



Harvest for Hunger 2012 a Resounding Success

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The final numbers were 652,000 pounds of food and \$360,000 collected in the 2012 Harvest for Hunger campaign. That exceeded the goal of two million meals by more than 400,000. In addition to the food, grain and cash collected, Country Operations has donated \$220,000 in matching funds to 130 different local charities chosen by cooperative employees.

In total, 47 CHS business units participated in this year's Harvest for Hunger. However, the patrons of two of those business units, Northern Plains Cooperatives and Midwest Cooperatives, demonstrated once again that the people in central South Dakota will rise to the occasion in an extraordinary way.

These two cooperatives raised 25% of the total raised by all CHS business units.

The final tally for Midwest Cooperatives was \$40,926.77 raised for Feeding South Dakota. In addition, CHS presented matching funds to Pierre Area Referral Service for the Pierre/Fort Pierre food pantry in the amount of \$15,900—the largest single donation the food pantry has ever received.

During its two years of existence, the CHS Harvest for

Hunger campaign has provided more than one million pounds of food and contributed nearly \$1 million to charities.

Thanks to our patrons, business partners and friends for making a difference.

The cooperative way pays

Returning value to you, our owners, is at the core of the CHS mission. We strive to do that every day through the grain marketing, processing, energy, crop inputs and services we provide. We strive to do that by providing you with patronage and other economic value whenever possible.

Many of you recently received a letter with the details of one more concrete advantage of doing business with your cooperative. A special federal income tax provision allows a cooperative to allocate to its members a tax deduction generated by "qualified production activities." The payments CHS makes to its members for grain and oilseeds are considered qualified distributions by a cooperative. Consistent with our goal of returning value to the individual producers who own this company, the CHS Board of Directors has again elected to pass this tax deduction through to you.

Please refer to your letter for details concerning this deduction. If you have questions regarding the allocation of this tax deduction to you, feel free to contact CHS directly at 800-328-6539, ext. 6124. ▀

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Bugs Also Love This Weather

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It looks like the experts who predicted abundant insects this year based on our mild winter got it right. We're already seeing pockets of aphids on the wheat and weevils in the alfalfa. While you can do the 50-mph flyby and get a pretty good idea of your weed pressure, that won't work for bugs. Get out in your fields and stay on top of insects this year.

Watch your shelter belts, too, because the webworms are at it already and they can do a lot of damage to your trees.

Any time a crop is battling or recovering from insect damage, it takes extra water that could be going to growth and yield. With our current dry pattern, that's one more good reason to pay close attention to insect pressure this spring and summer.

Overall, crops are way ahead of schedule. We are seeing some issues we haven't seen for a couple of years, thanks to our unusual weather pattern. We've also seen more corn and soybeans going in than normal. Seed technology and treatments take care of many of the corn threats, but we have to watch for bean leaf beetles and soybean aphids. So once again, make sure you're out looking at

your crop regularly. If you have any questions, give us a call and we'll come take a look.

Don't miss this unique event

You've seen it in the Green Sheet and heard about it on the radio. It's the South Dakota AgXchange, coming June 28 and 29 to the Oahe Speedway. This is not your typical farm show. This conference is set in the field, and combines a focus on key new technologies with expert instruction. There will be great speakers, including Dr. Fred Below presenting his common sense approach to increasing corn yields.

There is also a Winfield Answer Plot[®], and all area farmers and agronomists are invited to attend the first training session of the season. We'll keep you posted on the exact timing of this session. The bottom line is that this event is designed for agriculture in central South Dakota. The in-field topics covered will focus on what's happening in your fields at that moment, and you'll get information that you can take home and put into practice the next day.

Midwest Cooperatives is a Platinum Sponsor of AgXchange, so needless to say, we're committed. We believe this event will bring real value to you. If you want to know more, talk to me. We hope to see a lot of you there. ▶



Lessons From the Fall

BY ED KING, ENERGY DEPARTMENT MANAGER • 605-224-5935 OR CELL: 605-280-5176 • ED.KING@CHSINC.COM



At times last fall, the energy market in our region was a train wreck, with fuel deliveries taking 5-7 days. I don't believe we let anyone in the country go dry, but sometimes it was touch and go. Based on that experience, I'm urging everyone to fill your tanks prior to harvest. With the constant expansion of the energy industry in North Dakota and the drain that those wells and trucks place on area energy reserves, it makes sense to plan ahead.

