

AG NOTES

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be accepted after 6 p.m. All exhibits must remain in place until 11 a.m. Aug. 8, and will be released between 11 a.m. and noon that day.

Categories consist of Class 1: Yeast Breads; Class 2: Sweet Dough; Class 3: Quick Breads; Class 4: Cakes; and Class 5: Cookies/Bars.

A judge will award a first-, second- and third-place ribbon for all categories.

For more information, contact the Yankton County Extension Office at 665-3387.

S.D. Tops Nation In No. Of Ethanol Blender Pumps

PIERRE — A \$1 million grant program will put South Dakota at the front of the pack nationwide when it comes to the availability of ethanol blender pumps for motorists, Lt. Gov. Dennis Daugaard said.

The grants, which were processed through the state Energy Policy Office in the Governor's Office of Economic Development, will help business owners install blender pumps at fuel stations across the state, he said.

"As of June 1, there were 157 service stations with blender pumps in 14 states," Daugaard said. "Minnesota was in the lead with 49, and South Dakota had 42 of them. I'm proud to say that this grant program will make South Dakota the national leader in ethanol blender pumps."

Daugaard said the grants will result in installation of up to 100 blender pumps at 49 more fuel stations in 40 South Dakota communities. That will bring the total number of stations in the state with blender pumps to 90.

Blender pumps allow motorists to select the amount of ethanol in fuels, starting with the traditional 10 percent blend and moving up to blends of 20, 30 and 85 percent ethanol. Studies have shown that mid-level ethanol blends can improve the fuel efficiency of some vehicles. Flexible fuel vehicles can operate on any blend of gasoline and ethanol.

"These pumps will conveniently tailor the amount of ethanol in fuel to fit the capabilities of various vehicles," Daugaard explained. "That will not only benefit motorists but also should increase ethanol use, and that is welcome news for corn farmers, too."

The grants will allow blender pumps to be installed in the following communities: Aberdeen, Arlington, Baltic, Black Hawk, Brookings, Chamberlain, Chancellor, Corsica, Howard, Huron, Ipswich, Kennebec, Lake Preston, Lennox, Leola, Menno, Mitchell, Mobridge, Onida, Parker, Philip, Redfield, Rosholt, Sioux Falls, Sisseton, Tripp, Tyndall, Warner, Wessington, Wessington Springs, Woonsocket, and Yankton.

"It's gratifying that so many businesses across the state are willing to participate in the increased marketing of ethanol," Daugaard said.

A 2010 law signed by Gov. Mike Rounds appropriate \$1 million for blender pump grants.

Eligible retail fuel dealers qualified for grants of up to \$10,000 per pump to defray the cost of installing blender pumps. The new pumps can cost up to \$25,000 each.

Funds for the grant program were allocated to South Dakota through the American Recovery and Reinvestment Act (stimulus funds).

Area recipients include Farmers Elevator of Tripp, \$10,000; Gerstner Oil Co. of Yankton, \$20,000; Double T Truck Stop of Yankton, \$10,000; Gillas Stern (Papa's Yankton) of Freeman, \$10,000.00; Gillas Stern (Yankton Prairie Pumper) of Freeman, \$10,000; Gillas Stern (US HWY 81 Freeman) of Freeman, \$10,000; Gillas Stern (Prairie Pumper Parker) of Freeman, \$10,000; Gillas Stern (Corsica SD Mini Mart) of Freeman, \$10,000; Schmidt's Service Consumer of Tyndall, \$20,000.

USDA: Conservation Works In Upper Mississippi

BY STEVE KARNOWSKI
Associated Press Writer

MINNEAPOLIS — Farmers in the Upper Mississippi River basin have made significant progress in reducing sediment, fertilizer and pesticide runoff but need to do more to cut pollution to acceptable levels, a major U.S. Department of Agriculture study says.

Agriculture Secretary Tom Vilsack said recently that the study establishes that good conservation practices do indeed work. It's the first among several studies the USDA plans to release evaluating the effectiveness of conservation practices on major watersheds.

"First and foremost we found that farmers in this area are stepping up in a significant way to embrace conservation," Vilsack said in a phone interview with The Associated Press before the report's release.

The region's most critical conservation concern is excessive runoff of nitrogen fertilizer,

the report said. The region's corn crop, in particular, uses large amounts of nitrogen.

