

Managing Fertilizer with Today's Prices

Current fertilizer prices combined with other higher input costs have some producers reevaluating their current fertility program. Some may be considering a reduction in fertilizer rates. Agronomy experts understand the situation, but recognize that the best management decision will vary with each situation.

Producers already have a significant investment in seed and crop protection products in order to maximize their yields as well as land costs and other associated production expenses. The ideal situation is to furnish all the plant's needs at a level that will produce the best economic yield.

Phosphorous (P) and potassium (K) are crucial nutrients. Adequate P allows for improved root growth, earlier maturity of grain, higher crop quality and more efficient use of water. Potassium contributes to a larger, deeper root system, reduction of water loss and wilting, increased protein content and reduction of lodging. Adequate levels of P and K will result in more efficient use of nitrogen producing higher yields and lower levels soil nitrates.

If soil tests are in the high to very high levels, "banked" soil P and K can be used to grow next year's crop. Soil test levels in the low to very low range, should have fertilizer applied. As soil test levels increase, the probability of a yield increase from fertilization decreases as does the net return on investment. Many producers have used soil testing in their fertility management program to bring their soil test levels to an optimum level. They then used a maintenance rate to maintain the fertility level of the soil. The maintenance rate established five or six years ago may not be sufficient to replace the nutrients removed by today's yields. If a producer decreases the amount of fertilizer used, they may fall further behind. Current removal rates need to be considered when evaluating fertility programs.



Phosphorous has exhibited an unprecedented rise in price. Worldwide demand is driving prices higher and industry projections imply demand will exceed supply for at least a couple of years. Current worldwide economic conditions may temper this demand. If soil test levels of P are at an optimum level, taking one or two years off from maintenance applications on high yielding fields is unlikely to reduce yields. If your soil test levels are high and you expect P prices to decline in the next year or two, you can avoid current high prices but will have to play catch up in the future to compensate for the missed applications. If you expect P prices to stay the same or increase over time, there is no benefit to delaying P applications.

Source: Wayne Crook, Agronomy Specialist

Not Everything Gets Better with Age

Thinking about some brand new equipment for the farm? Or just new to you? A used tractor or other equipment is often a sensible route but not if it puts the operators at risk.

A University of Florida Safety News and Notes article (<http://www.flagsafe.ufl.edu/snn/snn-02-02.html>) pointed out that in one research project in New York State that “over 97% of tractors and 85% of implements offered for sale through auctions had defects, lacking such essential safety equipment as slow-moving vehicle (SMV) emblems, roll over protection structure (ROPS), seat belts, lights, power take-off (PTO) master shields, starter solenoid covers or steering components”. Here are some issues to consider and suggestions if you are contemplating purchasing used equipment.

Dealers are an ideal place to begin, as they want to make sure that their customers are satisfied and start out safe. A warranty, standard warning signs, missing shields and guards replaced and manuals are almost certain to be “standard equipment”. They should also be able to tell you if the equipment conforms to voluntary and federal standards. They may even have maintenance records. However, the older the equipment the less likely it is to have important safety features such as a ROPS and shields. Many tractors manufactured in the 1970’s can and should be retrofitted with a ROPS.

However, what about that beauty along the road with the “For Sale” sign or the tractor at the auction or the one being sold by the friend of a friend? Now you have your work cut out for you to make sure you are getting your money’s worth in functioning, safe equipment. It might be immediately clear that the newly painted tractor with the tricycle tires is an injury incident waiting to happen but there might be less obvious issues with a not-so-old machine as well.

How a machine fairs the normal wear and tear of farm work is a consequence of the diligence of the previous owner(s) and operator(s). Lack of maintenance and not replacing or repairing damaged safety devices is not at all uncommon in the pressing life of countless farmers. Additionally, too many farmers intentionally remove or disengage safety devices believing that they do not really need them.

Lots of safety equipment that is missing or in disrepair may be easy to spot. Think: ROPS, tractor seats without back support or arm rests, missing PTO master shields, unguarded implement drivelines, unguarded v-belts, chain drives and auger intake areas. Other safety-related considerations for tractors and machinery are less readily identified, and may not be thought about by potential buyers.

