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Movin' up, movin' on

MD Farm Supplies set to build new mill near affiliate pullet operation

BY GARY BROWER
Zeeland Farm Services, Inc.®

When Marv Dreyer began building his poultry and feed business, Park Township on the north side of Holland, Mich., was a sparsely-populated municipality, dominated by blueberry farms and other agricultural interests. In 1964, when Marv purchased some property from his father in the township and built his first pullet house, no one complained because there were no neighbors nearby. No one objected to the feed mill he put up a year later, and Marv didn't hear a peep (except from the chicks) when he added layer coops in 1968.

But almost 50 years later, much has changed.

The township and the operations that later became West Michigan Pullets and MD Farm Supplies have evolved immensely. Marv's son, Doug Dreyer, is now the owner and president of both businesses, and year-by-year, the township has slowly closed in on the operations.



ZFS photo by Gary Brower

ON THE MOVE: MD Farm Supplies and West Michigan Pullets owner Doug Dreyer (right) is moving his feed mill operation to Allegan County later this year, leaving driver Steve Rouwhorst a much shorter trip from the feed to the birds that need it.

Park Township is now a heavily residential community, and the development has been making things logistically difficult for Doug for many years. He bought some property south of Hamilton several years ago, and in 1995 he began moving his pullets to coops in three different locations – the land in Hamilton, north of Holland in Ottawa County and northern Indiana.

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MD Farm Supplies & West Michigan Pullets

Owners: Doug Dreyer

Location: Holland, Mich.

Type of farm: Pullet producer and custom feed blender

Employees: 3

ZFS customer since: 1972

Livestock health a top priority for producers



Photo courtesy Valley View Park

RIGHT-SIZED ACCOMMODATIONS: While some animal rights groups have made a lot of noise and have brought changes to the way in which livestock is housed, producers, based on generations of experience, have always tried to do what is best for the health of their flocks and herds.

Farmers know what is best for their flocks, herds

Back in the day, my Uncle Marv used to raise what I suppose would be called free-range turkeys today. Back then, we just called 'em turkeys.

He kept thousands of them together in large fenced areas because that's just the way things were done. The birds were allowed to roam freely within the confines of the pen and do whatever came natural. The problem was turkeys are by nature very skittish animals. If you've ever hunted and tried to draw one in with a turkey call, you know what I mean.

They are spooked by the slightest sound and, given their keen eyesight, movement scares them, too. So you can imagine what happened if a fox prowled nearby, or a wolf howled in the night or even a pack of stray dogs barked in the vicinity.

The turkeys – the ones that didn't

Cliff's Notes

Cliff Meeuwssen is president of Zeeland Farm Services, Inc.

literally die of fright – would flock together into one area of the pen, clamoring to get as far away from the perceived danger as possible. In the morning, Uncle Marv would go out to check on his birds and find a hundred or so dead, suffocated by the other terrified birds.

That was a long, long time ago and things have changed drastically. I think for the better. But if some groups get their way, we could be headed back there again soon.

In the agricultural industry we are very proud of the fact that we supply food to the world. We have worked hard to produce food that the world's population can not only afford, but that is safe and healthy for us to eat.

See **CLIFF**, Page 2

Movin': MD Farm Supplies making plans for new feed mill in Allegan County

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Shortly after that, Doug began to phase out the layer operation, which was known as Pine Ridge Poultry. He closed that portion of the business for good in 2000 to focus on pullets. Now the feed mill, almost a half century old, is on its last legs and will soon be out of operation.

Doug has plans to build a brand new mill in Allegan County near the pullet houses. He hopes to break ground as soon as the weather cooperates, with the goal of being operational down there by the end of the summer.

"(Residential development) in the 2000s was going gangbusters and I could see the handwriting on the wall. They moved in around me and then they complained. I said, 'You know what? I might as well start phasing this out and start moving out of here,'" Doug said. "The new mill will have more than twice the capacity of the current mill."

The mill in Park Township was refurbished in the early 1990s, and would need another makeover to stay competitive. But even if he did upgrade equipment and technology, Doug said he would still be squeezed operationally by the neighborhoods around him.

