

Manager's Report

By Carl Tebbe

We are moving through the winter quickly. In less than 60 days we will be starting spring field work. Here's wishing you and your family a healthy, happy and prosperous 2020.

Waterloo Office/Warehouse Work is almost complete on the new office and warehouse at our Waterloo location. Last March 21 a fire destroyed the old office. After the fire, we looked at several options to rebuild and position us for the future. In April we had an opportunity to purchase 10 acres of land adjacent to our site. The new acreage allowed us to move the office to the west, yet close enough to the existing facilities. In future years, as we need to upgrade or expand facilities we have a site plan ready.

After many permits and approvals from various agencies, we started leveling the new tract of land in the fall. The office/warehouse work started in late November. Below are pictures of the new office/warehouse.

Fueling our Future In February we will begin a promotional program at our Fuel 24 stations in Randolph county to donate to all five (5) of the high school FFA chapters in Randolph county. The fuel stations at Sparta(South of town of Rt 4), Prairie Du Rocher and N&B fuel mart(South of Red Bud on Rt 3). 3 cents a gallon will be donated to the FFA. If you are in the area and want to help out the local FFA chapters, fill up at one of these locations. The FFA students and chapter advisors thank you for the support.

This is our 4th year running the Fueling our Future



program, as we move the program county by county. Next year we will run the program in Monroe county.

Stock Redemptions

Gateway FS will be redeeming over \$1,320,000 of prior year issued patronage stock next month. The years redeemed will be 2008 and all prior year issues. This redemption along with the cash patronage paid in November 2019 generates a total of \$3,920,000 in cash returned to member owners of Gateway FS.

With this redemption, we will continue on a schedule of only 11 years of outstanding patronage stock. We will continue to make every effort to stay on this schedule, which keeps the ownership of Gateway FS in the hands of its current users.

The redemption of prior year patronage stock and the cash in the current years patronage is only made possible by the support of every patron of Gateway FS. As a cooperative, we will continue to distribute earnings back to our owners. No other business structure in the grain and ag supplies business has the ability to refund a portion of purchases back to you.

From everyone at Gateway FS, Thank You for supporting Gateway FS with your purchases and enjoy this issue of the Gateway News.



GATEWAY FS, INC.

MANAGEMENT STAFF:

General Manager..... Carl Tebbe
 Controller..... Brian Perez
 Operations & Structures Manager..... Greg Birchler
 Credit Manager/AgriFinance Specialist..... Craig Yoch
 Agronomy Dept. Manager..... Ryan Gonzalez
 Energy Marketing Manager..... Brad Maschhoff
 Feed Department Manager..... Wayne Polczynski
 Grain Department Manager..... Adam Parker

LOCATIONS:

Baldwin - Eric Rohlfing, Manager.....785-2200
 Evansville - Steven Walter, Manager.....853-2211
 Chalfin Bridge Facility - Ronald Rodenberg, Manager....458-6588
 Kemper's Landing - Justin Scheibe, Manager.....458-6466
 Prairie du Rocher - Joe Mollet, Manager.....284-7200
 Percy - Shane Moen, Manager.....497-2135
 Red Bud - Elevator, Taylor Zurliene, Manager.....282-2646
 Red Bud Structures, Greg Birchler, Manager.....282-3454
 Paint Service - Brian Garleb.....282-3454
 Nashville Elevator - John Kohnen, Manager.....327-8218
 Nashville Warehouse - Eric Block, Manager.....327-8816
 Oakdale Elevator - Craig Ratermann, Manager.....329-5311
 Venedy Elevator - Rick Moeller, Manager.....824-6358
 Breese Warehouse - Tim Richter, Manager.....526-4539
 Ferrin Elevator - Kris Kauling, Manager.....226-3275
 Woodlawn Warehouse - Jim Michael, Manager.....735-2010
 Waltonville Elevator - Chester Angus, Manager.....279-7251
 Belle Rive Warehouse - Craig Simmons, Manager.....756-2482
 St. Mary's, MO LP Sales - James Hasty, Salesman...1-573-543-5145
 Tilden.....329-5311
 Warnock NH3 Plant - Jacob Frank, Manager.....281-4396
 Waterloo Elevator- Berry Keller, Manager.....939-6151
 Waterloo Fast Stop - Erica Lavalley, Manager.....939-4979
 Waterloo Fertilizer Plant - Jacob Frank, Manager.....939-8237
RED BUD OFFICE.....282-4000
NASHVILLE OFFICE.....327-3046



We held our annual grower Dicamba training on the 28th of January. Again we had a great turnout. In order to apply any of the labeled post application dicamba product one must have the applicator indorsement and have completed an approved dicamba application class. You also have to retain the certification for your records. If anyone would have questions or concerns about obtaining these state approved certifications please contact your local crop specialist.

