



## Going Beyond the Expected

BY MILT HANDCOCK, GENERAL MANAGER • 605-224-5935 OR CELL: 605-295-1023 • MILT.HANDCOCK@CHSINC.COM



First off, I want to thank you for your patronage this spring. Most of us welcomed the several inches of rain fall that fell across our area, especially since most of us have recent memories of the lack of moisture still in our minds. Many customers called upon Midwest Cooperatives agronomists with questions about in-season changes that were occurring. With more corn, millet and milo acres expected, continue to work with your skilled agronomist to get the most out of your investment.

About a month ago, we announced that we had entered the aerial application business. With acres already booked for application, many of our customers are looking forward to this new service in our ever-growing portfolio. Patrons have been asking me what they can expect. Customers can expect professional, skilled and timely fungicide, insecticide and crop protection applications. To schedule your application, connect with your local Midwest Cooperatives agronomist.

As you read through the newsletter, you will be introduced to several new faces as well as some familiar faces with new jobs within Midwest Cooperatives. Together, the new and the familiar make up the team here at Midwest Cooperatives that

is committed to delivering the knowledge, tools and relationships that help you turn risk into rewarding reality.

We are making deliberate choices and investments to increase your value in the company you own. Together, your cooperative team is working hard to ensure that we are in sync with the products and services you need. In closing, we are making deliberate choices and investments to increase your value in the company you own.

At Midwest Cooperatives, we are continually finding Tomorrow's Answers Today. ▶



Thanks to everyone whose contributions to CHS Harvest for Hunger made it possible for Midwest Cooperatives and Northern Plains Co-op to present a check for more than \$101,000 to Feeding South Dakota.

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# The Job of the Market



By JEREMY FROST, GRAIN MARKETING MANAGER • 605-224-5935 OR CELL: 605-295-3100 • [JEREMY.FROST@CHSINC.COM](mailto:JEREMY.FROST@CHSINC.COM)

When determining the right path to follow in your grain marketing plan, it's crucial to understand what the present "job of the market" is. What do I mean when I say "the job of the market?" The translation: What the market is trying to accomplish by adjusting price.

For instance, is the goal to create demand or curb it? Or do we need to promote additional supply?

For some products, figuring this out is as simple as Economics 101, where high prices promote more supply and also curb demand, while low prices remove the incentive for supply and help demand. With commodities such as grains, however, it is a little trickier. There are a lot of factors that go into making or breaking both supply and demand — plus the fact that if we have more, we can generally use a little more.

Last year's drought was a good example of a case where the job of the market was to curb demand. We needed prices high enough to curb usage and keep us from running out of product. That's what happened, but with the additional consequences of lower exports and increased imports.

## What about 2013?

If we use some of the USDA production numbers, we will find that the job of the market for corn and beans is to find demand. The latest forecasts have big year-over-year production increases, but recent wet weather has led to flooding, lost acres and reduced production potential. But it's still not down enough to switch the market mission from "find demand" to "curb demand" — at least not yet.

So how do you find demand?

Now as I hinted earlier, the grain markets are able to find a little demand simply by having more supply. But, as most of us know, the easiest way to find additional demand is through lower prices. And what does that tell us from a marketing perspective? To me, it says be proactive and possibly put some of those risk management slogans like "reward the rallies" or "you don't go broke making sales that make sense" into action.

There are a lot of factors — money flow, spreads, technical outlooks, weather and U.S. and world economics — that have an impact on the markets. And I don't mean to be super bearish, nor do I want to promote panic selling. But when I am deciding what decisions to make regarding the pricing and protection of grain, the current job of the market has to be a consideration. Is that job to promote demand or curb it?

If you need help sorting it all out — or just someone to bounce your ideas around with — please give us a call.

## Notice to Grain Sellers

On April 4, 2013, a circuit judge overturned a previous ruling regarding VCS contracts. This new development will require grain buyers and sellers to be vigilant in the way that they do business together.

Going forward, all grain purchases more than 30 days old will be considered cash sales that must be paid pursuant to SDCL 49-45-10 unless the grain buyer has in its possession a VCS contract signed by both parties.

To learn more about this new ruling and how it affects your operation, contact our grain department. ▶

# Still Planning? We Can Help

By ED KING, ENERGY DEPARTMENT MANAGER • 605-224-5935 OR CELL 605-280-5176 • [ED.KING@CHSINC.COM](mailto:ED.KING@CHSINC.COM)

With the deadline for SPCC plans just past, we want to make certain that those of you who need a plan have one in place — or are well on your way to doing that. Though the government won't be sending inspectors into the field for another six months, they fully expect those who aren't in compliance to use this time to get there.

If you have questions, we can detail your options so you can decide which direction is the best for you. We can tell you if you can self-certify your plans and can even help run the forms off for you.

This is the perfect opportunity to make certain that the tanks

you have are the tanks you want to have moving forward. Good, sound tanks lessen your chance of an accident, and we offer a full selection of single- and double-wall tanks. We'll sell tanks at cost, with three-year, no-interest financing, as long as you purchase your fuel from us.