"We are struck in this little footprint yet. We are just too tight," he said. "We are jammed in there, so I just said, 'Forget it, we are just going to start over.'"

Doug said the new feed mill will have 750 tons of overhead ingredient storage capacity, compared to 400 tons at the current facility. The new roller mill will also have twice the capacity and the mixer will have a pre-weigh hopper to increase production speed. With the new technology, MD Farm Supplies will be able to produce more precision blended feeds, which has the potential to help the business grow.



ZFS photo by Gary Brower

SQUEEZED IN: Residential neighborhoods in Park Township have grown up around the feed mill at MD Farm Supplies, making expansion impractical. Later this year, owner Doug Dreyer will be building a new mill and moving his operation to Allegan County.

Doug said 70 percent of MD Farm Supplies' feed is generated for West Michigan Pullets, with the remainder going to outside customers.

"This will give us the ability to meet some needs that maybe somebody else can't because we'll be set up to blend almost any ration that a non-ruminant livestock producer would need," Doug said. "Some of our current customers that we are feeding outside of our own pullets are growing too, so we'll be able to keep up with them. We've lost some accounts because I couldn't utilize some of the alternate ingredients that they wanted me to incorporate."

The 70 percent of MD Farms Supplies' feed that goes to West Michigan Pullets is designed and blended specifically to help the birds get off to a good start in life. The chicks come to West Michigan Pullets when they are just one day old and stay for 17 weeks, then they are sold to poultry farms throughout the Midwest.

Doug said he is the only independent pullet grower in Michigan, and

compares raising young chickens to raising children.

"Except every week is like a year. A 16-week old pullet is almost like a 16-year-old child," he said. "That first week, you do everything for them, and by the second week it's a little less because they are able to get around and figure things out. As it goes by, they get more independent and they are able to find the water and find the feed."

"You get a baby chick and you raise it to a pullet that you have confidence will lay a lot of eggs for your customers."

Along with Doug, MD Farms has two employees, while West Michigan Pullets uses a lot of contract labor, as its workload tends to be more cyclical. Doug declined to say how many pullets he raises annually, but did say he is able to turnover his coops about 2 ¾ times each year.

Once a chick arrives at West Michigan Pullets, it remains in the same coop for 17 weeks until it is ready to move on to laying. Once the coops

are emptied, they are thoroughly cleaned and left to settle for a time before another group of birds moves in. Any disease that infiltrates the coop is potentially catastrophic.

"It's like babies. Their immune systems are not built up yet when they come in. That house has got to be spotless when they come in," Doug said. "Some buildings we wash and some buildings we can dry clean really well, and then we disinfect them. We have some downtime after we empty the coop. We want it to sit for about week."

With more than two-thirds of MD Farms Supplies' business dedicated to West Michigan Pullets, Doug said he is looking forward to having the bulk of both operations in the same county once again. It will help lower transportation costs and wear and tear on his workers.

"It's going to make it easier and more efficient for our help. It will be nearer to most of our birds, so it will save us money on trucking," he said. "We've been building and growing (as a business), but it's nice to have another challenge again. I get to build it the way I want to. I'm excited."

Doug said MD Farm Supplies has been a Zeeland Farm Services customer for at least 40 years. He buys soybean meal and corn for his feed rations, and also uses the ZFS Freight Division to haul in limestone, which is a source of calcium for the birds' diet.

He also works with the Zeeland Farm Services grain merchandisers and the maintenance garage.

"I don't have the ability to direct trade (commodities) yet. I can use the marketing of ZFS to protect myself on corn and meal purchases," he said. "And the garage has worked on my trucks for years. Over the years, the customer service has been really good."

CLIFF: HSUS thinks it knows better than producers what is good for herds, flocks

Continued from Page 1

Over the years, our meat, dairy and egg producers have consistently found ways to keep their animals healthy and safe from predators. They have done so by housing them in very controlled environments in which the animals are kept warm in the winter and cool in the summer.

