

# THE MIDWEST

# BIO-TECH NEWS

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## **CROP PROGRESS IS GOOD, PRICE OUTLOOK IS MIXED**

At the time I wrote this issue of the newsletter, the latest USDA crop progress report was just issued on May 17, and the current progress of the 2010 corn and soybean crops looks pretty good so far. Overall, the corn and bean planting rate is running ahead of the five-year average in all of the Midwestern states except North and South Dakota. Although very little of the US corn and bean crop is rated as being in excellent condition, most of the corn and bean acres are in at least fair to good condition.

Of course, USDA won't issue their first hard estimates of the corn and bean yields until mid-August, but they have already projected yields based on the recent trends. In particular, the 2009 national corn yield is expected to be about 164 BPA, which is down a few bushels from the record yield set in 2009. The projected national bean yield for 2010 is currently set at 43 BPA.

The main changes in expected corn and soybean production for 2010 are due to the shift of US acreage from soybeans to corn. The projected US harvested corn acreage is 81.8 million acres, which is up about 2.2 million acres from last year. However, only about half of this acreage gain comes from beans. The projected US soybean acreage is 77.1 million acres, which is only 1 million acres lower than in 2009. Given these estimates of the harvested acreages and crop yields, the US corn crop is expected to be 13.4 billion bushels in 2010, and the expected soybean crop is about 3.3 billion bushels for the current year.

As in most years, we still have quite a bit of uncertainty about the future direction of corn and bean prices. In addition to the potential impact of summer weather on 2010 harvested acreage and crop yields, the market analysts are still trying to sort out the general direction for crop exports. At this time, the world soybean import and export levels are expected to increase modestly relative to the 2009 bean trade. However, old-crop US soybean exports are on pace to reach record-high levels, and new-crop exports of beans, soy meal, and soy oil are expected to decline. Given that US bean production is expected to decline by just 50 million bushels from 2009, the declines in expected domestic use and exports mean that bean inventories should increase as we move into 2011. In fact, the current USDA projections indicate that bean stocks may double by the end of next year. The US soybean price is expected to be \$8 to \$9.50 per bushel in the coming year, which is well below recent levels.

The US corn export situation is also a bit uncertain due to several factors, including China. The early market analysis for the coming year assumed a decline in Chinese corn imports, but there have been recent rumors about increased Chinese buying due to bad weather and low corn production in the country. After considering all factors, the USDA projected corn price is \$3.20 to \$3.80 per bushel for the coming year, and the market consensus is looking at about \$3.60 per bushel at this time. As usual, these projections will be old news if there are any major changes such as weather problems or more bad news from Europe.

## RECENT FEEDBACK FROM CHANDLER USERS

During the winter and spring, I visited with many users of Chandler Crop Products while attending farm shows or customer appreciation dinners or over the phone. We have always received a lot of positive feedback on the products in the past, but we got more enthusiastic reports about field performance during the 2009 crop season than ever before. Almost all of these folks reported uniform stands and strong crop yields despite the cool and wet weather that prevailed during most of last crop season. Although many of these folks were willing to provide their names or other personal information, we have decided to uniformly follow our privacy policy and not publish any identifying information about our users in order to provide as much of this useful information as possible to you:

- One of the most common comments we hear is that people are happy that we stress the need to use Chandler Soil on any field for at least three years in order to see the full benefit of the product. Nearly every new user tells us the same thing after the third year --- they see some benefit after one year, there are more and bigger benefits during the second year, and the changes are largest during the third year. The plant structure and appearance is noticeably better, the soil is easier to till, the root systems grow deeper, and field drainage is much better. Most users report little or no ponding or standing water, even in wet years, and they no longer have to farm around previous wet spots. Their plants show less stress during extreme weather, and their crop yields improve each year after starting to use Chandler Soil.

- One user reported that he ran out of Dry Seed Treat while planting soybeans, and he did not take time to order another bucket so he could finish planting. By harvest time, he noticed a definite difference in the bean plants, and there was a 5 BPA drop in bean yields in the part of the field where he did not use the Dry Seed Treat. He told us that he won't plant without the product again.

- Another farmer has used Chandler Soil for over five years, and he told us that the only water that ran on his farm came from the neighbor's field. He observed that all of the rainfall penetrated the soil on the spot due to the improved soil structure.

- A new user of Chandler Dry Seed Treat told me that he could not believe the uniform corn and bean stands in his fields. His corn plant population at harvest time was exactly the same as the planted rate.

- One user reported a 16 BPA increase in his soybeans after using Soil, Dry Seed Treat, and Foliar for the past three years.

- Each spring, a corn farmer applies Biocat 1000 at the 16 ounce per acre rate. His corn yields are routinely 200 BPA or higher, and he reports that there is very little residue left in the field by harvest time.

- We have two separate users who apply both Soil and Biocat 1000 at the 16 ounce per acre rate in the fall, and they have done this for the past several years. This spring, both farmers reported to us that they had a thick growth of mushrooms in some of their fields. All species of mushrooms are types of fungus that require lots of organic matter and moisture plus a healthy, non-toxic, and productive soil in order to grow. Anymore, we only tend to find mushrooms in timbers where chemicals have not been applied and there are lots of decaying leaves and wood. However, these examples indicate that mushrooms can grow in fields where the Chandler Crop Products help to increase the amount of biological activity and organic matter in the soil.

- One of these farmers also reported that the mushroom stands were thicker near the gravel road that runs past the field. This made sense to us because the limestone gravel dust is a source of calcium, which is converted to a form that the plants can use through the biological activity in their soil.

