

# Agri ZFS Source

A publication of Zeeland Farm Services, Inc.®

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## Early start, steady progress

❑ 40 acres bought as a teen have turned into a 1,000-acre operation for the Reiminks

While most of his classmates at Fennville High School were worrying about the next football game, buying their first car or finding a date for the prom, 16-year-old Ed Reimink was weighing heavier choices.

Ed had been very successful showing livestock at fairs in and around Allegan County - with a couple of grand champions and reserve champions - and as a result, had some money in the bank. When a 40-acre parcel came up for sale near the family homestead in Ganges Township, he faced a decision that would shape his future.

"My dad said, 'If you buy a car, then you have a car. But if you buy a farm ...,'" Ed recalled. "I'm glad my dad told me to buy the farm."

Ed bought the 40 acres just southwest of Fennville on a land contract for \$110 an acre, which started him on a journey that has lasted a lifetime. He is still farming the same piece of ground 45 years later, and, of course, he's added a few other parcels along the way.

He and his wife, Cindy, work to-



ZFS photo by Gary Brower

**TEAM WORK:** Ed and Cindy Reimink grow corn and soybeans, and a little fruit, on 1,000 acres in Allegan County near Fennville, Mich. They farm on the original Reimink family homestead, as well as a 40-acre parcel Ed bought when he was 16 years old.

gether to farm about 1,000 acres in Allegan County, growing about 500 acres each of corn and soybeans. There are a few acres of blueberries in the mix, too. About 300 of the Reiminks' acres are in the Michigan DNR's Fennville Farm Unit, also known as Todd Farm.

"Once you've got farming in your

*See REIMINKS, Page 2*

### Reimink Farms

**Owners:** Ed and Cindy Reimink

**Location:** Ganges Twp., Mich.

**Type of operation:** Cash crop and fruit grower

**Employees:** 2

**ZFS customer since:** 1972

## Fracking shows promise for ag economy



Photo courtesy of Michigan Oil & Gas News

**WELL DONE:** This natural gas well, owned by Merit Energy Co. in Oscoda County, Mich., is one of about 12,000 wells in Michigan that have been drilled using a technology called hydraulic fracturing, or fracking. The low-cost natural gas produced by wells opened by fracking has been a boon to the Michigan ag industry.

❑ Lower natural gas prices impact many facets of the agriculture industry

Ahhh, spring. The time of the year when we sow what we hope to reap. Although this spring has had its challenges with too much rain and not enough heat, the producers did a great job of getting things done in a very short time.

Not too many years ago, planting would have taken a lot longer. But times change and the American ag producers surely have increased their efficiencies.

Speaking of change, back in the days of \$200 per ton anhydrous ammonia and \$90 per ton 28-percent liquid nitrogen - oh yes, it was that cheap - we also had natural gas at \$2 cubic feet per minute (cfm).

These days, 82-00 anhydrous ammonia runs \$800 to \$1,000 per ton and 28-percent is between \$300 and \$500 a ton. But what happened to natural gas? It spiked as high as \$13

### Cliff's Notes

Cliff Meeuwssen is president of Zeeland Farm Services, Inc.

cfm, and in the process the high price of natural gas and government regulations wiped out many fertilizer manufacturers in the United States. Production was moved overseas where natural gas was cheaper, and those companies began exporting higher-priced products back to us. Today, the United States is the largest importer of nitrogen in the world.

Now for the big change.

Since the 1950s, we've had a process called hydraulic fracturing that is used to extract natural gas from the ground. The technology behind hydraulic fracturing, also known as fracking, has evolved a great deal over the years. It is now possible to extract natural gas from shale formations 4,000 to 9,000 feet, or more,

*See CLIFF, Page 2*

## REIMINKS: Husband and wife team work together to keep farm running smoothly

*Continued from Page 1*

blood, it's hard to get rid of it," Ed said. "I was involved in 4-H and Future Farmers of America, and the younger you get involved in it, the more it stays with you."

Like most farmers, Ed grew up working hard on the family farm and remembers early mornings of milking cows and slopping pigs. But unlike many others, Ed followed in the footsteps of his mother, Lorraine, as much as his father, Richard. Richard Reimink worked full-time on the road crew and tended to the farm as much as possible on the weekends. It was Lorraine who kept things rolling during the week.