Animals do have a pecking order. Give them too much space, or put too many in the space, and the bully among them will kill the weakest. They don't want to share their food, and some of them even eat their young.

Fortunately, farm producers are very protective of their animals, so they provide a space that is just right to prevent those issues from happening. They also feed the animals a diet that provides for the best health possible, and the farmers make sure the animals receive medication

"Over the years, our meat, dairy and egg producers have consistently found ways to keep their animals healthy and safe from predators."

when needed. It's the same thing you would do for your children, right?

After all, it is in the farm producers' best interest to keep their animals alive and healthy. If you think about it, some animals eat better than we do. They eat their vegetables (soy and corn protein), while some people eat too much of what tastes good. Does anyone remember just eating a good, healthy balanced diet?

There is an organization out there working under the guise of animal rights and under a name many assume is about saving mistreated pets. Its name is the Humane Society of the United States (HSUS).

This group is not to be confused with your local animal shelter. The

mission of the HSUS is really very little about saving pets. It is about deceiving people into giving money to pay its employees and fund its missions. In fact, less than 1 percent of the money HSUS receives goes to local animal shelters.

HSUS uses its funds mainly for compensation of staff, hedge funds and a lobbying effort that seeks to change the way farmers raise livestock. It has succeeded in getting laws and regulations passed that do nothing to reduce the animal mortality rate on farms, but make it more expensive to raise livestock, which pushes the cost of our food supply higher. The HSUS seems to be intentionally driving the cost of

animal products higher, perhaps because it wants people to eat only vegetables.

If you are a grain producer, the livestock producer is your best customer. If the cost of livestock production in the U.S. is driven higher, in the long run we could end up with imported meat from other countries. Will the consumer be happy with imported food and the safety and security issues that can come with it? Can the grain producer risk losing its best customer? These are all things we should think about before writing the HSUS a check.

HSUS' television commercials are as deceptive as its name, but don't be fooled. If you want to help the pet population, give your money directly to your local animal shelter.

Don't pay twice. Help the pets and help keep the cost of food affordable for all of us.

ZFSelect introduces new variety of soybean seed

☐ 1326 a strong performer in 2012 test plots

Seed update

As we approach the 2013 growing season for planting crops in Michigan, one of the words we have heard mentioned most at seed, fertilizer and agronomic training meetings is CHANGE.

We are seeing a change with chemicals to control more resistant weed species, and conventional soybeans are a great way to change your chemistry to prevent weed resistance. You can also get a premium for raising the conventional soybeans.

Planting soybeans earlier for higher yields, adjusting row spacing for soil management conditions, improving tillage and residue management practices, scouting for pests, weed control and plant health are all changes that can be made to improve profitability.

Testing for soybean cyst nematode (SCN) when you do soil testing in the fall is a great way to build a record for each field to be planted into soybeans. If we are going to improve the soybean yields in Michigan, we need to try something new on a small scale

and document the results. Choose one thing from the list in the previous paragraph and see what you can change to improve your soybean yields.

There are also changes taking place at ZFSelect Seed in 2013.

Kyle Marshall accepted the seed sales position and joined the ZFSelect Bean Team on March 11. Kyle is a graduate of Michigan State University with a degree in agribusiness management and worked in the soy plant at ZFS for almost two years. Kyle will be working with seed sales for the ZFSelect IP beans and Partner's Brand seed corn, as well as supporting the seed sales of Diehl Field RR, Liberty Link and non-GMO soybeans.

Kirk Geldersma, a senior at Michigan State University, will be joining the ZFSelect Bean Team on May 8 as our summer intern. Kirk will be making seed deliveries in season, helping to plant seed plots and working with special seed projects for 2013.

ZFSelect will also have a new vari-



ZFS photo

PRIME PERFORMER: A new variety of soybean seed has been added to the ZFSelect line of seeds, and based on test plot results the 1326 should prove to be a nice addition to the line up.

ety of non-GMO soybean seed available this spring. The ZFSelect 1326 (2.6 maturity) has been a strong performer in many test plots and we expect the same in your fields. The plot results can be found on our website at www.zfsinc.com/seed. There will be limited seed available for planting in 2013.

