



GATEWAY NEWS

February / March 2024

Manager's Report



By Carl Tebbe

Welcome to the first issue of 2024 for the Gateway News. Hopefully you and your family are healthy and looking forward to the New Year. From everyone at Gateway FS, Happy New Year!

We have several construction projects in process as we strive to offer higher levels of customer service and customer satisfaction to members. Below is a recap of the 2024 projects.

Grain Bin at Ste Genevieve. Concrete for the bin and dump pit is complete as of late December. The bin will be 90' in diameter by 96' tall with a capacity of 560,000 bushels. The dump pit will be capable of unloading both hoppers of a grain trailer simultaneously and hold approximately 1,000 bushels of grain. Also included in the project is a new grain leg, overhead loadout bins and a grain reclaim system to empty the bins. The big bin has a capacity of 560,000 bushels, while the 2 smaller bins being constructed will add 150,000 bushels of space. Total new space is just over 700,000 bushels. The new bin will be filled from the new leg and conveyor system. The project will add storage space, increase dumping speeds automating the process for our customers. The project is on schedule to be completed by the end of May this year. Below is a picture of the completed concrete foundation. The bin erection crew will be on site in early February.

Ste Genevieve Feed Commodity Shed. At Ste

Genevieve we are modernizing and improving the feed manufacturing process. We are completing the last phase of the project which includes a corn processing unit that can mill corn at various grades to meet the needs of several species of animals. The corn processing system will be automated, greatly reducing the labor required to manufacture each ton of feed.

Chalfin Bridge Seed Shed Addition. In late December we completed a 60' by 150' addition to the Chalfin Bridge seed warehouse. As our seed volumes have increased in recent years, we needed the expanded area to stage seed for our customers during the busiest times of the year. The warehouse expansion complements the existing 8 bin bulk seed setup and the seed treatment center located at Chalfin Bridge.

Baldwin Agronomy Scale At Baldwin we recently completed the inbound truck fertilizer scale. The 14' x 70' scale was added to accommodate the increased volume in the last couple of years. Trucks will now be able to enter the facility, get their empty weight (tare) on the new scale, load, then use the existing outbound scale for the full weight (gross). The new scale will speed up the loading process for customers. Also at Baldwin we continue to make progress on plans for a 4 bay 140' x 200' addition to the existing fertilizer building. We hope to break ground on this addition in the fall of 2024.

In addition to the various building and bin upgrades at locations we are also upgrading and expanding our sprayer and spreader fleet each year. This year we rotated 13 units out for new machines. We rotate our sprayers every 3 years in order to keep the latest technology on your farm. We have seen tremendous growth in our spraying/spreader acres. Total spray/spread increased by 55% over the past 5 years.



Grain Bin at Ste Genevieve

Thank you for the trust and confidence in our people and equipment to be on your acre.

Stock Redemptions. Gateway FS will be redeeming over \$1,330,000 of prior year issued patronage stock next month. The years redeemed will be 2013 and all prior year issues. This redemption along with the cash patronage of 6,100,000 paid in November 2023 generates a total of \$7,430,000 in cash returned to member owners of Gateway FS.

With this redemption, we will continue on a schedule of only 10 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.

Fueling our Future. In February we will begin a promotional program at our



Chalfin Bridge Seed Shed Addition

Fuel 24 stations in Randolph County to donate to all five (5) of the high school FFA chapters in Randolph County. Sparta High School FFA, Steeleville High School FFA, Chester High School FFA, Evansville Christ our Savior FFA and Red Bud High School FFA. 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) will donate 3 cents a gallon 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.

Thank You. We are looking forward to working with you for the 2024 crop year. We have experienced very good results for overall growth and positive financial returns for the cooperative for the past several years. We could not accomplish this without excellent employees and tremendous support from our customers. Thank you for making your purchasing decisions with Gateway FS. Please enjoy this issue of the Gateway News.

GATEWAY FS, INC.