The Reimink family farm was a mixed bag of apples, pears, strawberries and peaches, while Ed grew corn on his own land. He said it was common for small farms to grow a variety of fruits and vegetables.

"Back in the '60s and '70s, you didn't have all your irons in one fire, you might say," Ed said. "We farmed 40 acres and that was quite a bit. Back then, with 40 acres, you could make a half-way decent living at it."

It is a time and a lifestyle Ed thinks of often. He said the advancement of technology has been a double-edged sword for the ag industry. It is the reason he and Cindy are able to farm 1,000 acres with just the two of them, but it's also the reason he worries during the day when he watches commodities prices bounce up and down in real time on his computer.

"I do miss some of the old things, but I do like some of the new stuff. It's gotten easier, but there is more stress. Things change so quickly," Ed said. "I miss the more rural feel, when you knew everybody and everybody was pretty much the same."

"It used to be, 'You mind if I bor-



ZFS photo by Gary Brower

**SPRAY DISPLAY:** Ed Reimink demonstrates the operation of the Spra-Coupe spayer he uses to apply chemistry to the 1,000 acres of corn and soybeans he and his wife, Cindy, farm in Allegan County, Mich.

row your tractor? No problem.' Now days it's, 'Mmmm, maybe not,'" he added. "Everybody used to farm 40 acres down here. Now it's just two or three guys (farming it all). And we are all busy. We're just busy being busy, I guess."

Along with building a strong work ethic and a love for farming, living and working on the family farm taught Ed the importance of living within your means. Ed admits that he and Cindy lost sleep when trying to decide whether or not to buy the farm and farmhouse in which they currently live. Together the Reiminks have made financial decisions with prudence and have invested in the farm only when it makes sense.

Over the past few years they have added irrigation pivots to several of their fields, which last summer paid

dividends. Their equipment, Ed said, is kind of a hodgepodge of old and new, but serves them well.

"We don't always have the newest or the shiniest equipment, but it works for us," he said. "We've been really fortunate."

His father also instilled in Ed the importance of local politics. Richard Reimink used to take his son along to the local township board meetings and encouraged him to watch the proceedings. It was important, Richard said, to know what was going on and to be involved when need be.

"He would say, 'This is going to affect you more than me,'" Ed said. "It's just something that people should do. Take an interest in your community."

Both Ed and Cindy have been ac-

tively involved in the government of Ganges Township. Cindy has been the township treasurer for 16 years, while Ed served on the planning commission for about 20 years.

Ed has been a Zeeland Farm Services customer since the early '70s, when the company was still known as Meeuwssen Produce and Grain.

Ed primarily uses ZFS to haul and store corn and soybeans. He said the relationship has changed very little in almost four decades.

"For a big company, they still have the personality. It's worked out well for us," Ed said. "I have always put a lot of trust and faith in Zeeland Farm Services and they have always treated me right."

"Their drivers are good and they have been pleasant," he added. "They have always been good to me."

## CLIFF: Economic benefits of fracking are far reaching for state's farmers

*Continued from Page 1*

below the surface.

The extraction takes place far below the aquifers that hold drinking and irrigation water, and the portion of the well that runs through the aquifers is constructed of multiple layers of cement-encased steel to create an air-tight seal.

The driller then continues down with a cement casing around the drill to a depth at which they find shale, typically 4,000 to 9,000 feet. They then turn the drill on an angle and bore horizontally into the shale formation. Once they have drilled far enough into the rock formation they inject a highly pressurized mixture of water, sand and various chemicals into the well. The injection creates fissures in the rock and lets the trapped natural gas escape up the well, where it is captured.

The mixture is more than 98 percent water and sand by volume, with the chemicals comprising less than 2 percent of the materials injected into

the well. The excess water, sand and chemicals - many of which are also used in typical household products such as salt, hair coloring and makeup remover - are recovered and disposed of deep underground.

After the fracking process is complete, the owner of the well then can extract natural gas from the well for many years. This process has made many gas wells, old and new, very productive. So productive that last year natural gas prices dropped to near \$2 per cfm.

So how will this help agriculture?

Remember high priced gas and how it drove fertilizer production out of the United States? Well, production is coming back.