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Get a Jump on the New Year! Preseason Discounts Available

At FS Construction Services, we know that the memory of harvest may still be fresh in the minds of many of our friends and clients. And while we wish everyone a restful, relaxing beginning to the new year, we also know that now is the best time to begin planning for the oncoming planting season. The same can be said for pretty much any building or maintenance project that you're looking to tackle this year. We know that it can be tempting to put projects and problems on hold, especially during these cold days and long nights, but we wanted to give you something to think about while you hibernate. From grain systems to buildings

to seed systems, there are a number of preseason discounts available and certainly worth consideration. As you take stock of your equipment, buildings, and systems, if you've had updates or upgrades planned for the year, now is a great time to move, as many of our partners are still offering discounts and deals. Additionally, our calendar can get filled up pretty fast, and while spring may seem like a long way off, there is no doubt that it will be here before we know it. If you are interested in getting us on your schedule, or if you would like to talk to an expert about any of our services or need help thinking through a possible project, please don't hesitate to

reach out. And of course, be sure to ask us about any current or upcoming preseason deals so we can get you the equipment you want at a price that works for you. For grain and seed systems to buildings, roofing, garage doors, and more, our goal is to provide our customers and clients with the best possible products at the best prices with the best service. If you have any questions, please let Gateway FS Construction Services know. Give us a call at 866-551-3454, and let our specialists help you find exactly what you are looking for. We look forward to providing you the best customer service experience.

Old Man Winter

By Brian Garleb

Old man winter will not let spring come. I know most of you like me are getting tired of winter. This time last year I was out and about on painting jobs. Well this time it's not working. I thought we could talk about outdoor paint when spring does decides to come. Looking out your windows you see buildings, barns, bins, and roofs that may need some attention soon. Boomer is going to help you make these projects look great for the spring.

First, you need to clean any surface you will be painting. Without prep work the painting is a waste of time. There are two ways you can clean or prep your painting surface. One is by power washing or the other is by wire brushing the surface. Once you have done the prep work you will be ready. Next step for getting a good paint job is using a good primer. Many people skip this part, because it takes extra time. Skipping the priming step will cause problems down the road.

I have even seen people painting a roof right over the rust. At first the roof looked great but, within 4 to 6 months the rust came back through. If you take the time to prep and prime, your job will last longer. Once your priming is done. Second you apply a top coat. The top coat can be Aluminum, white, green, blue anything you wish. Your top coat is there to make the roof, siding, or bin look their best. I have all the primers and topcoats to do any job you wish. Finally, I want to remind you that the fly by night guys will be out. The people that come around like that don't take time to prep or prime. They run and gun for a cheap price. But, if you do it yourself or have it done please make sure the prep work, and priming is done right so you will be happy with your building and the paint job for years to come. I would be happy to give you a quote just call me at 618.972.9516 or drop an email bgarleb@gatewayfs.com. Until next time keep painting.

Oil prices affected by coronavirus

By Brad Maschoff
Energy Dept. Manager

The coronavirus has been bearish on the oil market the last couple of weeks of January. When the New Year started the price for a barrel of oil was just over \$63. As I am writing this, at the end of January, the price has come down to just over \$53 per barrel. OPEC has also commented that if the virus hurts demand that they would consider extending their oil output cuts which could be more bearish news as we go into February.

November certainly tested the Midwest propane supply infrastructure with the record amounts of grain drying in northern Illinois, Wisconsin and Iowa. After working our way through that tough time, prices have come down and have remand steady with supply staying ahead of last year with an overall mild winter. The country since then has gone thru a couple cold stretches but nothing long

term to test the supply and the market. As we come out of the heating season and into April I would anticipate seeing the price of LP soften which is typical.

Once again Gateway will be having our preseason lube oil sale running February 1st – March 31st. The sale includes all package FS proprietary motor oils, greases, hydraulic oils and diesel exhaust fluid (DEF) in drums or smaller package sizes. This is a great opportunity to buy your needs for the spring and have your equipment ready to hit the fields. Contact your FS Petroleum salesman or come by one of our locations to take advantage of this sale.

For anyone that frequents our Waterloo Fast Stop, you will be seeing a new fountain soda dispenser installed in February. Along with some new signage and ice dispensers. I hope you have a chance to come by fill up and grab a fountain drink to go.



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Dryer Bin Vent Maintenance Will Save You Money

It is a universal truth that a little bit of maintenance goes a long way toward saving yourself future costs and headaches. And while winter is already here, it's not too late to perform a little grain dryer bin vent maintenance. Do this work now, and your future self will owe you a huge debt of gratitude come spring.

What follows are a series of maintenance tips, particularly dryer bin vent safety tips, that will prevent trouble down the road.

Make sure roof vents are clear of dust and debris, so that when they open, they are able to release the moisture necessary to effectively dry grain. Clogged vents can cause pressure to build from the fans working harder to pump air through the system. While grain bins are designed to withstand significant exterior pressure, interior pressure can cause buckling, holes, and puckering of the roof. The repair process is labor

5 Tips for Keeping Stored Grain in Top Shape

When it comes to keeping grain healthy and profitable, there are few things that can be as catastrophic and frustrating as improperly dried and stored grain. And while it may sound as simple as placing the grain in a bin, shutting the door, and leaving it alone for a while, proper grain storage is actually far more complicated. In fact, while poor grain quality, rot, and pests can create storage problems, it's the mundane reality of uncontrolled temperatures that's most likely to put grain out of condition.

