



THE
FOWLER EQUITY EXCHANGE

Fowler, Kansas 67844

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NEWSLETTER

"Keeping in touch with your cooperative business"

November – December 2005

Manager's comments

By Bob Bender

At the time of this writing, fall harvest has been nearly completed with the exception of some milo yet to be harvested. Crop yields were much better than anticipated, especially with the hail and bad weather we had during the early part of the growing season. The volume of corn received at the Fowler Equity was up 200,000 bushels compared with last year. Total grain receipts, including all the fall crops, totaled around 2 million bushels, a very good harvest indeed. We want to thank the farmers in the area for placing their trust in us to handle their grain. Most of you have taken advantage of the high LDPs right after harvest which helped put some cash flow into your operations. However, high LDPs mean that the cash grain prices are low. Hopefully, those prices will rebound to higher levels that are more normal near the end of the year, or soon thereafter.

The much higher fuel prices and resulting increased freight costs we have all been experiencing trickle down to lower grain prices as well as higher costs for input products like anhydrous ammonia and other fertilizers. Supply has also been a problem this fall because of the hurricanes this season and other factors over which we have no control. Please be assured that we are doing everything possible to keep prices competitive and give you the service and satisfaction that you deserve.

The Equity is now at the midway point in our current fiscal year, and we are in the process of preparing financial statements for that period. It looks like your Co-op is off to a good start with increased earnings and net savings compared to last year. Hopefully, with the help and support of the members, we can continue the profitable history that the Fowler Equity Exchange has always shown.

The accounts receivable of your company remain in good shape. We appreciate the efforts of all patrons in keeping their accounts within the terms of the credit policy.

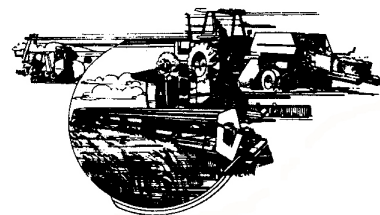
By the time you receive this newsletter, the holiday season will be rapidly approaching. The staff and I, along with the board of directors, want to wish all of you a Happy and Joyous Holiday Season. Thanks for your business! -TFEE-

Fertilizer Department

By Don Burdett

At the time of this writing, the rains have put a temporary stop to field activity. Now that fall harvest is nearing completion, several of our patrons have begun looking into planning their fertilizer programs for next year's crops. Nitrogen

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Fertilizer Department *continued from page 1*

products are considerably higher than in previous years, but phosphate products have gone up in price much more slowly. We have heard that our current price on anhydrous ammonia is less than at some places around us. When you figure the cost per pound of nitrogen from anhydrous ammonia, dry urea, and liquid nitrogen, anhydrous ammonia is still the least expensive source. As we all know, natural gas is a basic ingredient in the manufacture of nitrogen fertilizer products. When you consider the current cost of natural gas, it doesn't seem very logical to expect much reduction in nitrogen prices in the near term.

With that in mind, this would be an especially good year to take soil samples and have them analyzed. Some are talking about going to an alternative crop of some kind and soil sampling could be a big help in planning for such a change in cropping programs. One should not put on more expensive fertilizer than is needed to reach optimum yields nor should they starve a crop of nutrients and reduce yields. Soil testing is the only way to know for sure just how much of a carry-over there may be and how much of each nutrient is needed to meet your yield goal. We have sample bags available and we have a soil probe we will be glad to loan you. The

sooner those samples are taken, the sooner you can get the information back from the lab and plan your fertilizer program. You may be able to get some fertilizing done yet this fall. When the soil temperature reaches 50°F. at a depth of 4 inches, it is safe to apply anhydrous ammonia.

The wheat in the area is looking very good after the recent rains. We have 32% liquid fertilizer for top-dressing when you need it.