There are plans in place for two anhydrous plants to be built in Iowa, and two more in North Dakota. The four plants together represent about \$6 billion in capital investments in those two states. Some experts estimate the new plants, which won't begin production for at least two

years, could lower fertilizer costs by \$100 per ton over imported fertilizer.

Another thing taking place in transportation is the conversion to engines that burn cheap natural gas. With natural gas about \$2 cheaper than its diesel fuel per gallon equivalent, that represents a huge savings when transporting agricultural products.

There are also many agricultural processing jobs that could be helped by cheap natural gas, despite excessive government regulations.

The big picture: Fracking could bring us low-priced natural gas for many years to come.

Cheaper fertilizer, cheaper energy and cheaper transport of products all reduce the cost of doing business and will help agriculture and other American industries remain competitive in the world market place. This looks good for our economy.

As always, the people at ZFS want to thank you for your business. We work hard at earning it every day.

### Economic impact of fracking in Michigan

- Creates 10,000 industry-related jobs.
- Pays 14,000 private mineral owners more than \$80 million in royalties annually.
- Contributed nearly \$1 billion in oil and gas income to the State of Michigan since 1927.
- Pays more than \$40 million in severance taxes and oil and gas fees to the State of Michigan annually.
- Contributes millions of dollars in local property taxes on oil and gas wells, pipelines and surface facilities each year.
- Provides about \$7 million in privilege fees to the state annually.

Source: Michigan Oil and Gas Producers Ed. Foundation

# After slow start, farmers ready for profitable season

❑ Cold, wet spring held up planting for many growers in Michigan

It is hard to imagine that spring has come and gone and we are into the summer season again. What a challenge this spring was with all the rain.

Despite all the adversity, the crops have been planted, although later than most growers wanted. The crops have emerged with little or no major issues, and stands and crop progress look good.

We are gearing up for a busy summer and fall at ZFS, as we have several events scheduled. We hope you can join us for one or more of our events.

The largest is the Michigan Ag Expo, July 16 to 18 at MSU. ZFS will again be present at the show, so stop by our tent at plot No. 768 for live demon-

## Wet spring leads to uncertainty in commodities markets

Unpredictable weather patterns have led to unpredictable grain markets. Excessive rains throughout the United States have limited timely planting and the remnants of last year's drought-stricken crop have forced the grain markets to become volatile.

Those conditions have given way to an obstacle known as the inverse. As supplies of old crop dwindle and new crop planting conditions remain vague, we have witnessed large movements between the two cropping years.

The June 24 Crop Progress Report places corn at 96 percent emerged,

### Feed Ingredient Options

## DDGS remains a viable, affordable feed ingredient option

#### Distillers Grains

In the Midwest dried distillers grains (DDGS) market, the availability has been good and product readily available. Prices of DDGS did drop about \$20 in late spring, but have remained strong and at a premium in comparison to other feed ingredients. Spot sales are more than likely going to stay above the \$240 level.

Some deals on wet products have been available due to down dryer times, but that availability is sporadic, making a consistent price around \$75 at the plants. Export prices dipped somewhat earlier in May, but they too have been on the increase with uncertainty of late corn planting.

A lot of the Wisconsin alfalfa crop was hurt due to winter kill, and the constant rain made planting somewhat difficult in areas of heavy soils. Some farmers are trying to decide what to do to replace hay or prepare for the loss of corn and other crops later in the fall and winter months. Central and northern Wisconsin have been hit the hardest with high moisture levels and have turned to dry gluten feed as a replacement.

### Seed update

strations at 10 a.m. and 2 p.m. each day. You will learn more about the use of soybean oil in the food processing and automotive industries, variety selection for specific oil traits and how a soybean is processed into products for feed uses. This is a must attend event. Plus, you don't want to miss our popcorn popped with our own But-R-Lite speciality oil.

ZFS has several field days scheduled in late summer and into early fall to showcase the current and new ZFSelect soybean seed products. Dates and times will be posted on our website at [www.zfsinc.com](http://www.zfsinc.com).

The Bean Team of Dan Bailey, Kyle Marshall and Kirk Geldersma appreciates all the support we receive from



ZFS photo

**FIELD DAY:** Several Zeeland Farm Services customers visited Harvey Jipping's Hamilton-area wheat field June 10 for a plot day organized by Michigan State Extension.

our diligent co-workers who handle the Identity Preservation process at ZFS.

