

Skyland Grain

Skyland VRT

INTRODUCING SKYLAND VRT: NEW PRECISION AG PROGRAM FOR IMPROVED EFFICIENCY, INCREASED YIELDS

Effective immediately, there's a new option for precision agriculture available through Skyland Grain LLC. Called **Skyland VRT**, the program brings together the expertise of our own agronomy specialists with the technology and experience of Heartland Soil Services.



By Aaron Murphy
Marketing Manager
620-318-6050



By Justin Ochs
Agronomy Manager
620-492-6210

Skyland VRT is a four-year program covering all of your crops—combining grid sampling and fertilizer recommendations from Heartland Soil Services with variable-rate application by Skyland Grain LLC.

We chose to collaborate with Landon Oldham and Heartland Soil Services because of the company's great reputation and relationship with customers. Oldham is already working with a number of customers in our eastern region.

Basically, we're becoming a "one-stop shop" for precision ag services. So instead of having to work with two or more suppliers, **Skyland VRT** lets you efficiently accomplish full-service precision agriculture through one contact with Skyland Grain LLC.

FERTILIZER EXACTLY WHERE IT IS NEEDED
"There are areas of a field that might need 100 pounds of fertilizer, and there are areas of that same field that don't need any fertilizer whatsoever," says Oldham. "Yet, it's not uncommon to year-in, year-out put the same amount of fertilizer across every acre of the field."



By using **Skyland VRT**, you can reallocate those input dollars, and put fertilizer exactly where it will do the most good—with the ultimate goal of bringing more bushels off of every acre. And with the price of inputs right now, those efficiencies are more important than ever.

SPREADING COSTS OVER FOUR YEARS
With **Skyland VRT**, you also have the ability to spread grid sampling and recommendation costs over four years, as opposed to paying all of those costs upfront. It's the perfect opportunity to take full advantage of precision agriculture right now—even when commodity prices are low and margins are tight.

Continued on page 2

Skyland Grain LLC
Corporate Office
304 East Highland Ave
Johnson, KS 67855

Ph: 620-492-6210
Fax: 620-492-6829

Eastern Region
Administrative Office
109 East 1st Street
Cunningham, KS 67035
Ph: 620-318-6050
Fax: 620-318-6019

SWKS LLC: 620-492-2616

www.skylandgrain.com

SKYLAND VRT...

Continued from page 1

GETTING THE BEST FROM TWO SUPPLIERS

Grid sampling data doesn't do you much good unless you follow it up with a variable-rate application. That's why the **Skyland VRT** program makes so much sense. Heartland Soil Services and Skyland Grain LLC have no overlap in services—yet our services complement each other perfectly.



"If we can focus on the farm data we're good at, and Skyland can focus on the variable-rate technology they're good at, then the producer can focus on what he's good at ... and we can all come up with one heck of a solution."

—Landon Oldham, owner of Heartland Soil Services



Skyland Grain LLC has a six-bin truck for variable-rate application. This gives us the ability to apply up to six products exactly where they are needed based on grid sampling—all in one pass through the field.

Grid Sampling Only

Year 1 \$7.25/Acre
Year 2, 3 and 4 \$2.00/Acre
*2.5 acre grid samples and write prescription

Grid Plus Yield

Year 1 \$7.25/Acre
Year 2, 3 and 4 \$2.50/Acre
*2.5 acre grid samples will analyze harvest date and write prescription

Now is the perfect time to get started with **Skyland VRT**. Give us a call, and we'll give you a personalized price quote. ◦

Eastern area: Aaron Murphy, 620-318-6050

Western area: Justin Ochs or Wendell Isbell
620-492-6210

ADDING NEW PROGRAMS TO SERVE YOU BETTER

I want to take this opportunity to thank you for your business during the exceptional 2016 wheat harvest. We know you have choices, and we appreciate you bringing your wheat our way. When we tallied the final bushels, we were 25% over our previous record.

Even with the bumper wheat crop, we're well aware of the challenges you're facing. That's why Skyland Grain LLC is taking steps to offer services to help you during these challenging times. Here are some of the things we're working on right now.

- **The new Skyland VRT service.** We're excited to partner with Landon Oldham at Heartland Soil Services to bring you a cost-effective precision agriculture package.
- **New partnership with Pratt Community College.** We're continuing to invest in the future through this new custom applicator program described on page 4.
- **More grain marketing programs.** Be sure to check out Tony Loehr's article on page 5.
- **Fuel contracting through Southwest Kansas Coop Services.** See page 6 for information about locking in the best price at the right time.



By David Cron
CEO
Skyland Grain LLC

I hope you'll take advantage of these new programs. With another potential record harvest this fall, we look forward to serving you at Skyland Grain LLC. ◦



Bountiful Harvests

MAKING ROOM FOR CORN AND MILO



By **Steve Arnold Johnson**
Board President

I want to take this opportunity to give credit to our outstanding Skyland Grain LLC employees. They really stepped up to keep trucks and augers running during wheat harvest—working evenings and Sundays to put the wheat crop away. For the amount of grain we handled during this record harvest, I'd say they did an exceptional job.