- Several users told us that they have cut pesticide and other crop input costs by using Chandler Crop Products. In some cases, they cut their herbicide application rates by up to 50% while still seeing consistently better weed control.

## **2009 CORN YIELD RESULTS FOR DRY SEED AND SOIL**

Some of our long-time Chandler users plant seed corn plots with the various seed companies around the Midwest, and they share the plot reports with us each year. Given that these field plot results are public information, we can share the details of these test plot reports with you.

Ron Balichek of Oxford Junction, Iowa, has used Chandler Crop Products on his farms for several years, and he had a seed plot for Cornelius Seed Company in 2009. There were 13 different Cornelius numbers planted at a rate of 34,000 seeds per acre in the plot, and all seeds were treated with Chandler Dry Seed Treat. The field was planted to soybeans during the previous year, and it has also been treated with Chandler Soil for the past several years. Ron's corn plot was planted on April 23 and harvested on October 5, 2009.

Rick Bauer of Lamoille, Illinois, has also used Chandler Crop Products for several years, and he had a seed plot for Kruger Seed Company that also included hybrids from Agrigold, Croplan, and Dekalb. All of the plots were planted at 29,500 seeds per acre and were treated with Dry Seed Treat and Soil. Rick's field was planted on May 12 and harvested on November 12, 2009.

Although these seed plots were several hundred miles apart, there are two very similar patterns in Ron's and Rick's plot results. First, the corn yields were all very uniform despite the weather challenges in 2009. Ron's Cornelius seed numbers had yields that ranged from 235 to 292 BPA, and Rick's yields ran from 182 to 223 BPA. Also, both seed corn plots had test weights in the 50-57 pound range, which was relatively high for last year. Second, both of the plots generated very high corn yields with limited nitrogen (140-150 units of N), which is not unusual for these farmers. Both Ron and Rick have been using the Chandler Crop Products to help cut their fertilizer and pesticide application rates for the past several years.

## **CHANDLER FOLIAR**

An increasing number of farmers are using Chandler Foliar as a part of their foliar crop feeding program. Foliar is a liquid plant food that contains nitrogen and other organic compounds, micronutrients, and biostimulants. The micronutrients in Foliar are chelated to make them more readily available to the plant, and the biostimulants are organic compounds that increase nutrient availability and uptake, accelerate plant growth, and enhance plant vigor and yield. The product can be applied to most crops, and we have seen excellent results with properly timed applications on alfalfa, soybeans, and small grains.

For soybeans, Foliar helps to generate higher bean pod count and fill, test weight, and yields. Many users add Foliar to the tank when they make their first or second post-emergence chemical application, but other users prefer to make a separate Foliar application about three days after they spray chemicals to help the plants recover from the stress brought on by the chemicals. Also, treatments applied later in the season tend to provide more benefits.

For alfalfa and other hay crops, Chandler Foliar helps to enhance the photosynthesis process, which leads to quicker plant growth after each cutting and increases hay nutrient content. The product is usually applied to alfalfa fields as soon as there is enough new plant growth to receive the spray after the first and third cuttings.

Chandler Foliar may be applied by itself or in a tank mix, and it is compatible with most liquid fertilizers and pesticides. Foliar should be applied with enough water (10-20 gallons per acre) to provide good coverage, and the product may be applied with newer spray equipment that uses lower water flow rates. Chandler Foliar costs \$5.33-8.75 per acre (depending on the application rate).

In summary, Chandler Foliar helps to build on the initial plant growth that is stimulated by Dry Seed Treat and Soil. The product also helps plants overcome early and mid-season stress like drought, wet weather, extreme temperatures, and pests.

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## **NEWS ARTICLE ABOUT MIDWEST BIO-TECH**

Since 1994, we have used the same white Chevy Astro Van to make deliveries and to transport product and supplies to the farm shows and customer appreciation meetings. We purposefully do not have our company name or logo on the van, and many people say that they appreciate this because they don't want the neighbors to know where they are buying the products that given them the competitive edge. However, many of our long-time users now recognize the van and occasionally ask us about it because they know we have had it for several years. Recently, the van odometer rolled over 400,000 miles, and our local newspaper (*The Review*) ran an article that featured us and the automotive repair business in Erie where we get the van serviced.

As I explained in the article, I bought the van in 1994 as a low-mileage GM program vehicle. Although we recently had to replace the transmission, the engine has never been touched, does not burn any oil, and still gets good gas mileage. People always ask me when I plan to trade vans, but Chevy discontinued the Astro Van and there is not another comparable vehicle on the market. I have also owned enough used vehicles over the years to know that I might not gain much (and could do a lot worse) by trading at this time.

In my opinion, the key reason this van is still on the road is that I have always had it regularly serviced every 3,000 miles, and the work has always been done by Alan Bush and his staff at Alan's Automotive Service in Erie. We have known Alan and his family for a long time, and he first worked as an auto mechanic at the GM dealership where I have bought several vehicles over the years. When Alan opened his own business in Erie about 20 years ago, I moved the service work on my personal and business vehicles to his shop and have always been more than pleased with their work.

Reliable and affordable auto service work has become more important to us as our business has grown. We now market and sell Chandler Crop Products in much of the US east of the Rocky Mountains. Although we use UPS and other freight companies to make the long-distance deliveries, I still use the van for making on-farm deliveries in 12 of the Midwestern states. Due to this growth in our business, I sometimes drive up to 900 to 1,000 miles in a day during the busy seasons. At that rate, you can see that it is not too hard to put over 400,000 miles on a single vehicle.

We hope the old Astro Van lasts a little bit longer. However, even if we have to trade vehicles, we plan to continue offering you the same kind of reliable and affordable service that we have received over the years from Alan's Automotive.