We are also grateful for the dedicated growers who work hard to keep the IP soybeans separate at harvest to maintain the IP traits needed for ZFS customers. It takes everyone working

together to make the process work, affording our customers a quality product at the farm and a processed, end-use product.

**The Bean Team**  
 Dan Bailey, CCA.....616.437.3961  
 Kyle Marshall .....517.795.9628

### Market report

below the five-year average of 99 percent, with 65 percent in the good to excellent rating. Nationally, 92 percent of the soybean acreage was planted at the time of the report, slightly below the five-year average of 95 percent, with 65 percent in the good to excellent range.

The USDA Stocks Report of June 28 was surprising to many and the corn market reacted negatively. The report reinforced the previous USDA prediction of 97.3 million corn acres

planted, while most experts expected that number to drop dramatically.

Old crop corn supply remains tight with corn at 2.764 billion bushels, and on-farm stock dropped to a 13-year low in June.

The soybean stock report predicts 77.73 million acres planted, an increase of more than 600,000 acres from the previous estimate.

Old crop bean supply came in at market expectations with 435 million bushel on hand.

Export numbers continue to decrease, with the United States slipping to the world's second largest

corn exporter, behind Brazil. We still strongly recommend growers to lock in profitable numbers to cover costs and ensure they make some money in 2013.

Zeeland Farm Services merchandisers are able to use target prices, basis contracts and forward pricing to help growers increase profitability, so contact one today with your marketing questions.

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 Kurt Bergstedt ..... 616.748.1832  
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#### Corn Gluten Feed

The run times at most gluten plants have remained steady throughout the spring and it appears it will remain that way through the summer and into September.

Because of the ample supply, dry gluten remains a good value for your ration versus a tight dry distillers grain market in the Midwest. Old crop dry gluten has stood up well versus corn on a five-year average, and remains a good value.

Wet gluten supplies, however, are tight and consequently the product is a bit expensive compared to dry offers. Exports of gluten have been soft compared to the five-year average.

New crop offers are now available on gluten.

#### Cottonseed

Old crop prices on cottonseed have surprised most of the trade, with prices racing \$75 per ton or more higher, while most other ingredients have softened. Fiber markets in many areas were tight this year and cottonseed has been used as the extender or

replacement in many markets.

Old crop prices seem to have stabilized, but will likely remain volatile throughout the summer season. New crop prices are up about \$40 per ton off the lows seen around the first of the year, but cottonseed is still trading at an \$80 to \$100 discount to old crop supplies in most markets.

Acreage is down by as much as 30 percent in some markets and the crop is off to a late start this season. If you are planning to feed cottonseed next year, given the lesser planted acreage, we would suggest getting some coverage on the books. Contact us for pricing through September 2014.

#### Soy Hulls

Soy hulls are in better supply than recent months as demand has softened, offering a good buy for a fiber source in the ration. Pellet contracts are available through August.

With the shortage of straw, both oat and cotton hulls have been available in some areas. Wheat midds have been a strong seller recently for many, as well.

#### Canola Meal

The canola market remains wide open for July. There is tonnage available for August and September, but for the time being it is first come, first served.

Canadian crushers are still concerned there may not be enough to make it to new crop, but it is mainly the eastern processors that remain short of seed.

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# Spring's late arrival put pressure on Freight Division

❑ Seasonal freight demand called for extra effort from drivers and dispatchers

Transportation is currently hitting on all cylinders. The annual spring rush got started a little late this year as Mother Nature made up for last year and winter hung around a little longer than normal.

This time of year brings major demand for bulk freight carriers. Providing transportation for seasonal customers while maintaining year 'round freight is always a challenge. Despite all the preparation, this year there was a short time period during which Zeeland Farm Services just didn't have enough trucks to keep up with the demand.

Thanks to all the dispatchers and drivers for their hard work during this exceptionally busy time. As always, we would appreciate any feedback from our customers. Please let us know how we are doing and what we can do to improve.

Most trucking companies continue to look for ways to improve efficiency. Fuel consumption and lightweight equipment are a couple things that always end up at the top of our list. And most improvements have a cost associated with them.