When considering tractor seats, for example, is the seat adjustable? If so, does the adjustment control actually

work? Young workers, women, or hired workers may need to operate the tractor so seats need to be adjustable so that everyone can easily reach *and use* the clutch and brakes. Sitting on the edge of the tractor seat is not good enough. A good rule is to check to see if a short person can sit comfortably and can readily push in the foot controls. Is there a properly working suspension system for the tractor seat? It’s not just for comfort but can help reduce the likelihood of an operator being bounced out of the seat and into danger.

Brakes need to be tested, as does the latch for locking the two brakes together. If the locking mechanism is hard to use, especially for young workers, then it is not likely to be used at all. Good working brakes are particularly important for tractors that will be used on roadways. Don’t overlook checking the lights. Rear wheel fenders, vented fuel caps, missing steps, a working seatbelt for tractors with ROPS, and a SMV emblem are additional items that should be considered before purchasing a used tractor.

Shielding and guarding of moving parts are the primary concern on older machinery, particularly the main PTO driveline. The entire shield may be missing, or in the case of some older machines, only a small part of the shaft is guarded. Check to see if PTO driveline guards spin freely as they should. The condition of rotating parts such as gears, sprockets, chain drives and sheaves (pulleys) are all important.

Rotating parts that have not been maintained, or are simply worn from age and use, are more likely to cause slippage, plugging or other types of work interruption and aggravation. This often results in a person attempting to fix something or unplug material while the power is still engaged, risking serious injury.

It may be tempting to purchase a tractor or other equipment that needs to have some safety equipment repaired or replaced with the good intentions that you will fix this when you get the machine home. We all know what can happen to good intentions. The pressures of farming often skews our good intentions for safety by letting those needed repairs and replacements slip further down the list until there is the time and money to take care of them. But too often time and money for safety repairs seems to not appear until *after* an actual injury or death has occurred. The remedy for this is to purchase machinery that is already in a safe condition.

Along with this, we too often see that the folks that are given the older, more hazardous equipment to use are the very folks who are already at the highest risk or injury— younger workers, those with less experience and those over 65 years of age. As an owner or manager, you might feel a bit of envy giving them the newer equipment but you can also rest much easier knowing that they are operating the safest equipment you have. *Article adapted from: Reducing Injuries from Older Equipment by Dennis J. Murphy in Farm Machinery Days in Small and Part-time Farmers. Published by Northeast Regional Agricultural Engineering Service; Ithaca, New York. 1990*



MU's Wine and Grape Program

The University of Missouri launched a program focusing on the Missouri wine and grape industry called the Institute for Continental Climate Viticulture & Enology (ICCVE) in 2007. Keith Striegler and Andy Allen head up the ICCVE program. The Midwest is one of only two regions of the world with substantial grape production in a continental climate.

The ICCVE program has several avenues whereby current or interested growers can get involved, or even a hobby winemaker. Following is a list of these programming options:

- The 2009 Midwest Grape & Wine Conference Missouri on February 7 - 9, 2009:
www.midwestgrapeandwineconference.com
- Missouri Grape Production Short Course
- Free Tailgate Meetings Have Been Held During The Growing Season
- The ICCVE and the MGGGA (Missouri Grape Growers Association) Host An Annual Missouri Viticultural Field Day
- A One Day Winemaking Workshop
- A Free Quarterly Newsletter Is Available At Their Website: <http://iccve.missouri.edu>



Another helpful organization to be aware of is the Missouri Grape Growers Association. Their information can be found at <http://www.missourigrapegrowers.org>.

Source: James Quinn, Horticulture Specialist

Taxation Tidbits: Grain Income Deferral

Many farmers are experiencing a higher than average taxable income for 2008, due to record price during the year. Selling grain and asking the buyer to hold the check until next year will not transfer the taxability of the income to next year.

If they have a written contract with the grain buyer then cash reporting farmers are able to defer receiving payment until next year and are thereby allowed to report the income next year. This contract transfers ownership of the grain to the buyer and stipulates the seller has no legal right to receive payment until a future stated date (typically the first or second business day of the next year).