About 51 percent of crop acres in the region require more aggressive steps to reduce nitrogen loss, and about 62 percent of the region's cropland overall requires better management to reduce losses of nitrogen and phosphorous, which leaches out of manure and other sources.

The solution, the report and Vilsack said, is better attention to the proper rate, forms, timing and methods of fertilizer application.

On the positive side, the study found use of soil-erosion controls are widespread, and only about 15 percent of cultivated acres still have excessive sediment loss. And it said conservation practices in the region have been highly effective in reducing pesticide runoff.

"When you see the pesticide risk to human health reduced by 48 percent, and only 1 to 2 percent of pesticide actually leaves the field, we know that with

more precise application, more rotations and scouting, we can do an even better job of reducing risks associated with pesticides and reassure people about the safety of the food that they're eating," Vilsack said.

The Upper Mississippi basin covers about 190,000 square miles, including large swaths of Minnesota, Wisconsin, Iowa, Illinois and Missouri, as well as smaller parts of South Dakota, Michigan and Indiana. It accounts for more than 40 percent of the U.S. corn harvest and more than a third of the U.S. soybean crop.

"This kind of study allows us to reaffirm to taxpayers that investment in conservation are wise and appropriate uses of their dollars," he said.

Vilsack said the findings give the USDA reason to be more confident of the value of its other upcoming reports, including its study on Chesapeake Bay. Agriculture, including large-scale animal farms, is responsible for about half the pollution entering the bay.

"This should give comfort to those who believe as we do that conservation is a key strategy for cleaning up the bay," Vilsack said.

Some other studies in the pipeline include the Ohio, Tennessee, Lower Mississippi and Delaware river basins. The USDA plans to release at least a couple more later this year.

Vilsack said proper planning — using targeted tools in concert — is five times more effective in reducing sediment and soil erosion, four times more effective in reducing nitrogen losses and three times more effective in reducing phosphorous runoff.

The project drew applause from Craig Cox, senior vice president for agriculture and natural resources in the Ames, Iowa, office of the Washington-based Environmental Working Group. Cox said he hopes lawmakers use it to shape the conservation provisions of the 2012 Farm Bill.

"The project confirms there are extremely effective conser-

vation practices available to farmers that, if they were more widely used, and most importantly, if the right combinations of practices were used together and targeted to the right places, we could go a long way to protecting the water quality in the river and protecting the gulf," Cox said.

Fertilizer from the Mississippi flows into the Gulf of Mexico, where it fuels algae growth in the summer that depletes the water of oxygen below the levels that can support fish and other aquatic life, Cox said. No one yet knows how the oil spill will affect that, he said.

Given that the gulf will be in a weakened state for some time, Cox said, the report's findings are even more critical.

"I hope this report leads people to realize that we simply can't push the land as hard as we're pushing it without substantially increasing conservation at the same time," he said.

MARKET INSIDER

June Cattle Report Neutral

BY BRIAN HOOPS
Yankton



Brian Hoops

On Friday, June 18, the USDA released the monthly Cattle on Feed Report for the month of June. The report is generally considered neutral, as it almost exactly matched pre-report estimates, to negative as placements increased for the third consecutive month compared to a year ago.

In addition, this was the first month that total cattle on feed supplies did increase over the prior year for the first month in 2010.

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 10.5 million head on June 1, 2010. The inventory was 1 percent above June 1, 2009.

Placements in feedlots during May totaled 2.02 million, 23 percent above 2009. Net placements were 1.92 million head. During May, placements of cattle and calves weighing less than 600 pounds were 445,000, 600-699 pounds were 405,000, 700-799 pounds were 537,000, and 800 pounds and greater were 635,000.

Placements in all the major beef producing states increased compared to a year ago with Oklahoma placements up 39 percent, Texas up 36 percent, Nebraska placements up 23 percent and a 22 percent increase in Kansas.

Placements of calves under 600 pounds increased by 12 percent compared to a year ago to 445,000 head. This is a record large placement figure for calves under 600 pounds. Placements during June are also expected to be large.

Marketings of fed cattle during May totaled 1.87 million, 4 percent below 2009. This is the lowest fed cattle marketings for the month of May since the series began in 1996.

Other disappearance totaled 102,000 during May, 1 percent above 2009.