For example, at ZFS we recently switched to aluminum fifth wheels,

## Freight update

which are roughly 90 pounds lighter than steel. They cost an extra \$1,250, which, at first glance, seems like a lot for such a small weight savings. But since most bulk freight pays by the ton, the extra 90 pounds of payload will earn the average ZFS truck an extra \$400 per year. Over the seven-year life of the truck, this one item is capable of earning an extra \$2,800 of revenue.

Devices for saving fuel are not nearly as transparent. There are a whole lot of expensive gadgets being sold that claim to offer instant fuel savings. We usually try them all and have yet to find one that works. Driving slower and turning the engine off when not driving are still the most effective ways to improve fuel mileage.

Our drivers play the most important role in both operating efficiently and offering a high level of customer service. ZFS is always looking for part-time drivers. We offer flexible hours and competitive wages. Full-time positions are limited, but we are accepting applications in the event positions become available. Applications are available online at [www.zfsinc.com](http://www.zfsinc.com) or at the ZFS operations office and the administration office.

The maintenance shop at Zeeland



ZFS file photo

**HARD WORKING HAULERS:** With a fleet of about 90 trucks on the road, the Freight Division at Zeeland Farm Services is always busy. But the late start to the spring had the drivers and dispatchers hopping even more than usual this year.

Farm Services is open 24 hours a day, Sunday night through Friday night. As well as 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. at (800) 748-0595 for an estimate.

The wash bay is open 7 a.m. to 10 p.m. Monday through Friday and until noon on Saturday. Stop in and

check it out or call Travis at (800) 748-0595 to schedule a wash.

## Transportation Division

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- Greg VanderWal & Don Lewis  
Grain Hauling ..... 866.748.1820
- Mike Keeler & Jill Barnes-Caudill  
Bulk Commodities ..... 800.968.4507
- Jamie Andrews  
Tanks & Containers ..... 800.968.4507
- Chris Laarman & Travis Overway  
Garage & Wash Bay ..... 800.748.0595
- Jeff Griffith  
Florida Transportation... 888.826.6809
- Connie Flynn  
Florida Transportation... 616.879.1760

# Shutdown improvements increase plant reliability

## Soy Plant update

The spring plant shutdown has passed and we made some improvements in the plant that should help equipment reliability.

When taking the time to go through the equipment piece-by-piece, we have also identified some items we would like to address at fall shutdown. We are looking forward to seeing what improvements can be made then.

One of the Cat engines in our co-gen plant has undergone a major overhaul and appears to be running much better with some new pieces and parts in place.

Now that the weather is finally warming up, we can turn our focus to the facility outside the plant, where we will be working on a few maintenance and repair projects, as well as doing some painting.

At ZFS, we continue to produce many different varieties of Identity Preserved (IP) oils for the specialty oils market, and the soy plant staff has been making plans for those runs to help meet the varied needs of our customers.



ZFS file photo

**OVERHAULED:** One of the two 20-cylinder engines in the ZFS co-generating plant was recently sent back to Caterpillar for a complete rebuild and is running much more efficiently.

## Zoye's Greek Island Salad

Servings: 4

### Ingredients:

- 3/4 cup Zoye Premium Low Sat Vegetable Oil
- 4 tablespoons fresh lemon juice
- 1 tablespoon dried oregano
- 1/2 teaspoon garlic powder
- 1/2 teaspoon salt
- 1/4 teaspoon black pepper
- 1 head iceberg lettuce, cut into 1" chunks
- 1 medium cucumber, peeled and diced
- 1 (4-ounce) package crumbled feta cheese
- 2 medium tomatoes, cut into wedges
- 1 (6-ounce) can black or Greek olives, drained

### Directions

1. In a small bowl, combine the Zoye oil, lemon juice, oregano, garlic powder, salt, and pepper; mix well.
2. Place the chopped lettuce on a platter. Top with the cucumber then sprinkle with feta cheese.
3. Arrange tomatoes over cheese then top the salad with olives; drizzle dressing over salad just before serving.



Zoye Premium Low Sat Vegetable Oil is available at Meijer, D&W, Whole Foods, and online at [www.amazon.com](http://www.amazon.com).

Visit [www.zoyeoil.com](http://www.zoyeoil.com) for more information!