With this in mind, we've decided to put together a series on grain drying and storage. To start with, we'll go over some basic tips to keep in mind when drying grain. If, after reading this article, you'd like more information on any of these tips, take a look at our Grain Drying Manual.

Grain aeration is key. Grain spoilage, brought on by heat and moisture, is a fast, snowballing type of process. Keeping grain well aerated helps prevent moisture and heat pockets from building inside a pile.



and time intensive, and can involve emptying the entire bin.

Perform regular visual inspections to make sure the structure appears clean and clear.

Keep the entire roof, not just the grain bin vents, free of debris and dirt.

Make sure you have enough grain bin roof vents in place. The general rule of thumb to follow is one square foot of roof vent for every horsepower of motor/fan (i.e. a 7 HP fan will require 7 sq. ft. of venting).

Grain is never dried to 0% moisture content, but it's crucial to keep moisture evenly distributed throughout the grain.

Temperature is also key. During the cool months, grain at the top and along the sides of the bin will cool faster, while the grain in the center will stay warmer. As cool air presses down along the sides of the bin, warm air from the center will rise to the top of the bin. This air circulation will create condensation that can result in too much moisture. To prevent this, keep the grain temperature as even as possible, and close to the outside temperature.

Keep grain well distributed and level. Broken kernels and fines will tend to congregate together, and because they're broken, they're most likely to mold first. Redistribution and spreading of grain will keep these mold pockets from starting and will help protect the rest of the grain.

Keep grain above freezing. Frozen kernels not only plug systems and restrict airflow, but thawing

The regular upkeep and maintenance of your grain storage system will ensure it provides well-stored, dried, and quality grain year after year. If you are in need of grain drying, grain storage, or grain handling equipment, please let Gateway FS Construction Services know. Give us a call at 866-551-3454, and let our specialists help you find exactly what you are looking for. We look forward to providing you the best customer service experience.

frozen grain will result in condensation and unwanted moisture.

Preventative insect control is far cheaper, better, and safer than rescue treatment methods after insects have already arrived. Clean equipment and evenly distributed grain go a long way towards preventing the spread of insects. Conversely, foreign material, mold, and high moisture are prime breeding conditions for insects. Grain can be treated if insects do become a problem, but the solution is almost always fumigation.

The importance of grain drying can't be overstated and there is a lot to take into consideration, and we will get more in depth as we continue this series. As always, if you are in need of grain drying, grain storage, or grain handling equipment, please let Gateway FS Construction Services know. Give us a call at 866-551-3454, and let our specialists help you find exactly what you are looking for. We look forward to providing you the best customer service experience.

Grain Remarks

By Adam Parker

Grain markets have had a lot of new information to digest over the past few weeks as the USDA released a major report, the U.S. and China agreeing to a trade deal, along with South American harvest rapidly approaching. What does all of this mean for the direction of grain prices heading into spring?

On January 10th, the USDA updated the 2019 crop production for the final time as they increased corn yield from 167 to 168. This was a modest surprise as many analysts felt that the USDA would lower corn yield. The higher yield translated into a bigger production and larger carryout. As for soybeans, the USDA did lower yield from 46.95 to 46.5 which was what the market had anticipated. Overall, for a report that typically swings the market, it didn't provide many surprises leaving things mostly neutral.

As soon as the report was digested, the much awaited trade deal with China was signed on January 15th. The trade deal that includes China buying \$80 billion worth of U.S. ag products over the next 2 years has many still searching for more information. In the deal, there is no specific commodity purchase amounts but it is believed to be mainly soybeans, beef, and dairy. There are also plenty of skeptics wondering if China will hold their end of the agreement.

The wheat market has rallied more than a dollar since Labor Day and is currently trading near 4-year highs. Production concerns in both Russia and Australia are supporting the rally as are labor issues in France which is hampering French



exports. France is one of the largest exporters of wheat.

Over the next few months, South America will be harvesting and it is assumed that they will be the first option for the majority of China's imports. Brazil is expected to have a near record soybean crop so there should be plenty of supply for them to offer. One thing worth watching is if there becomes logistical issues in South America to where they can't get the crop out in a timely manner.

In closing, it is hard to envision a major market rally unless we have weather issues this spring & summer but we do expect grain prices to remain firm as U.S. exports should be better in 2020 with the new trade agreement. Over the next several weeks the market's focus will be on South America's harvest progress and will eventually turn to spring planting intentions in the U.S.

As always, stay on top of the markets by checking out our weekly grain market webcasts by visiting www.gatewayfs.com or feel free to call Michael Biethman, Phil Saale, or myself at the Red Bud office @ 618-282-4000 with any pricing offers or for any market information you may be looking for. We appreciate your business, and look forward to serving you in the future!