MANAGEMENT STAFF:

General Manager..... Carl Tebbe
 Contoller..... 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..... Jack Davis
 Grain Department Manager..... Adam Parker

LOCATIONS:

Baldwin - Keith Hamilton, Manager.....785-2200
 Evansville - Nick Morietta, Manager.....853-2211
 Chalfin Bridge Facility - Derek Hoffmann, Manager.....458-6588
 Kemper's Landing - Nick Maddox, Manager.....458-6466
 Prairie du Rocher - Dylan Bievenue, Manager.....284-7200
 Percy - Shane Moen, Manager.....497-2135
 Red Bud Elevator - Connie Muench, Manager.....282-2646
 Red Bud Structures - Greg Birchler, Manager.....282-3454
 Paint Service - Brian Garleb.....282-3454
 Nashville Elevator - Peter Pannier, Manager.....327-8218
 Nashville Warehouse - Eric Block, Manager.....327-8816
 Oakdale Elevator - Craig Ratermann, Manager.....329-5311
 Venedy Elevator - Alex Eade, Manager.....824-6358
 Breese Warehouse - Matt Strieker, Manager.....526-4539
 Ferrin Elevator - Kent Hemker, Manager.....226-3275
 Woodlawn Warehouse - Jim Michael, Manager.....735-2010
 Waltonville Elevator - Ken Shubert, Manager.....279-7251
 Belle Rive Warehouse - Craig Simmons, Manager.....756-2482
 St. Mary's, MO LP Sales - Dave Baker, Salesman...618-612-7394
 Warnock NH3 Plant - Tim Keller, Manager.....281-4396
 Waterloo Elevator - Berry Keller, Manager.....939-6151
 Waterloo Fertilizer Plant - Tim Keller, Manager.....939-8237
 McBride Facility - Mark Roth, Manager.....573-547-2561
 Ste. Genevieve Facility - Jake Gettinger, Manager....573-883-3552
RED BUD OFFICE.....282-4000
NASHVILLE OFFICE.....327-3046

Grain Remarks

By Adam Parker

Grain markets have been trending lower since the beginning of the new year due to favorable weather in South America and, on January 12th, the USDA report threw some gasoline on the fire.

The USDA quarterly stocks data came in negative as corn stocks, as of December 1st, totaled 12.169 billion bushels, up from 10.813 last year. The market was looking for 12.050. The USDA pegged final 2023 corn production at 15.342 billion bushels, up from 15.234 last month. They raised yield from 174.9 to 177.3, and lowered harvested acres from 87.0 million to 86.5. This a new US record corn yield.

Similar story in the soybeans as quarterly stocks came in at 3.000 billion bushels, which were down from 3.021 last year, but above the average trade guess of 2.975. Soybean final production for 2023 was estimated at 4.165 billion bushels. This is up from 4.129 in the November report. Yield was raised to 50.6, compared to

49.9 last month. Harvested acres were also revised lower for soybeans, coming in at 82.3 million vs 82.7 in November. The USDA adjusted Brazilian soybean production lower, although, not as low as the trade had anticipated.

Wheat data was somewhat supportive as all wheat acres were significantly lower than expected, and wheat ending stocks were down 11 mil bu to 648 mil bu.

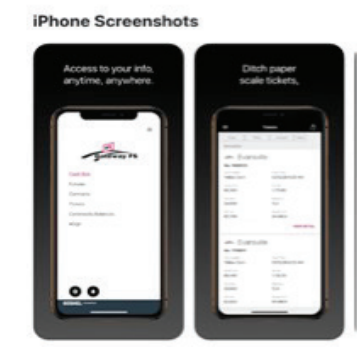
Overall, the next thing the market will be watching is if there is any delays or issues with the South American harvest that could turn Chinese demand back to the U.S.. Also, the funds are heavily sold in grains and eventually they will buy these positions back which could provide a boost

Stay up to date with your grain account information as well as the markets by downloading the Gateway FS app! You can also check out our weekly grain market webcasts by visiting www.gatewayfs.com. Feel free to call Michael Biethman, Phil Saale, or myself at the Red



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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!