Let us know if we can be of help as you plan for next year. We are always glad to be of service in any way we can. -TFEE-



From the Office

By Barbie Padgett

Fall harvest is nearing completion as this is written the first of November. This is just a reminder to come in as soon after harvest as you can to check tickets and make divisions of the grain you have delivered. We need to make sure there are no errors. It's better to catch them and get them corrected early in the accounting process. Also, we can't make settlement with landowners before we have all the pertinent information from the farm operator. Again, we appreciate your cooperation.

There will not be another newsletter before the end of the year. If there is information that would affect year-end business — address changes, corporation name changes, tax identification numbers, etc., etc. — please let us know. There may be information that you need from us as you prepare for taxes, etc. If so, just let us know as we near the end of December.

Changes in our Web site can be made. It is possible for us to add features that would allow you to access such things as your grain accounts, your charge account information, printing copies of tickets, and other information. We need to know if there is enough interest on the part of our patrons to make it worthwhile. Some may have concerns regarding security of that information and we'll be glad to visit with you about how that security can be protected. Please contact us for more details and to let us know if you would like this service to be made available

Our propane customers recently received a letter regrading the safe use of propane as a heating fuel.

*Please see **From the Office** at top of page 3*

The Fowler Equity Exchange

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Officers and Directors

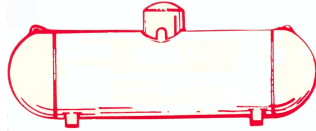
Tom Huelskamp	Chairperson
Dale Zortman	Vice Chairperson
Doug Heinz	Secretary-Treasurer
Kyle Lewis	Director
Jay Lundeen	Director
Brent Post	Director
Bob Bender	General Manager-President

Please take time to read that information and make sure everyone in your family recognizes the characteristic odor of propane and what to do in case of a propane leak. We are concerned about your safety.

The holidays will soon be here. Please watch for information about when your Co-op will be closed. We wish you all a Happy Thanksgiving and a Merry Christmas. -TFEE-

Propane

By Randy Reese



No doubt you have been hearing that it will cost considerably more to heat our homes this winter. Those of you who contracted in September made a good decision. Contracting usually, but not always, saves money. The storage tanks of all our route customers were filled in September and should be ready for cold weather. We will run the routes again during November and every month through the rest of the winter heating season.

Those of you who are not on the route system and call each time to order propane should make sure you watch the gauge on your storage tank and call when it gets down to about 10% of capacity. If you run out of fuel, we are required to do a systems check and replace any defective or outdated parts before we can fill the tank. There is an extra charge for the check. There is also an extra charge if we are called out after regular business hours. All new customers are also required to have the safety systems checked before we can fill the tank.

You can improve the efficiency of your furnace simply by changing the filter regularly and keeping the system clean. Use a vacuum cleaner to remove dust and lint from around the igniter. A small piece of lint may cause the ignition system to malfunction and possibly burn it out. Change filters every 30 days or according to the manufacturer's recommendations. It will save you money in the long run.

Propane gas safety —

As we get into the season when many of our customers are using propane gas to heat their homes, it is an appropriate time to review some safety

precautions. Propane is a good, efficient, and safe heating fuel if certain precautions are observed.

Remember —

*Propane is flammable and may cause fires and explosions.

*Always be sensitive to the slightest gas odor. Any kind of a gas odor may signal a serious propane gas leak.

*Investigate all foul odors. What you think might be garbage, sewage, or a dead mouse may be a serious propane gas leak.

TAKE IMMEDIATE ACTION!!!

- Put out smoking materials and other flames.

- **Do not:**

- *Operate electric switches.

- *Light matches.

- *Use your phone.

Any spark in the area where propane gas is present may ignite the gas. This could include the spark in a light switch, telephone, appliance motor, and even static electricity from walking across a room.

- Get everyone out of the building, vehicle, trailer, or area. Do that immediately!!!

- Close all gas tank or cylinder supply valves.