Now, Skyland Grain LLC employees are working hard to haul grain out—making way for your fall harvest. We're looking at some of the best dryland corn Kansas has probably ever seen. There's some beautiful milo out there as well. Skyland Grain LLC is ready to serve you during what we expect to be another great harvest. ◦



PERFECT TIMING: NEW BINS TAKE IN RECORD WHEAT CROP

Being with Skyland Grain has shown its advantages right from the start for the Cairo Co-op area. We were previously short on storage, and wanted to get to the point where we could handle a bumper crop when it

happened. And sure enough, here we are.

We added a total of over 2.5 million bushels of bin storage in three locations. The 20,000-bushel legs at each location

helped tremendously with the record wheat harvest that was 25% ahead of last year's record crop.

With a large fall harvest looking at us, it's great to be in a position to handle crops like these. ◦



By **John Steffen**
Cairo Board President
620-770-9061

Ask Us to Deliver!

- All agronomic inputs including: chemical, fertilizer, seed
- No-cost chemical delivery to your farm begins with a quick phone call to your local Skyland Grain facility today!

OUR MISSION STATEMENT

CONNECTING OUR PRODUCERS TO THE WORLD.

WE BELIEVE:

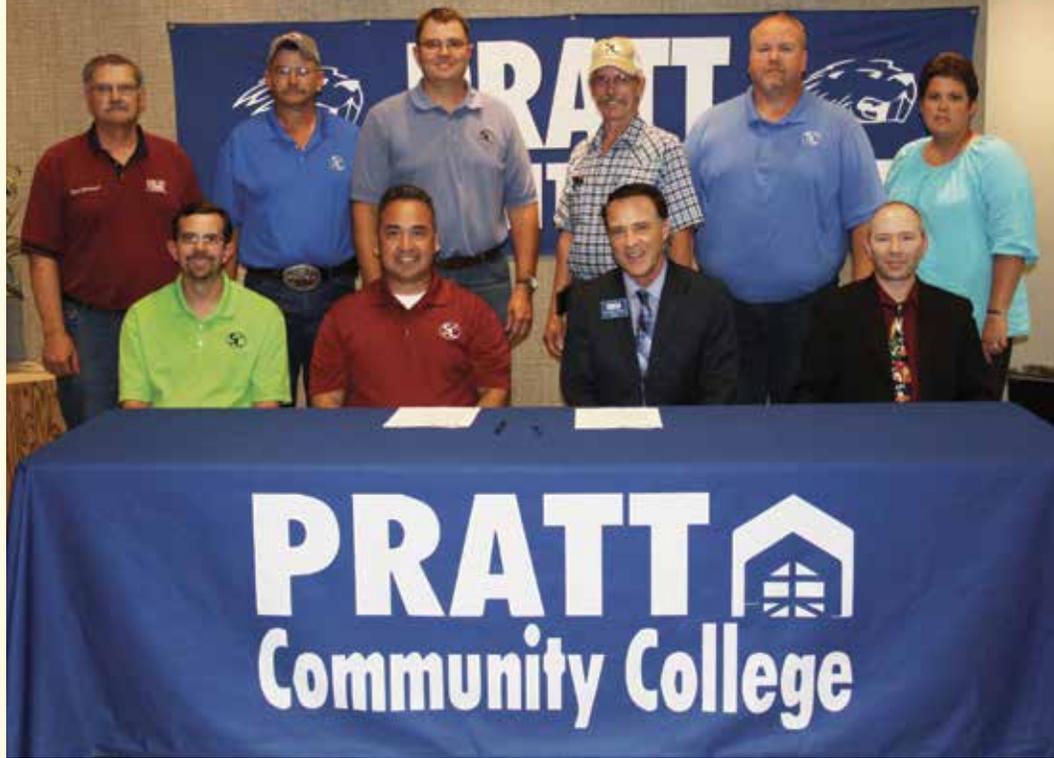
- All our interactions will be conducted with integrity and responsiveness.
- The safety of our employees and communities is paramount.
- Environmental stewardship is our responsibility.
- Sustainable growth is essential to our future.
- The success of our producers contributes to our success.
- Our financial strength is crucial to our stakeholders.

NEW PARTNERSHIP CREATES OPPORTUNITIES FOR STUDENTS ... AND FUTURE SKYLAND EMPLOYEES

It's official: On Aug. 8, Skyland Grain LLC and Pratt Community College (PCC) signed a partnership agreement for a new, one-year crop applicator certificate program starting this fall in the school's agriculture department. Students will learn fundamentals of agriculture science and technology at PCC, and gain workforce experience from Skyland Grain LLC.