CORN

Analysis
Corn closed the week \$11 1/4 higher. Last week's crop progress report showed national good to excellent ratings were 77 percent, 1 percent higher compared to a week ago. This is the highest corn conditions for this time of year in history. Iowa is rated 76 percent g/e, Nebraska 81 percent, Minnesota 94 percent, Illinois 72 percent and Indiana at 70 percent. Only 5 percent of the crop is rated either poor or very poor. Last year's ratings were 70 percent g/e and only 5 percent p/vp. The big question is can ratings hold these levels during the growing season. Last week, the USDA reported a private sale of 120,000 mts of corn to China. The weekly export sales report showed net sales of 1,090,400 MT for delivery in 2009/10 were up 7 percent from the previous week and 21 percent from the prior 4-week average. Increases were reported for South Korea (156,800 MT), Japan (135,700 MT, including 67,500 MT switched from unknown destinations and decreases of

19,200 MT), Egypt (126,500 MT), and China (120,000 MT). Net sales of 136,500 MT for delivery in 2010/11 were mainly for Costa Rica (96,000 MT) and South Korea (55,000 MT).

This year's export profile is now at 1.848 bb vs. the USDA forecast of 1.950 bb. With the crop the highest rated in over 30 years and seasonal highs forming in corn and soybeans, the possibility of a sharp drop in corn values seems strong. The USDA is likely to lower feed usage in the quarterly stocks report, combine that with a record large crop and ending stocks could easily swell to over 2 bb. This is especially bearish with the weak overseas economies. Seasonally, corn has sold off from June 18 through July 27, 13 of the last 15 years and average of 44 cents. The last three years sell off has been an average of \$1.21. By the end of July, December corn could be below \$3.30.

Strategy & Outlook
Producers should be 100 percent sold in cash/hedges for the 2009 crop. Producers should have purchased July options on a pullback into a support level on a portion of their 2009 production. Hedgers have sold a portion of the 2010 crop when December futures traded above \$4.50. Next sales objectives for corn producers is between \$3.80 and \$4.00. Producers should look at buying new crop put option protection at this level.

SOYBEANS

Analysis
Soybeans closed the week \$14 3/4 higher from last week. Last week, the NOPA May soybean crush was reported at 127.8 million bushels, solidly below expectations of 130.2 million (123.2-135.0 million range) and represented a 10 percent decline from year ago May crush of 142.2 million. This is the 2nd consecutive month of crush below year ago levels and the slowest May crush since 2003. Seasonal downtime was expected to result in reduced crush, but the reduction was more than expected, and was down from April's 131.7 million, as well.

Marketing year to date NOPA crush is now at 1.307 billion bushels vs 1.219 billion last year, up 7 percent, while the USDA's 2009/10 estimate of 1.740 billion represents a 4.7 percent increase from last year. The USDA reported record high ratings of 73 percent g/e, down 2 percent from last week. Iowa is rated 75 percent g/e, Illinois at 68 percent, Indiana 68 percent, Minnesota 92 percent and Nebraska at 78 percent. Only 5 percent of the crop is rated poor to very poor. Last year, 66 percent of the crop was rated g/e and last year 6 percent was rated p/vp. The weekly export sales report showed net sales reductions of 136,300 MT resulted as increases for Taiwan (59,700 MT), unknown destina-

tions (34,500 MT), and Mexico (34,400 MT), were more than offset by decreases for Japan (270,100 MT). Net sales of 452,100 MT for delivery in 2010/11 were mainly for China (350,000 MT). Exports of 211,200 MT were up 26 percent from the previous week and 15 percent from the prior 4-week average. The primary destinations were China (64,500 MT), and Taiwan. This year's export profile remains well ahead of last year's record pace at 1.423 bb vs. the USDA forecast of 1.455 bb.

Strategy & Outlook
Producers should be 100 percent sold in cash/hedges in the 2009 crop. Producers should have purchased July options on a pullback into a support level to re-own a portion of their 2009 production. Producers have sold 2010 crop when November futures traded above \$10.30 and at the \$9.87 level. The next sales objectives for producers is \$9.45 to \$9.62. Producers should look at buying new crop put option protection at this level.

