

DECEMBER
2013

AN AWARD WE REALLY FEEL GOOD ABOUT



» *By Milt Handcock, General Manager*

On Nov. 6, CHS Midwest Cooperatives received the 2013 Outstanding Philanthropist award. We were nominated by Pierre Area Referral Service and supported by Feeding South Dakota and St. Mary's Foundation.

One of the reasons Midwest Coop was chosen was because of the numerous ways this company and its employees have helped support our communities. Last year, by ringing bells for the Salvation Army, we raised \$4,416 to help with utility bills, food purchases and winter clothing. Harvest for Hunger is another major philanthropic activity in which we raised \$101,222.88. Since 2011, Feeding South Dakota has been able to purchase 1.4 million meals thanks to contributions from CHS Midwest Cooperatives.

Midwest Cooperatives also donated many hours of employee time, as well as truck use, to help the Food Pantry relocate. We have provided a meal for the 4-Hers at Achievement Days for the last 15 years. And, we partner with multiple groups in the community to hold different "feed" fundraisers.

Recently, with the South Dakota Rancher Relief Fund, CHS Foundation has committed \$100,000 to help West River ranchers deal with the devastation of the October blizzard. In addition to the foundation's gift, Midwest Cooperatives and Payback Feeds have pledged to give a \$50-per-ton discount to all producers in the affected counties up to a total of \$150,000.

There are many other wonderful benefits and fundraisers that Midwest Cooperatives does at our six other locations

that we value and appreciate as well. This award was possible only because of all the volunteer work that our employees throughout the cooperative have done and continue to do. It is an honor to receive this award, which reflects how giving this cooperative is and how it cares about our communities.

Visit us online

As I close, I just want to mention the new Midwest Cooperatives website that is in the final stages of development. We view our website as another tool you can use to help you farm and ranch more efficiently and profitably.

Our goal was to design a site that is easy to navigate, functions well on any device from a desktop computer to a smartphone and delivers the information and tools you're looking for. As always, we appreciate your input, so let us know what you think of the website.

We hope your holidays are happy, and we look forward to providing the solutions you need in 2014. ■



Milt Handcock, Laura White, Executive Director of P.A.R.S., and Bob Fuller display the Outstanding Philanthropist award.

THIS ISSUE

Learn how we're putting precision ag to work on page 2.

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PIERRE • BLUNT • PHILIP • HIGHMORE • ONIDA • DRAPER • KADOKA

Logistics Lead to Fuel Supply Headaches

» By Ed King,
Energy Department
Manager



What an intense fall! I want to thank our customers for your business and your patience, as supply issues really stretched our resources. We were able to keep everyone supplied by planning ahead and doing what we had to do to get product.



As an example, in recent weeks Sioux Falls has been the only terminal in the area that had diesel with any consistency, so that meant four- to five-hour waits in line. For the time being, it appears this will be the new normal during seasons of peak demand.

That kind of supply issue leads me right into our tank program. If you want to add some on-farm tank capacity to give you a little more security during your busy seasons, we can provide virtually any size tank that you need. Keep our interest-free tank financing program in mind when thinking about your storage needs.

Energy prices are pretty attractive, and we have contracts available for next year with no money down. Call me to lock in some gallons or discuss your options. ■

Harnessing the Power of Precision Ag



» By Joel Loseke, Precision Ag Specialist

Since I'm a relative newcomer to Midwest Cooperatives, I want to briefly introduce myself. I joined the Midwest team in September, hav-

ing previously worked with Agri Air in Chamberlain. I grew up in Nebraska, got into the ag retail business in 1989 and have farmed all my life. I've got a strong background in agronomy and precision agriculture, and look forward to working with the YieldPoint™ program.

YieldPoint is a program developed by CHS that takes the best precision technology offered today and tailors it to the specific needs of each farm. In many cases, YieldPoint participants are no longer farming a field anymore but instead breaking that field into four to six management zones. It's all about putting your inputs where they'll do the most good, making the most efficient use of your production dollars while producing improved yields. This is a program that we can customize to fit crops from canola to corn, milo, sunflowers or wheat.

We offer a high degree of flexibility within the program, depending on what each producer wants to accomplish. For some, we use our application equipment. Others have their own

precision application equipment and variable-rate planters. For them, we can write a prescription and transfer it to the control unit of just about any equipment from any manufacturer.

Caring for your data

A big part of our YieldPoint service involves making sense of all the data generated by our customers' precision equipment, then managing that data for them. For example, we can provide accurate production data that can be taken to the FSA office so our customer can qualify for their Conservation Stewardship Program (CSP) payment. The need for accurate data in a useable form will only become greater down the road.

Above all, YieldPoint encourages a team approach to your agronomic program. We bring our expertise, agronomic training and experience to the table. Our customers bring their production goals and knowledge of the land they farm. Together, we'll decide on the best course of action going forward.