If this written contract is not in place or the seller has the right to the proceeds from the sale, but simply avoids receiving the proceeds of the sale, the IRS will deem the seller had constructive receipt of the proceeds. Constructive receipt income will be considered taxable in the year of sale – even though the proceeds are not deposited or received

until the next tax year. Thus, to avoid constructive receipt on deferred grain payments, create a written contract with the buyer prior to selling the grain and clearly state you will have no legal right to receive payment prior to the desired deferral date.

Regarding financial risk management – be aware selling of grain on a deferred payment contract places the seller in the unsecured creditor category.

If you are anticipating a high taxable income year – thoroughly explore and analyze all your options. Don't automatically rule out reporting more income this year. Given farmers can use income averaging - there are some advantages to bunching income to create a very high income from time to time. Let your marketing plan dictate when to make sales rather than your aversion to reporting income this year instead of next year. A tax professional can help you map out the best tax strategy for your situation and help insure you stay "in-bounds" relative to the complex IRS regulations.

Source: Parman R. Green, Ag Business Mgmt. Specialist

Conventional Soybeans Offer High Yields at Lower Cost

In the 1990s, Monsanto introduced soybeans genetically modified to tolerate its popular herbicide Roundup (glyphosate). Currently, there is a resurgence of interest in conventional soybean varieties due to lower seed and weed-control costs, price incentives at the grain elevator, and yields that rival Roundup Ready soybean. Also, the overseas demand for non-genetically-modified soybeans make conventional varieties more appealing to many growers.

Glyphosate products have approximately tripled in price. The cost of Roundup resistant seed has also increased since its introduction going from approximately \$18 to \$31 in 2008. Another increase is expected for 2009.



Many farmers have already added a conventional herbicide to glyphosate for weed control due to the spread of glyphosate-tolerant weeds. The conventional herbicide systems are about as cheap if not cheaper than using just the glyphosate system. Farmers with a weed-control problem may want to continue with the Roundup system and plant their conventional varieties on cleaner fields.

Grain elevators have been offering a premium for conventional soybeans. Last winter, growers could get a contract for non-genetically-modified soybeans for a dollar or more over the Chicago price. Another draw is the ability to save seed from conventional varieties. With the proprietary Roundup Ready soybeans, farmers must purchase new seed each year. Producers growing conventional beans can save seed to plant the next year to reduce seed costs. *Source: Grover Shannon, Agronomist at the University of Missouri Delta Research Center and Jim Jarman, MU Extension Agronomy Specialist.*

The Top Ten Rules for Christmas Tree Selection and Care



1. Choose a fresh tree. It must have bright green needles.
2. Crush a few needles. A strong evergreen smell means freshness.
3. Bend a few needles. If they break at temperatures above 25 degrees F (-4 degrees C), the tree is not fresh.
4. If it passes the 3 “F” test -- freshness, fragrance and flexibility -- now you can look at the shape and size.
5. Cut a half inch off the bottom of the trunk to allow water uptake when setting up the tree. Do this even for a tree that you cut fresh from a Christmas tree farm.
6. Use a tree stand with the largest water reservoir available or practical. Larger trees can use as much as or more than a gallon of water per day. Top off the water at least once a day – morning and evening is better. The best is to check the reservoir often the first day to see how fast this year’s tree uses water. Then set the watering schedule accordingly. Water is the magic ingredient to keep a Christmas tree fresh.
7. Do not place a tree near radiators, fireplaces, vents or any sources of heat or drafts.
8. Always turn off the tree lights if the room is going to be empty, before going to bed and when you are away from home.
9. Do not leave a tree up for longer than two weeks unless it still passes the top three “F” tests.
10. Dispose of a tree sooner if it fails three “F” test. A bad sign is the tree slowing or stops using water.

More information on Christmas tree care can be found on the Missouri Department of Conservation web site: <http://www.mdc.mo.gov/forest/features/xmastrees.htm> or Missouri Christmas Tree Association web site: <http://missourichristmastrees.org/xmastrees.html> Source: *Jim Jarman, Agronomy Specialist*

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