Energy News

By Brad Maschhoff
Energy Dept. Manager
Gateway FS Inc.

The start of 2024 has seen the oil market really range bound for most of January stuck between \$71-\$75 a barrel. Only in the last week of January did we see prices close above that mark at just over \$77 and as I am writing this looks to be under \$76. With so many unstable situations in the world I can see continued volatility in the market going forward. Along with seasonal changes as we come into spring, I would expect to see prices on the increase. The one story that could keep a lid on too much strength would be if the Chinese economy continues to struggle into the

new year limiting their energy consumption.

Propane prices have remained very steady for most of the winter. With the exception of the one cold snap, we had in January the winter has been pretty mild and looks like we should go into February the same way. Although this doesn't mean we are done with winter. The month of February can bring some cold weather like we have seen the last couple of years. But unless we see some sustained below normal temperatures prices should remain steady.

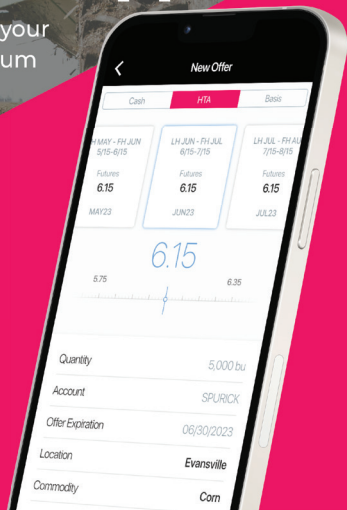
Gateway FS will be having our preseason lube oil sale running February 1st – March 31st. The sale includes all package FS proprietary mo-

tor oils, greases, hydraulic oils, and diesel exhaust fluid (DEF) in drums or smaller package sizes. Take advantage of this 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 the sale.

Gateway will once again be doing our Fuel Our Futures campaign in Randolph County. Gateway will be donating \$.03/gallon of fuel sold for the month of February at our Sparta & Prairie Du Rocher fuel 24 locations as well as the N&B Fast Stop location in Red Bud. The money will be donated to the FFA chapters at Chester, Christ Our Savior, Red Bud, Sparta, and Steeleville High Schools. If you are in the area stop by and fill up to support these FFA Chapters.

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Terminating Cover Crops Before They Become Weeds

- A burndown program will be crucial to successful termination of cover crops not killed by winter temperatures

- The species of cover crops present determines what herbicide and rate to use

- Profit is maximized when cover crops are properly terminated

While cover crops provide a solid agronomic benefit regarding soil erosion, nutrient scavenging, winter annual weed suppression, soil health, and residue management, they can become weeds if not terminated correctly. Penalties for improper termination include delayed planting and establishment of a “weedy” seed bank that must be managed in the future. This article discusses options for setting up for successful cover crop termination for broadleaf and grass cover crops.

Broadleaf Cover Crops: Early March, just as temperatures start to increase, is an ideal time to scout and assess the winter survival of cover crops. While most broadleaf cover crops winterkill, this does not occur for some species, such as crimson clover, hetch, and Austrian winter peas. The key to successful termination of surviving broadleaf cover crops is to avoid relying solely on glyphosate as your chemical

means of control. The addition of a growth regulator such as 2,4-D or dicamba may provide more consistent control and another effective site of action for resistance management.

Grass Cover Crops: Grasses can be split into two major groups—annual ryegrass and anything but annual ryegrass. While glyphosate is probably the most widely used herbicide to manage all these grass species, herbicide rate and timing may vary depending on the grass species present.

