



JUNE  
2014

## It's Coming Together



» *By Jay Baxter, Philip and Kadoka Location Manager*

Our employees and many of our customers are pretty excited about the progress of our new fertilizer plant in Philip. There's a good reason, as this new facility will bring some significant benefits to our location and our customers.

First, we'll have increased capacity. Capacity is a hedge against in-season shortages caused by transportation or supply issues. Second, the speed of load-in and load-out will be greatly increased, which translates to higher efficiency for our employees and better service for our customers.

At this point, construction is slightly ahead of schedule. The concrete work is done and the carpenters have taken over. We plan to be operational by Sept. 15, 2014.

In the meantime, we're finishing up a big feed season with creep season just around the corner. If you have any questions about how well creep is going to pay off this year, Sam Koedam can give you the answers. He's always happy to take your call. You can reach Sam at 605-441-9900. ■



## Don't Relax on SPCC

» *By Ed King, Energy Department Manager*

If you've heard the rumor that Congress has exempted farmers from the SPCC regulations, don't believe it. True, there was some discussion early in the farm bill process about including such an exemption, but it was not in the final bill. All the SPCC regulations we've been discussing for the past few years still apply to you, so if you aren't in compliance, keep working in that direction.

We're at that point in the season where energy supplies are tight, and it will be

that way again at harvest. These are the times to keep a close eye on your tank levels. If you don't have the time to do that, our tank monitoring system is the perfect solution. You may also want to increase your storage capacity as a hedge against spot outages. We have tanks available in various sizes, along with three-year, no-interest financing.

Now is the perfect time to improve your energy independence, so talk to us. ■



### THIS ISSUE

*Read about our plans for the Oahe Farm & Ranch Show on page 2.*

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

# Education Part of Our Mission



» *By Milt Handcock, General Manager*

One of the ways Midwest Cooperatives invests in the future of our industry is by providing opportunities for ag students to get hands-on experience. Once again this year, we are employing interns—eight of them, in fact. Seven of our interns will be working in the agronomy department and the eighth will work in the credit area.

Jake Etzkorn from Eastern Wyoming College will be in Pierre as the credit intern. Wyatt Green, Dylan Neuhauser and Soren Iversen, all from Lake Area Tech, will also be in Pierre as agronomy interns. Abe Unruh from Lake Area Tech is our Onida agronomy intern. Clay Kusser, Ben Dingus and Christian Jensen are all South Dakota State University students. Clay is our Highmore agronomy intern, while Ben and Christian will be interning in agronomy in Philip. They will be helping with test plots, deliveries and application, as well as whatever else is asked of them. They are all excited to gain as much experience as possible.

You will be seeing these guys around this summer, so please welcome them to the Midwest Coop group! We are excited to have these eager young men here to learn and have a positive experience in our cooperative system.

## Hitting hunger hard

Our Harvest for Hunger campaign enjoyed another very successful year. One of the great features of Harvest for Hunger is that all the money raised stays local, and we were able to donate \$11,100 to Pierre Area Referral Services and \$35,549 to Feeding South Dakota.

Thank you to everyone who bought raffle tickets or gave cash donations, and a big thanks to those who donated items for the raffle. We would not have been able to raise this much without all your help. ■



*Milt Handcock, Laura White, Executive Director of PARS, and Bob Fuller.*



## Setting Our Sights on Harvest, Farm Show

» *By Joel Loseke, Precision Ag Specialist*

This was a good spring for our YieldPoint™ program, with many precision prescriptions written and a lot of satisfied customers. In several cases, we were able to identify fertilizer carryovers in the soil that weren't being credited, saving farmers inputs and, ultimately, money. As more of our customers see what precision technology can do to help them better manage inputs and improve yields, they're joining the ranks of our YieldPoint members.

One great YieldPoint feature is the ability for participating producers to access all their information online. We have a portal on our Midwest Cooperatives website, and once you are registered, you can use your password to log in and access all your reports, maps and precision data anywhere you have a computer. The farmers who are taking advantage of this feature prefer this approach to emailing information back and forth.

### Already thinking harvest

With spring work behind us, we're already thinking of wheat harvest. We want to get your monitors set up so you can get

the yield data you need out of the equipment. Call us if you have questions on getting your equipment ready to go.

The Oahe Farm & Ranch Show is right around the corner, and we will be there. The dates are June 25-26, and the location is the Oahe Speedway, just 15 minutes north of Pierre. Our booth is located right at the WinField® Answer Plot®, giving you the opportunity to stop in and say hi while taking in all the high-level agronomic information the Answer Plot can provide. It's a great opportunity to see firsthand how the latest crop protection and seed technologies can address your unique growing challenges.

We'll also have a number of our own test plots at Pierre, Onida, Highmore and Philip this summer. Depending on the location, we'll be evaluating grain sorghum, corn, sunflowers, seed treatments, foliar fertilizers, fungicides and more.

