at the dinner in order to save shipping charges, which UPS increased by 4% on January 1, 2007.

Invitations will be sent to all current users in areas where we do not have an active dealer, and the areas are listed below. If you would like to attend, please call us at (309) 659-7773, fax us at (309) 659-7827, or send email to info@midwestbioman.com to find out the date, time and specific location for a dinner near you:

- Gilman, Illinois
- Preston, Iowa
- Calmar, Iowa
- Oelwein, Iowa
- Davenport, Iowa

IF YOU HAVE AN UPDATED ADDRESS THAT IS DIFFERENT FROM THE ONE ON YOUR ADDRESS LABEL, PLEASE SEND IT TO US OR GIVE US A CALL SO IT CAN BE CHANGED FOR FUTURE NEWSLETTERS.

Midwest Bio Tech, Inc.
Box 156
Erie, IL 61250
(309) 659-7773

Address Service Requested

PRE-SEASON DISCOUNT PRICE PROGRAM

We have enclosed a copy of the full price list and shipping cost schedule under our "Special Pre-Season Discount Program." As we note inside the newsletter, we had to raise the Chandler Dry Seed Treat price as of November 1, 2006, due to higher costs for the dry ingredients, but the regular retail and pre-season discount prices for all liquid Chandler Crop Products are the same as last year. The 4% March discount runs through the last day in March, 2007, and the regular retail prices for all Chandler Crop Products go back in effect on April 1, 2007. As always, we provide freight-free shipping on all orders over \$800, and you can avoid shipping charges if let us know in advance that you want to pick up your order at one of the Appreciation Dinners.

RECEIVE YOUR NEWSLETTER BY EMAIL

Over the past year, several people have elected to receive their newsletter by email. If you would like to receive the June, 2007, newsletter electronically, please send email to info@midwestbioman.com, send a fax to (309) 659-7827, or call us by telephone at (309) 659-7773. As we state in our privacy policy, we will not use your email address to send unsolicited promotional materials, and we will NEVER provide your email address to any third party without your permission.

We also included a special insert in the December, 2006, newsletter that allowed our readers who are not current users to continue receiving the newsletter by postal delivery or email. If you know of someone who would like to receive the newsletter but did not return the insert, please let us know.

**2006-2007
SPECIAL PRE-SEASON DISCOUNT PROGRAM
for
CHANDLER CROP PRODUCTS**

ORDER FORM
MIDWEST BIO-TECH, INC.
P.O. Box 156 – ERIE, IL 61250
Phone 309-659-7773

<u>Chandler Products</u>	Retail	Mar.	Feb.	Jan.	Dec.
15# Bkt Dry Seed Treat	150.00	144.00	140.00	135.00	132.00
2 to 5 Bkts - Per Bkt	145.00	139.00	135.00	131.00	128.00
6 or more Bkts - Per Bkt	140.00	134.00	130.00	126.00	123.00
(Each Bkt will treat about 60 Bu. or units of seed)					
Gal Liquid Seed Treat	125.00	120.00	116.00	113.00	110.00
2½ Gal Liquid Seed Treat - Per Gal	120.00	116.00	112.00	108.00	106.00
- Per 2½ Gal	300.00	290.00	280.00	270.00	265.00
30 Gal Liquid Seed Treat	110.00	106.00	102.00	99.00	97.00
(Each gallon will treat about 64 Bu. or units of seed)					
Gal Soil	92.00	88.00	86.00	83.00	81.00
2½ Gal Soil - Per Gal	90.00	86.00	84.00	80.00	78.00
- Per 2½ Gal	225.00	215.00	210.00	200.00	195.00
30 Gal Soil	82.00	79.00	76.00	74.00	72.00
Gal Biocat 1000	90.00	86.00	84.00	80.00	78.00
2½ Gal Biocat 1000 - Per Gal	88.00	84.00	82.00	78.00	76.00
- Per 2½ Gal	220.00	210.00	205.00	195.00	190.00
30 Gal Biocat 1000	80.00	77.00	74.00	72.00	70.00
Note - Biocat 1000 is a cellulose digester					
Gal Foliar	112.00	108.00	104.00	101.00	98.00
2½ Gal Foliar - Per Gal	109.00	105.00	101.00	98.00	95.00
- Per 2½ Gal	272.00	262.00	252.00	245.00	237.00
30 Gal Foliar	100.00	96.00	93.00	90.00	88.00
<u>Chandler Organic</u>					
Gal Organic	105.00	101.00	98.00	95.00	92.00
2½ Gal Organic - Per Gal	100.00	96.00	93.00	90.00	88.00
- Per 2½ Gal	250.00	240.00	233.00	225.00	220.00
30 Gal Organic	90.00	86.00	84.00	80.00	78.00

Chandler Organic can be sprayed on the soil or as a foliar on plants

Dry Seed is priced per bucket, **the rest of the products are priced per gallon.**

A – The 12% December discount will terminate at midnight on January 6, 2007

B – The other three months discounts will terminate the last calendar day of the month at midnight

C – Customer must pay for product within the specified month to get that month's discount

D – You may take delivery of the product at time of payment or we can store it for you until spring

E – Prices are subject to change

F – All prices are F.O.B. Erie, IL

Name _____
(please print)

Address _____

City _____ State ____ ZIP _____

Phone _____ - _____

Qty.	Products	Unit	Price
	15# Bkt Dry Seed Treat		
	Gal Liquid Seed Treat		
	2½ Gal Liquid Seed Treat		
	30 Gal Liquid Seed Treat		
	Gal Soil		
	2½ Gal Soil		
	30 Gal Soil		
	Gal Biocat 1000		
	2½ Gal Biocat 1000		
	30 Gal Biocat 1000		
	Gal Foliar		
	2½ Gal Foliar		
	30 Gal Foliar		
	Gal Chandler Organic		
	2½ Gal Chandler Organic		
	30 Gal Chandler Organic		

PRICES SUBJECT TO CHANGE WITHOUT NOTICE **Product Total** _____
UPS Shipping _____

TOTAL AMOUNT ENCLOSED _____
WHEN YOU WOULD LIKE DELIVERY OF THIS PRODUCT _____

All orders over \$800.00 will be shipped Freight Free
All orders under \$800.00 add the following UPS fee

Each 15# Dry Seed - \$9.00

Each Gal of Product - \$8.00

Each 2½ Gal of Product - \$10.00

Enclose Check or Money Order

Payable to Midwest Bio-Tech, Inc.

THANK YOU FOR THIS BUSINESS!