Helping you succeed is how we succeed. That's what a cooperative is all about. Talk to me, or any of our agronomists, about the YieldPoint program. We're ready to help you take the next step forward in your farming operation. ■



What's New?



» By *Jeremy Frost, Grain Marketing Manager*

The simple answer is, a lot—both in terms of the markets and the Midwest Cooperatives grain marketing team.

What's new for the grain market is pretty simple—we have had a major fundamental change as our markets turned from bullish to bearish. For the past several years, the markets have been very good to producers, but as prices sit today, grain marketing will become more challenging. I am not going to make predictions as to where our markets are heading. Can they go higher? Yes. Could they continue to move lower? Yes. The bottom line is that risk management becomes even more important when our margin for error gets smaller.

Now that we have lower prices and price levels that most simply don't like, the "what's new" for grain marketing is to crack open the old grain marketing tool box from the days when marketing wasn't easy.

To do that, you first have to know what tools are out there—futures and options, basis contracts, minimum price contracts, min-max contracts, to name a few. All are great tools to have available when making a grain marketing plan. Next, determine which tools fit best for you and the specific needs and goals of your operation.

And now, about us

This is where your Midwest Cooperatives grain marketing team can help. Please give us a call, and we will help you put together a marketing game plan. We referred to some new developments in the grain department earlier—changes that should help make your marketing plan more successful.

First, you will soon see a new Midwest Cooperatives website, one that will be packed full of information. On that website, you will see that we are also offering a Grain Trading App, created by CHS

The screenshot shows the CHS Midwest Cooperatives website. At the top is a navigation bar with links for HOME, OUR COOP, AGRONOMY, GRAIN, ENERGY, FEED, FINANCE, and CAREERS. The CHS logo and tagline "Midwest Cooperatives TOMORROW'S ANSWERS TODAY" are on the left, and the phone number "800-858-5535" is on the right. The main content area is divided into several sections: "WHAT'S NEW" featuring a video player; "AGRONOMY NEWS" with a link to "Recommendations for a Late Soybean Harvest" dated 11/11/2013; "GRAIN NEWS" with a link to "Drying and Storing Wet Soybeans" dated 11/14/2013; "FEED NEWS" with a link to "Protein Acid Poisoning, Forage and Livestock" dated 11/14/2013; and "ENERGY NEWS" with a link to "Corns Used for Ethanol Production" dated 11/14/2013. Below these is a "CASH BIDS" section with a table of market data for "US #1 Hard Red Winter Wheat Milling Quat" and a "WEATHER" section for Pierre, SD showing current conditions and a forecast. At the bottom, there are links for "SIGN UP FOR ECOMMUNICATIONS", "JOIN THE CONVERSATION", "LOG IN TO CHS RESOURCE CENTER", and "DOWNLOAD THE GRAIN TRADING APP". A "MISSION STATEMENT" section is also visible, stating the company's goal to build quality, lasting business relationships.

Our new website provides plenty of tools and information you can use to strengthen your grain marketing program.

Grain Trading, for your mobile device. The app will be a good source of information and help you keep your grain marketing plan at your fingertips.

Finally, we will be holding our winter grain marketing workshop on Jan. 20, 10 a.m., at the Ramkota in Pierre. I am pleased to announce that we will have DTN Senior Analyst Darrin Newsom and CHS Hedging Research Manager Tim Emslie as our speakers. It's a great opportunity to hear these highly qualified speakers share their insights as to where grain markets may be headed.

Happy Holidays from your Midwest Cooperatives Grain Department. ■

Join us for our

Winter Grain Marketing Workshop

Jan. 20, 2014
10 a.m.
at the Ramkota, Pierre

*Ready to deliver
customer-focused
solutions in 2014.*

If you'd like to keep up to date on current Midwest Cooperatives happenings in between our newsletters, our **e-communications are the answer.**

To receive text and email messages regarding markets, meetings and cooperative news, just sign up on our website.

midwestcooperatives.com



Lending a Hand



» *By Justin Parker, Feed Department Manager*

Thanks to our partnership with the CHS Foundation, Midwest Cooperatives was able to offer a \$50-per-ton discount to ranchers affected by the October blizzard. We were allocated 3,000 tons of feed for the relief effort, and we were glad we could play a role in helping cattle producers deal with this disaster.

That additional tonnage, on top of our usual deliveries, made for a very busy fall. We did lease an additional trailer to haul cake and better serve our customers during this period of exceptional demand. Thanks to our drivers and staff who put in the hours to get the feed out, and to our customers for your patience during this time.

Looking ahead, we have a mineral promotion coming up in February. We'll be offering a \$40-per-ton discount on all mineral products.

As we head into a new year, we wish you all the best in 2014. If there is anything you need, please don't hesitate to call us. ■