The ZFSelect Seed Team is help-

ing growers find profitable new markets around the globe for IP and non-GMO grain, including rapidly expanding markets such as aquaculture.

The Bean Team

Dan Bailey, CCA 616.437.3961
 Kyle Marshall 517.795.9628

Now is the time to put 2013 crop marketing plan in motion

As we prepare for the onset of spring field work, some producers may still be asking themselves the question: What is the most profitable crop to plant in 2013?

The USDA Agricultural Outlook Forum released its planting projections on February 22. Corn plantings for 2013 are projected at 96.5 million acres and soybeans are projected at 77.5 million acres.

With trendline yields of approxi-

Market report

mately 160 bushels per acre for corn and 42 bushels per acre for beans, this could result in comfortable carryout numbers in the fall.

In February we established the base prices for crop insurance for corn and soybeans. The average price for corn is \$5.65 and soybeans is \$12.87. These are great prices relative to input costs to lock in revenue for your farming

operation in 2013.

With guaranteed revenue on your side, you next need to look at pricing your expected production. Corn and soybean prices for 2013 continue to be a large concern for producers, and coming off great pricing opportunities in 2012 doesn't make their decisions any easier.

There are ways to better leverage your revenue crop insurance with planned aggressive marketing. The use

of forward contracting with hedges, open orders and even minimum price option strategies is needed to maximize your profit potential.

But don't let waiting for the right price turn into doing nothing. Call Kurt or Joel to discuss a plan that best fits your operation.

Grain Division grain@zfsinc.com

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Feed Ingredient Options

Amid plant shutdowns, DDGS prices remain strong

Distillers Grains

Dried Distillers Grains prices have continued to remain strong based on higher protein markets and lower ethanol production at most Wisconsin and Midwest plants. Very few plants are showing forward contracting numbers, and the few who are, are showing values well over 105 percent the price of corn.

A few plants have continued to slow down or have completely shut down due to poor ethanol margins.

Corn basis remains high as some grain farmers haven't released their corn into the market. With good moisture throughout the Midwest, it could be an interesting spring with the high number of acres projected to be dedicated to corn.

Modified distillers prices have been steady, with very little availability in the Wisconsin region. Only one plant in Wisconsin continues to make wet distillers, with prices running near the \$90/ton. The other two plants will make wet cake to order only.

Canola Meal

Canola meal remains tight due to expensive seed and lack of farm movement. Canola oil is overpriced versus soybean oil, and this is creating a difficult environment for crushers to run at positive margins. Look for Canola to loosen up in April, only to get tight again by the end of June.

Corn Gluten Feed

Run times appear to be steady, pushing forward offers higher compared to past years. However, due to rising prices, demand for gluten feed seems to have tailed off over the last year compared to the last five years.

There appear to be seasonal opportunities surfacing in the wet gluten market as spring approaches, so you can look for wet to be a better option than dry gluten in some cases because of more attractive pricing. An extreme inverse on the corn

board to new crop will make 2013-14 contracting opportunities a challenge until this crop is further identified, while regional corn quality issues still present buying opportunities in some areas of the country.

Export demand for gluten feed remains steady, but pales in comparison to what we've seen the past three years.

Soy Hulls

As processing plants pull back some production, soy hulls are getting tighter in supply. Some plants have no offers. Costs are showing higher into April with little let up, as fiber remains a little short in supply with old man winter hanging on.

Citrus Pulp Pellets

Slightly lower production yields and good demand for usage are keeping citrus pulp pellets steady to higher throughout the fall. Cur-

rent supply offers are available through November. A new disease has started showing up in trees, taking many trees out of production in Florida. No cure has been developed yet. New crop 2014 offers are available now, showing some increase to this year's pricing.

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Load restrictions can make spring transport tricky

❑ Regulations, paper work vary from county to county

This year we were reminded what a real Michigan winter is like.