Annual ryegrass can become very difficult to terminate if it becomes too large. The standard recommendation for annual ryegrass is to apply glyphosate at 1.25 lb ae/acre (Roundup PowerMAX® 3 at 33 fl oz/A) with the appropriate adjuvants to plants less than 6” in height, and actively growing. Research suggests that the ambient air temperature must be above 45°F for 3 consecutive days prior to the application for more consistent control. If annual ryegrass is taller than 6”, increasing the rate of glyphosate is necessary to get control. In terms of growth stage, it is best to control annual ryegrass prior to jointing. We have a little more flexibility with other grass species, including cereal rye. The standard glyphosate

recommendation would be to apply at a rate of 1.13 lb ae/acre (Roundup PowerMAX® 3 at 30 fl oz/A) with the appropriate adjuvants to stands less than 18” tall. Again, if the cover crop is taller, the rate of glyphosate may need to be increased for optimum control. The addition of saflufenacil (Sharpen®) to a tank mix with glyphosate can help improve control of grass cover crops. It is advised to refrain from using photosystem II (PSII) inhibitors (atrazine or metribuzin) with glyphosate due to the antagonistic effects resulting in poor control.

Regardless of grass cover crop species, there are additional herbicides that can be used in addition to or in place of glyphosate. For example, the use of paraquat-containing products will provide control of grass cover crops. One thing to keep in mind is that either COC or MSO must be tank mixed with PSII inhibiting herbicides (e.g. atrazine for corn or metribuzin for soybeans) If these adjuvants are left out, you may not obtain adequate activity. Two things to keep in mind when using paraquat: 1) Nozzle selection is important to provide adequate control. 2) Repeated applications may be needed as the size of the cover crop increases.



Spring grass cover crop emerging through corn stubble. Photo credit: Edwin Remsburg, SARE Outreach

Are there other ways we can terminate cover crops aside from using chemicals? Absolutely! Cultural methods such as mowing, tillage, and crimping can all aid in cover crop termination. Mowing is only successful if the cover crop is cut at the right timing, when the growing point is high enough that the mower can cut it off. This can lead to more above ground biomass that may be harder to plant into; however, the excess residue may be beneficial for weed suppression. Tillage may be effective if the cover crop is small, but keep in mind that tillage may defeat the purpose of what a cover crop was intended for in the first place (i.e. erosion control, building

organic matter, etc.). Lastly, crimping allows the above ground biomass to be used as a thick weed barrier. These methods all come with benefits, but also with have downsides, such as more trips needed across the field, additional equipment, and a potential harbor for certain insect and animal pests and plant pathogens.

The key to successfully terminate cover crops is to manage them with the right herbicide while they are still small. Complete termination is the key to starting off a successful cash crop.

References:
Iowa State University
Purdue University
University of Illinois

HELP FUEL OUR FUTURE

DURING THE MONTH OF FEBRUARY, GATEWAY FS WILL BE DONATING

3¢ FOR EVERY GALLON

OF FUEL PURCHASED THROUGH THE SPARTA, PR DU ROCHER AND N & B FUEL MART FAST STOP STATIONS TO CHESTER, CHRIST OUR SAVIOR, RED BUD, SPARTA AND STEELEVILLE HIGH SCHOOL FFAS.

Gateway FS

SUPPORT YOUR LOCAL SCHOOLS!

FAST STOP

Project Profile

Part Two: Building Addition Interior

Last month we discussed an 18' x 46' x 10' 6" addition to a building that our team completed late last year. We previously hinted at some of the unique features of this construction, though we mostly focused on the exterior features last time around. This month, we are excited to go a little more in depth on how the building addition interior of the addition turned out.

Premier Building Addition Interior

Like we said last time, we here at FS Construction Services love the opportunity to approach a job from a different angle and this structure allowed us that opportunity.

While the exterior was designed to match comfortably with the pre-existing building, throughout the interior we were able to add some features to truly help it stand out. First of all, in order to provide picture windows and an abundance of natural light, we actually used patio door panes instead of traditional windows. Each door was turned on its side to achieve the desired look. The result is a bright interior with two wide, clear views of the outside.

Throughout the rest of the office area, we lined the walls

and ceiling with Car siding to create a truly unique and personalized space. The addition of this siding with the picturesque windows helped to create a one-of-a-kind space that's also full of warmth and light.

As always, Tom Marcheski and his team did a terrific job working with our client to find the right approach to this project. If you are in the process of deciding if you need a new building, whether it's wood or steel, or a new building addition, 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.



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