WHEAT

Analysis
For the week, Chicago wheat closed \$2.1 higher; Kansas City wheat \$3.0 1/4 higher and Minneapolis wheat \$3.6 1/2 higher. Last week, the USDA reported a private export sale of 128,080 mts of wheat to an unknown destination. Saudi Arabia announced a tender for 990,000 mts of optional origin wheat. The USDA reported only 3 percent of the winter wheat crop has been harvested. The USDA reported the U.S. spring wheat is rated 86 percent g/e, up 2 percent from last week, with 1 percent of the crop rate poor to very poor. A year ago, 75 percent of the crop is rated g/e with 3 percent rated p/vp. While the U.S. is enjoying a great start to the spring wheat growing season, Canada is struggling to see their spring wheat and oat crops. The CWB estimates as much as 12.5 million acres of wheat and oats could be left unseeded due to excessively wet conditions. If so, this could shift more demand to the U.S. instead of Canada. The weekly export sales report showed net sales of 959,500 MT for the 2010/11 marketing year, were primarily for Mexico (196,300 MT), Peru (140,000 MT), Japan (98,600 MT), Nigeria (93,900 MT), South Korea (85,800 MT), Indonesia (61,000 MT), switched from unknown destinations, and unknown destinations (47,300 MT). Decreases were reported for Italy (20,000 MT).

Exports were mainly for the Philippines (67,800 MT), Nigeria (67,500 MT), Japan (67,000 MT), South Korea (51,200 MT), Mexico (49,700 MT), and Venezuela (27,000 MT). This year's exports stand at 189 mb vs. the USDA forecast of 900 mb.

Strategy & Outlook
Producers began to scale into 2010 crop sales at \$6.05 off the July Kansas City contract. With the poor cash basis levels, producers should look to put wheat product under government loan and sell for the market carry in the next nine months. Basis levels are also likely to improve during that timeframe.

Carbofuran No Longer Registered In United States

PIERRE—The Environmental Protection Agency (EPA) revoked the registration of carbofuran, effective Dec. 31, 2009.

Carbofuran is an insecticide and nematocide that was registered to control pests in soil and on leaves in a variety of field, fruit, and vegetable crops.

EPA has concluded that dietary, worker, and ecological risks are unacceptable for all uses of carbofuran. All products containing carbofuran generally cause unreasonable adverse effects on humans and the environment and do not meet safety standards, and therefore are ineligible for re-registration.

The South Dakota Department of Agriculture (SDDA) provides an unusable pesticide collection program. Only unusable pesticides, such as carbofuran, are eligible for collection. Waste pesticides are those where the label uses have

been canceled, the product is no longer in usable condition, or the product is unidentifiable and the label is missing, so proper use is impossible.

To participate in the unusable pesticide collection program, please pre-register at http://sdda.sd.gov/Ag_Services/-http://sdda.sd.gov/Ag_Services/ and click on the 'Container Recycling and Waste Pesticide Collection Program' link.

Carbofuran is also known under the trade name, Furadan, and was used on winter wheat, corn, sunflowers, potatoes and alfalfa in South Dakota.

EPA reminds growers that carbofuran should not be used on any food crops after Dec. 31, 2009. Use of carbofuran after that date would result in adulterated food products, which would be subject to appropriate enforcement by the Food and Drug Administration.

SDSU Dairy Specialist Named National Spokesman

BROOKINGS—South Dakota Cooperative Extension Dairy Specialist Alvaro Garcia will serve as a media-trained spokesperson for the American Dairy Science Association.

The ADSA board of directors named Garcia, a professor of dairy science at South Dakota State University, along with six other dairy scientists in the U.S., as part of their effort to enhance the association's image as the "go-to organization" for science issues related to dairy production and technology.

Garcia and other ADSA spokespeople received training from the David James Group and the David Baum Media Training Group, during a one-day training session in Chicago on June 15.

Garcia received information on how various types of media function, their information needs, the constraints under which they work, then he took part in several "on-air" audio and video interviews with critiques. He said the spokesman role is one he can use to help promote the dairy industry.

"The specific media requests the Association has asked me to focus upon are animal health and welfare, safety of raw and processed dairy foods, and sus-

tainable best-practices in the dairy industry," Garcia said. "I am pleased to take this role with the American Dairy Science Association, and look forward to assisting them in this innovative mission."

SDSU Department of Dairy Science Head, Vikram Mistry, said Garcia's inclusion within this small group of industry representatives is an indicator of his esteem within the world of dairy science.

"As a department, we value the effort the ADSA is putting forth to be a better communications entity, and we know from our own experiences how effective Alvaro will be as a member of their new team," Mistry said. "Not only will he be a great representative for our industry, he also will be a leader for SDSU and the South Dakota Cooperative Extension Service."

ADSA feels it is now better positioned to help address questions related to the dairy industry and research activities as they arise. The association said in a statement that the development of the spokesperson team is only the start of a new effort to keep science-based information clearly available to the public.

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