In the transportation business, winter weather equals less productivity and higher costs. Drivers have to work extra hours to accomplish the same amount of work, trucks burn more fuel, breakdowns seem more frequent and the risk of accidents is increased. Frozen loads, stiffer tarps and trucks that do not start really top it off.

Needless to say, we look forward to spring so we can get back to operating efficiently. Thank you to all the drivers, as they are the ones that are hit the hardest when the weather takes a turn for the worse. Not many truck drivers go to bed hoping for blizzard conditions the way many of our kids do.

One of the not so welcomed things that goes along with spring is load restrictions. Since every county has different rules, exceptions and forms to fill out, this creates a lot of extra work for the dispatchers. We ask that our customers help us by arranging whatever they can with their individual counties and please be patient with us during this difficult time of year.

The workload in all freight areas has



ZFS photo by Gary Brower

SLUSH FUN: Hauling freight is difficult in the winter, as cold weather takes a toll on both driver and equipment. But spring brings its own challenges, as most Michigan counties have their own load restrictions and the paper work to go with them.

Freight update

been steady, but slightly down from a year ago. Hopefully, the seasonal products that only move in the spring and summer will help get the trucks operating at full capacity. ZFS is always looking for additional opportunities. Please give us a call to see if we can provide a cost effective solution to any of your freight needs.

Our drivers play the most important role in providing the best customer service. ZFS is always looking for part-time drivers. Full-time positions are limited, but we continue interviewing for when positions

become available. Applications are available online at www.zfsinc.com or at either the ZFS administration building or operations office.

We continue to upgrade the fleet and will have a couple used trucks and trailers for sale. All of our equipment is well maintained from start to finish. Please call Kurt (616) 748-1850 if you are interested or have questions about used equipment.

Our maintenance shop is open 24 hours a day, Sunday night through Friday night. On top of maintaining our own fleet, we offer competitive rates and quality service on medium- to heavy-duty equipment. Oil changes, computer diagnostics, all types of

welding, brakes, air conditioning and hydraulics are a few of the available services. Please call Chris L. for an estimate.

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New boiler helps soy plant gain consistency

Soy Plant update

We have replaced two older boilers in the co-generation plant at ZFS with one more efficient unit. Like the previous set-up, the new boiler is powered by exhaust from the co-gen engines and provides about 25 percent of the steam needed to run the soy processing plant.



The new boiler was installed in February and is already paying dividends as it is generating more steam than the old system. The upgrade has made the entire operation more efficient.

We are working to get things running more consistently overall and improve the service we provide for our valued customers. The new boiler will help reduce some of the issues and should help us gain that consistency we are looking for.

In the refinery, we continue to process several varieties of soybean oils based on the beans our customers grow. At ZFS, we produce an array of oils, including low-sat, ultra low-lin and many more to provide options that fit our growers' needs.

Spring shutdown at ZFS will be the week of April 22. During shutdown we will perform routine maintenance, such as making roll changes in the new hull crackers and servicing the conveyors and the extraction equipment. The plant is shut down twice a year - in the spring and fall - for maintenance. Otherwise, we process beans 24 hours a day, seven days a week about 360 days each year.

Zoye's Sweet Honey Vinaigrette

Serving Size: 1 1/2 cups | Prep Time: 15 min | Total Time: 15 min

Ingredients:
 2/3 cup Zoye Premium Low Sat Vegetable Oil
 1/2 cup balsamic vinegar
 1 Tbsp soy sauce
 3 Tbsp honey
 1 Tbsp white sugar
 1 small onion, chopped
 2 cloves garlic, minced

Directions
 Place vinegar, onion, soy sauce, honey, sugar, and garlic, and into blender; Puree on high.

Gradually add in Zoye Premium Low Sat Vegetable Oil; Continue pureeing 2 minutes, or until thick.

Serve over your favorite salad. Refrigerate any unused portion.

Zoye Premium Low Sat Vegetable Oil is available at Meijer, D&W, Whole Foods, and online at www.amazon.com.

Visit www.zoyeoil.com for more information!