- Use your neighbor's phone and call a trained LP-Gas service person and the fire department. **Even though you may not continue to smell gas, do not turn on the gas again. Do not reenter the building, vehicle, trailer, or area.**

- Let the service person and firefighters check for escaped gas. Have them air out the area before you return.

- Have properly trained LP-Gas service people repair the leak, then check and relight all of your gas appliances for you.

ALSO REMEMBER —

Propane bottles should always be secured and transported in an upright position.

Everyone including your children, should know what propane gas smells like. If anyone is unable to smell the odor, call us. We are concerned about your safety. -TFEE-

From the Service Station

By Ron Smith



November is here and we know that means winter is on the way. Now is the time to get your vehicles serviced and ready for the months ahead. We have antifreeze in bulk, in gallon containers, and 55-gallon drums. For the best price, buy it in bulk. We have containers if you need them. The price of our anti freeze is the same as it was last year.

If you are in need of new tires, we have them with all-season and severe mud treads. Traction is especially important when driving on wet, icy or snow-packed roads. When you stop to think about it there are only a few square inches of rubber in contact with the road at any given moment. Your safety as well as all the others you share the road with is at stake. Most places make a charge for disposal of your old tires. We make no such charge.

Do you have a weak battery in a vehicle or other piece of equipment? Batteries take a beating in cold weather. In fact, even a fully charged battery delivers only about half its cranking power when the temperature is at 0°F. than when the weather is mild. We have quality batteries for any application. Come see us.

Preparation of diesel fuels for winter —

The majority of winter problems with diesel fuel stem from moisture and contaminants in the fuel rather than from gelling. Moisture or water turns to ice and clogs fuel filters which have the same symptoms as fuel gelling. Condensation can be substantially reduced by keeping storage tanks and tanks in vehicles and equipment full of fuel, especially during times when daytime and nighttime temperatures vary. A little preventive maintenance can go a long way in reducing winter fuel problems. Here are some helpful hints.

Above-ground storage tanks should be cleaned or drained once a year.

- Water can get into tanks in various ways, but the main source is from condensation. Fluctuating temperatures cause condensation to form on the inside of storage tanks. Condensation runs down the inside of the tanks and into the fuel. Water

also is a breeding ground for micro bacteria which speed up the decomposition of the fuel creating sludge that can clog fuel filters.

Filters on storage tanks and engines should be replaced twice a year. Make sure one of those times is in the fall prior to cold weather.

- Old filters have served their purpose by filtering water and contaminants from the fuel.
- Water will cause filter paper to swell reducing the porosity of the filter thus restricting fuel flow during cold weather.
- Ice crystals and gelling are the number 1 and 2 problems encountered with winter diesel fuels.
- A fresh filter will allow the winter fuel and additives to work more efficiently.

Blending #1 fuel with #2 diesel to provide adequate cold temperature flow to the engine is still one of the most reliable and cost-effective methods of winterizing diesel fuel.

- It is important to remember to blend with #1 before your #2 fuel reaches its cloud point. At the cloud point, the fuel's wax has started to crystallize or form. Adding #1 will not melt the existing wax crystals, only heat will reduce them back to a liquid form.

We have a diesel additive called Power Serve. It prevents gelling of diesel, cleans injectors, boosts cetane rating of the fuel by as much as four numbers, and it lubricates fuel pumps and injectors. It's less expensive to winterize No. 2 diesel with Power Serve than to blend it with No. 1 fuel oil. See us for a supply.

E-10 Unleaded gasoline provides a couple of benefits that are of particular interest during the winter months. You should never have to use gas-line antifreeze as there will be no accumulation of water in the fuel tank. The higher octane level in E-10 should provide faster starts in cold weather.

So far this fall, the car wash has been running smoothly with few problems. However, history tells us that usually changes when severe cold weather sets in. If you experience a problem with the facility, please call the Station or someone employed by the Equity so we can deal with the problem.

Thanks for your business this past year. It's appreciated. -TFEE-

Happy Holidays to you all!