That's a good reason to consider increasing your storage capacity. We have 1,000-, 2,000- and 4,000-gallon tanks available—single and double wall. Of course, you may be looking for new

tanks to bring your storage into compliance with your SPCC plan. We can have secondary containment built for your plan, as well as help point you in the right direction if you're still working on that plan. Talk to us about your storage and SPCC needs.

Prices have pulled back a bit over the past few weeks, which is always welcomed. We're already working to contract fuel for next spring as attractive prices present themselves. For our customers, we have contract options or you can choose our consumption billing program. The latter lets you pay for only what you use as you use it.

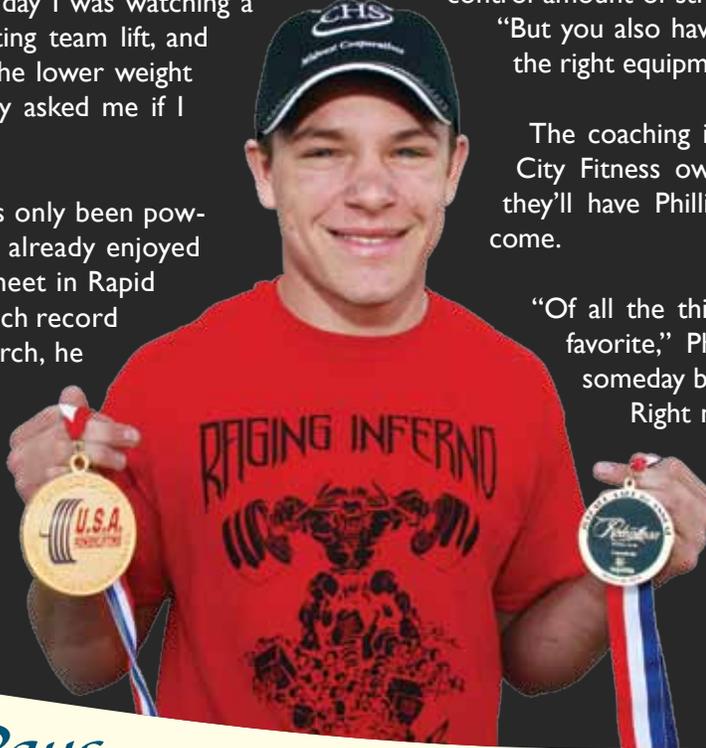
We're the energy experts, so whatever your energy needs or questions are, we can help. ▶

Lifting Large

He doesn't really look that impressive in coveralls. But, put him in a weight room, and Phillip Pease is transformed. Oddly enough, Phillip, a Midwest Cooperatives grain division employee in Pierre, discovered his passion for powerlifting almost by accident.

"I lift at River City Fitness, and one day I was watching a couple of the guys on the powerlifting team lift, and they said they needed someone in the lower weight class for the team," he recalls. "They asked me if I wanted to give it a try."

He did better than that. Though he's only been powerlifting for about a year, Phillip has already enjoyed considerable success. At the state meet in Rapid City this year, he broke the state bench record in the 148-pound class. Then in March, he participated in a full meet (bench, squat, deadlift) at the Relentless meet in Apple Valley, Minn., and won his class. In the process, he and the Raging Inferno Power team from River City Fitness helped raise more than \$14,000 for Hope Kids charity.



In control—yet not

Phillip admits he's a bit of an adrenaline junkie—his other hobbies are competition pistol shooting and drag racing—and powerlifting definitely fits his profile. "There's such an out-of-control amount of strength that goes into it," he says. "But you also have to have to have perfect form, the right equipment, and good coaching."