CROP APPLICATOR CAREERS ON THE RISE

According to PCC's Career Coach, crop applicator careers are projected to grow 6% over the next 10 years, with starting salaries ranging from \$44,000 to \$55,000. These highly trained professionals specialize in pesticide handlers, sprayers and applicators, as well as mixing pesticides, herbicides or insect sprays and repellents for application on lawns, landscapes, crop fields and pastures. They are able to identify areas



Skyland Grain LLC representatives met at Pratt Community College to sign a partnership agreement for a new agriculture program launching this fall. Front row, left to right: Justin Ochs, Skyland Grain LLC Agronomy Manager; David Rodriguez, Skyland Grain LLC Assistant CEO; Dr. Mike Calvert, PCC President; Dr. Michael Fitzpatrick, PCC Vice President of Instruction. Back row, left to right: Rod Stewart, PCC Ag Instructor; Darren Hodgkinson, Cairo Cooperative Associate Director; David Cron, Skyland Grain LLC CEO; Steve Arnold, Johnson Cooperative Board President; Aaron Murphy, Skyland Grain LLC Marketing Manager; Lori Montgomery, PCC Ag Instructor.

requiring treatment and manage the transportation of equipment and chemicals to and from the treatment site.

PCC's Skyland Grain crop applicator option is a one-year, 34-credit-hour certificate program. To successfully complete the program, students are required to enroll in an occupational work experience course, be prepared to test for the Commercial Pesticide

Applicator License and obtain a Class A Commercial Driver's License upon employment.

SCHOLARSHIPS AVAILABLE

Skyland Grain and PCC are offering scholarships to students who enroll in the crop applicator program. For more information, contact Lori Montgomery at lorim@prattcc.edu.



The new 1.2-million-bushel bin in Rolla is ready for fall harvest.

HOW TO MAKE THE MOST OF LOW COMMODITY PRICES

As we look forward at what might be affecting the grain complex, the size of the upcoming fall harvest tends to be weighing on the markets the most. The progress of this crop appears to be ahead of schedule, along with crop conditions each and every week appearing to be remarkable. This, alongside a large 2015 fall harvest and what seems to be a record wheat harvest, all look to add up to a long stretch of low grain prices for our customers.

We also must pay attention to the strong U.S. dollar and weak crude prices that seem to be adding significant pressure to our grain prices. With an abundant supply of wheat on hand in this country, we need to see major devaluation in our dollar in order to make this country more competitive worldwide, which will allow an increase in our exports.

Another factor that traders will be focusing on for the next month is the Aug. 12 USDA report.* The overall bias of the report is mainly a bearish tone. Some big numbers to pay attention to include:

- Increase of the USDA corn yield from a July number of 168 to the Aug. 12 yield of 175.1. This yield increase puts U.S. production over 15 billion bushels, and an ending stocks number of 2.4 billion.
- Increase in the bean yield from July to August from 46.7 to 48.9 respectively. This yield increase still leaves us with a critical ending stocks estimate of 330 million bushels, which will be closely watched as the bean crop and harvest progresses.



By Tony Loehr
Grain Originator
620-318-6050

LET SKYLAND GRAIN LLC HELP WITH YOUR MARKETING PLAN

Many of us are aware that smart marketing decisions will be difficult during the 2016-2017 marketing season. That's why we suggest you be proactive in developing a marketing plan and following through with that plan. Allow us at Skyland Grain LLC to work alongside you to create a plan that will utilize tools and multiple options—allowing you to be profitable when the market gives us those opportunities. ◦



**Ask about ADM Advantage
contracts for the upcoming wheat crop.**

Call Tony at 620-318-6050.

*www.usda.gov. Aug. 12, 2016 WASDE



Skyland Grain LLC
304 East Highland Ave
Johnson, KS 67855

PRSRT STD
 U.S. POSTAGE
 PAID
VISTA COMM



www.skylandgrain.com

ENERGY MARKET PENDULUM SWINGS AGAIN

IN THE NEWS:

- *Refinery glitches*
- *U.S. dollar weakness*
- *OPEC and Russia talking cooperation and production cuts*
- *Swings in economic news*
- *Increase in North American oil rig counts*

As I write this, crude oil has jumped close to 10% (\$6) in the last few days to \$45. It seems the market bulls are grasping for anything, and a little rhetoric from OPEC and its upcoming September meeting is again all it takes to send the speculators running and buying.

Saudi Arabia's oil minister announced they were "open" to measures to stabilize the oil market as it has been oversupplied for two years. Remember, we saw similar comments and a price spike this past spring that developed into nothing and the market fell back. It would seem that any output cut from OPEC would simply be met with a production

increase from non-OPEC nations, and the world would remain oversupplied.

In the short term, we will likely see seasonal spikes in fuel pricing as demand peaks and falls. But until we see a balance between supply and demand, we should stay in the range of prices that we've had this past year.

TAKE ADVANTAGE OF PRICE DIPS

It's a good idea to take advantage of price dips to either fill on-farm storage or lock up the price with contracting. We saw our highest prices this year at the peak of harvest, and I would expect the same this fall.

Please contact Cam Walker or me with any price or contracting questions at 620-492-2126. ◦



By Paul Sack
Southwest Kansas
Coop Services
Energy Director
620-492-2126