Plan to check out the plot nearest you throughout the growing season, and make it a point to stop in and visit us at the Oahe Farm & Ranch Show. ■

# Managing the Unknowns



» *By Jeremy Frost, Grain Marketing Manager*

Futures markets are called futures for a reason. By definition, they focus on the unknowns of commodity prices months or years away.

We've dealt with a lot of unknown factors in our markets recently, and we are now entering another period of uncertainty.

For Midwest Farmers, one big unknown is our rail situation. Our line has been purchased by the Genesee & Wyoming and will be operated as the Rapid City, Pierre & Eastern (RCPE) Railroad. Personally, I believe this is a positive unknown and would like to welcome the new company and employees. My conversations with the RCPE leave me feeling encouraged that performance in the future will be better than it has been in the past.

## Harvest approaches

Wheat yield potential in the area looks to be high, and I am hopeful that an improved rail situation will boost our ability to keep grain moving, which in

turn keeps our facilities open and leads to a successful harvest for our customers. Don't get me wrong: The crop appears to be more than big, so our elevators will likely go full from time to time. But good rail service should really help.

As for marketing wheat at harvest, you have two or three main things to consider. First, it was just a few weeks ago that wheat prices seemed likely to keep going up, with the potential to add another dollar or two. The reason many were so bullish was the poor HRW crop in the South. That situation really hasn't changed, though they recently got some moisture. Was it a little late to help this year's winter wheat crop? Most would say yes. So that card of a poor HRW crop is still out there and eventually could help us get a price bounce.

The next thing to watch is the funds, and if you want to talk about an unknown factor, look no further than fund price movement. What they do really drives our markets, and their

intentions are a big unknown. All we know for certain is that the funds will help overextend our price moves. Thanks to the funds, we typically see more movement up or down on a given day than what the fundamentals would dictate. We don't magically grow more wheat every day.

Knowing the fact that one of our biggest market-moving events is going to be fund perception of the news and charts should help us manage risk. We know that when things turn, they can help overextend the movement. So, if we are in a downtrend, we need to realize that funds can drive price much lower than we realize. The same holds true if we get into an upward movement. The bottom line is, we know this can, and probably will, happen. That said, we simply need to realize that we will not outguess prices, but instead find a way to be comfortable for the ride.

If you need help managing risk or finding a way to take some off the table, please give us a call at 800-658-3670. ■

## Board Spotlight – Ken Miller

When Ken Miller agreed to run for a spot on the coop board, he may not have anticipated that he'd still hold that spot more than 15 years later. From his perspective, however, those years have served as an ongoing opportunity for continuing education.

"I've probably gotten more out of the experience than I've put in," Ken comments. "One of the first things I learned was how it feels to be in the other guys' shoes—to see what the coop has to go through to serve us as patrons. Now I have an understanding of why we have to say no sometimes to some of the things we'd like to do. A lot is required to keep a coop functioning that most of the patrons never see."

Ken farms with his son, Clayton, near Draper. Together they raise "...just about all the grain crops there are. We're even trying soybeans for a second time this year," he says. Clayton also runs the family pheasant hunting business.

### There for the patrons, employees

The primary focus of a good board member, Ken says, is making sure the coop is meeting the members' needs as best they

can. But he's also an advocate for the employees. "It can be a challenge retaining our good, young employees," he states. "It's hard and, at times, stressful work. I think every member of the coop plays a role in supporting our employees by treating them how you would want to be treated if you were in their shoes."

While he would not turn down another term if he was asked, Ken would love to see the addition of younger voices to the board. "We need more people 20 years younger than I am to move into this," he stresses. "I know it is a major responsibility, but it is also a great opportunity. The people I've had the chance to meet and work with have helped me grow as an individual and have given me ideas I've put into practice on the farm. Board service is a great way to give back and grow at the same time."

**Editor's note:** Ken's wife, Carmen, teaches in the Jones County school system. In addition to Clayton, the Millers have two daughters: Karissa, a physician's assistant in Sioux Falls, and Kia, who just completed her junior year at USD. ■

*Your production partners for the 2014 crop year.*

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*midwestcooperatives.com*



## Putting on Profitable Pounds



» *By Justin Parker, Feed Department Manager*

Creep feed season has arrived, and the economics couldn't look much better. If you want to know just how good, visit our website, *midwestcooperatives.com*, and plug your numbers into our calf creep profit calculator in the feed section. We've locked in our price, so now is the time to order if you haven't already. Remember that we can add Bovatec®, Bovatec + CTC, or Rumensin® to your creep feed for the added benefits those products deliver.

Don't let flies counteract the positive effects of creep by overwhelming your cattle. With these high cattle prices, every pound counts. It's critical to keep quality mineral in front of your cattle throughout the summer, so offer mineral tubs with IGR for fly control.

Finally, don't forget that we can add Bovatec or Rumensin to your mineral for yearling cattle, too. ■