The coaching is provided by John Lenz, River City Fitness owner, and J.R. Bolger. It appears they'll have Phillip to coach for some time to come.

"Of all the things I do, lifting is definitely my favorite," Phillip concludes. "My goal is to someday break the American squat record. Right now, I'm just looking forward to our next meet in Fargo."

The squat record is 630 pounds. That being said, don't bet against him. ▶

Creep Feeding Pays

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

There have been few, if any, periods in recent memory when creep feeding hasn't paid economic dividends. In this cattle market, it's a slam dunk. The benefits of creep feeding are well documented, but here's a quick review of the highlights:

- Calves on creep are generally 70-100 pounds heavier at weaning.
- Calves start on feed faster and stay healthier at weaning.
- Creep feeding helps stretch pasture resources.

Our Payback® line of creep feed features high protein content, excellent palatability, chelated trace minerals and several medicated options. 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 call us with questions or to book.

If you want to find out just how well creep will pay for your herd, plug your numbers into the calculator on our website under Feed, then Feed Tools.

Free is good

If you need three tons or more of top-quality mineral, look

no further than Midwest Cooperatives. When you purchase three tons of mineral, we'll give you a free Sioux Steel mineral feeder—a \$200 value. That promotion is on through August. If you don't need three tons but could use a feeder, we'll prorate the price for you based on your mineral purchase.



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. Our Payback minerals are highly palatable, contain critical trace minerals at levels exceeding NRC recommendations and incorporate Diamond V Yeast® for improved digestion and predictable consumption.

We also offer 0% feed financing on all of our products for qualified customers. One of the best features of our program is payoff flexibility. For example, if you're planning to sell cattle in November, we'll work to adjust your due dates correspondingly (we can't go beyond 365 days, of course). See us for all your feed needs and financing, too. ▶

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Comfortable Changes

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It's true that newsletter articles are a struggle for me because of the fact that our grain markets are ever-changing. By the time I've finished my writing, the markets may have moved dramatically. No one knows the future—only that there be will change. Our markets are called futures markets for just that reason.

Plenty of change in prices is what we have experienced in the past few years. Did you know that since our bull markets began in June 2010, we have had well over 100 (I stopped counting at 100 with 10 months left) moves of 30¢ or more in a period of a couple of days in the Kansas City wheat contract? It was just a few weeks ago that we saw beans climb roughly a dollar in a week or so, then watched them drop by about the same a week or so later. After a bullish crop report, we've seen beans move 85¢ from high to low. We won't mention the swings we've seen in spring wheat, sunflowers and corn.

So I think I've made my point—our markets are always changing. What is most important is what we do with those changes. Are we able to manage them? Are we making grain marketing decisions that are fearful or greedy? Do we put ourselves in situations where we are forced to make bad sales at the wrong time? Do we fail to make sales when our gut is telling us to sell at solid, profitable levels?

Each of you knows your answers. But with our ever-changing markets, are you able to adapt in a comfortable way? Do you have a marketing plan that lets you sleep at night? Have you developed a pro-active risk management strategy that allows you to succeed in the future, whether the crop prices for corn, wheat, soybeans and sunflowers go up, down or sideways?

My message is simply this: Get comfortable in our changing market. For some of you, that might mean writing a marketing plan—something we would be happy to help you with. For others, it might mean simply having a solid crop insurance plan. Others might need to make scattered profitable sales to help avoid the extreme price swings that we encounter. Many of you might use put options to help protect against downside risk in our markets. Some of you might feel you need to re-own grain sales, or use min-price contracts. We can help you with all of these.

Your Midwest Cooperatives grain marketing team is here to help you find your comfort zone in our ever-changing market. We have the tools to help you in your grain price risk management: min-price contracts, weekly marketing meetings and help in writing a grain marketing plan with the ability to tie in everything—from finance to inputs, to the sale of grain—and a Country Hedging branch office.

Get yourself comfortable! We can help. ▶

Congratulations!

Dustin Dowling (Pierre) – 5 years, Dan Powell (Grain) – 5 years, and William Walker (Philip) – 10 years.