We continue to offer a full line of contracting options, whether you're looking at a futures contract as far out as 12 months or a flat price contract. Talk to us and we'll figure out the best contract option for you. ▶

# Agronomy Department Features New Services, Staff

BY DAN HABERLING, AGRONOMY SALES MANAGER • 605-224-5935 OR CELL: 605-280-9338 • [DAN.HABERLING@CHSINC.COM](mailto:DAN.HABERLING@CHSINC.COM)



The moisture we've seen recently has been welcome as we head into a pretty unconventional production year. With the bulk of the winter wheat acres — up to 90% in some areas — lost or significantly damaged, there will be more corn, millet and milo going in to make up the difference. We have seed options available on most seed going forward.

Milo seed is tight, so call ahead.

We're excited to announce that Midwest Cooperatives now offers aerial application services. If you have fields that you believe are right for aerial application, or you need some acres scouted, contact your agronomy sales representative.

## *New staff = better service*

As part of our ongoing effort to keep in close contact with you in order to provide the best possible service, we have added several new staff members in the agronomy department. In Pierre, the new faces are Robert Hettinger, a full-time salesperson, and

sales trainee Michelle Clobes. Brienne Bangert is the new full-time salesperson, and Melissa Kafka is the sales trainee in Highmore. We're glad to have them all on board. ▮

## *See Us at the Show*

Visit us at the Oahe Farm and Ranch Show June 25-26. We're excited to be working closely with Croplan Genetics and the Answer Plot® they will have on the show grounds. The Answer Plot will provide an opportunity for you to evaluate different products and techniques as well as visit with Winfield agronomists who are knowledgeable about alfalfa, corn, wheat and sunflowers. There will also be training opportunities focused on making mid-season adjustments to crops to maximize performance and fine-tuning your application equipment.

Visit us at  
**BOOTH #415**

Our Midwest Cooperatives agronomists will be available at our booth, along with our petroleum and feed specialists. Be sure to stop by booth #415. And don't be afraid to ask us for a ride to the show. ▮



## *Team Approach Keeps Highmore Humming*

BY HAL JEWETT, HIGHMORE LOCATION MANAGER • 605-852-2267 OR CELL: 605-222-3959 • [HAL.JEWETT@CHSINC.COM](mailto:HAL.JEWETT@CHSINC.COM)

Things were looking a little tough in the Highmore area, but the rain gave us a boost. From the shop to the field, our staff — a good mix of experienced veterans and energetic newcomers — is ready to serve you in 2013.

Anchoring the team are longtime employees Brian and Amy Nielsen. Brian runs the shop and can fix just about anything. Amy is the office manager. Kodee Schell, who was profiled in our last newsletter, is out in the country all the time and is really building up our feed business.

On the agronomy side, Clay Kusser, who grew up just south of here and knows the territory, is our new applicator operator. He'll

join Justin Vandusseldorp, our other operator. We've got our own spreader and sprayer to serve the Highmore area. And you'll also be meeting Melissa Kafka, our new sales trainee. Rounding out the Highmore team is DeWayne Wheelhouse, our petroleum technician.



I'm somewhat of a newcomer myself, though not to Midwest Cooperatives. I managed the elevator in Pierre for a number of years prior to coming here in January. I look forward to meeting in the coming weeks those of you I haven't yet met. We're here to help, so don't hesitate to call or stop by. ▮

*www.midwestcooperatives.com*



## *Stretch Scarce Feed Resources With Creep*

BY JUSTIN PARKER, FEED DEPARTMENT MANAGER • 605-224-5935 OR CELL: 605-280-5518 • JUSTIN.PARKER@CHSINC.COM



Creep feeding pays economic dividends in a good year, but it's an especially good management decision in a year like this where everyone is looking to stretch their grass. True, some of us have had good rains, and that gives us some hope. But there's no dry matter left from last year to bridge the gap. The benefits

of creep feeding include:

- Creep feeding helps stretch pasture resources (calves eat up to 40% grass).
- Calves start on feed faster and stay healthier at weaning.
- Calves on creep are generally 70 to 100 pounds heavier at weaning.

Our Payback® line of creep feed features high protein content, excellent palatability, chelated trace minerals and several medicated options. And if you need feeders, we'll finance Apache feeders at 0% interest for three years if you use our creep feed. Now is the time to line up your feed, so give us a call.

Of course, mineral supplementation is more important than ever when feed quality and quantity is less than ideal. Midwest Cooperatives carries highly palatable Payback minerals, with critical trace minerals and Diamond V Yeast® for improved digestion and predictable consumption. If you don't have one of our feeders, we'd be happy to throw some extra mineral on the

truck and keep your feeders full.

### *Meet Sam (if you haven't already)*

If you're raising livestock in the Philip area, you've likely already met our area feed sales representative, Sam Koedam. Sam grew up in the Corsica, S.D., area and has been in the cattle business for years. He's been working for Midwest Cooperatives for the past year, and both we and his customers have come to appreciate his knowledge and his work ethic.



Sam covers a territory that is, geographically, just about equal to all our other sales territories combined. He does a tremendous amount of service work and puts in the extra hours to get the job done and keep his customers satisfied. He is a great fit for our team. ▶

*Congratulations!*

**THOMAS BOWERS – 15 YEARS**