

DIRECTOR CANDIDATE PROFILES

Cottonwood Area

Steve Doom

Steve has served on the FCE board since 2005. He and his wife Brenda live five miles west of Cottonwood. They have three children: Cody, Justin and Carly. Steve and Brenda had 2 new grandsons in 2016, Kasen and Griffen. Steve has been farming since 1980. He and his cousin grow corn, soybeans and alfalfa and also raise hogs and cattle. He currently serves as chairman of the Lyon County FCS Board. He enjoys hunting, golf and playing cards.



Jance Vandelanotte

Jance and his wife Lexie live south of Cottonwood where he has farmed for 5 years with his dad David, and uncle Mark. They raise corn and soybeans and also finish pigs. Jance and Lexie have a four month old daughter, Kylie. Jance also works full time at Jeseritz Construction. He also enjoys hunting and spending time with family and friends.



Taunton Area

Adam Gorecki

Adam and his wife Sara live north of Taunton where he has farmed for 18 years with his dad, his brother and his uncles. They raise corn, soybeans, wheat and alfalfa and have a cow/calf herd and finish cattle. Adam and Sara are the parents of Noah 10, Niara 7, that are students at St. Ed's in Minneota: Stella 4, and Skyla 1. Adam enjoys hunting deer and pheasants. He believes in supporting local co-ops because they help small towns survive.



Brad Sunderland

Brad has served on the FCE board since 2008. He farms corn and soybeans with his brother Steve northwest of Minnesota Falls near Maynard. He and his wife Mary have two adult children, Toby and Jodi. He has been farming since 1977. He had been a township supervisor for 32 years and had served as chairman. He has also been a director for United FCS for 24 years, where he has also served as chairman. He is a member of the Corn and Soybean Growers Association and has served as their Secretary/Treasurer. He enjoys woodworking and playing with his granddaughter and grandsons.



Time To Order Your Chicks

We have a large selection. Regular delivery is every other week on Mondays, beginning March 20. Prices vary by breed. Call Allison or Becky at the Feed Mill in Cottonwood 507-423-6235 with pricing questions or orders.



What to do when markets are irrational

In 30 years of being in the cooperative grain business, I have learned from a wonderful group of mentors and teachers. Along with these, I learned many an axiom or adage about the business. Some of my favorites include "low prices cure low prices" (and the opposite), "the market can't hit its high until the farmer sells all his grain", and one of the more recent ones "the market can remain irrational longer than you can remain solvent". So what to do about irrational markets?

Focus on the markets ability to give opportunity when it becomes "irrational". There will always be two sides to the marker. When the market loses its direction and goes wild, either way, be prepared for it. Remain "rational". And reward the "irrational" market by selling when it goes higher or buying when it goes lower. It seems simple, yet is complicated by the deluge of

market information out there. Think of it as trying to have a conversation with an irrational person. Many words are spoken but little actually said.

By focusing on fair values for each individual, it removes the marketer's potential to get caught up in the craziness of the market. In the simplest of forms, by setting a price in your marketing plan, and sticking to it you remove the "irrationality" of the market. That doesn't mean the market can't get crazy, it just means you won't need to get crazy at the same time.

FCE can help you keep a level head and think things through. We offer many services and contracts that give producers those opportunities when the market becomes irrational. Call Grant, Ben, or myself and we will be happy to help you.

Mark your calendars for our Annual Patron Stockholder Meeting on March

By
Bill Doyscher
Assistant
Manager



17th. FCE continues to be your successful, locally owned and controlled cooperative.

*** This information is taken from sources which we believe are reliable, but is not guaranteed. This info is sent to you for information purposes only. There is a risk of loss when trading commodity futures & options, and is not suitable for everyone ***

Plugged drain

The business terms push and pull originated in logistics and supply chain management, but are also widely used in marketing. Wal-Mart is an example of a company that uses the push vs. pull strategy. A push-pull system in business describes the movement of a product or information between two subjects. On markets the consumers usually "pull" the goods or information they demand for their needs, while the offerors or suppliers "push" them toward the consumers. In logistics chains or supply chains the stages are operating normally both in push- and pull-manner. Push production is based on forecast demand and pull production is based on actual or consumed demand. The interface between these stages is called the push-pull boundary or decoupling point.

With a push-based supply chain, products are pushed through the channel, from

By
Ben Hedtke
Grain
Merchandiser



the production side up to the retailer. It takes longer for a push-based supply chain to respond to changes in demand, which can result in overstocking (ground-piles) or bottlenecks (freight restrictions) and delays (demurrage). Today, in the Ag-sector we are fully entrenched in a "push-based market". From a 10,000 ft vantage point you can observe an "over-stocking" of production unanticipated by demand. This has created delays and bottlenecks in transportation from Semi-trucks to Class-1 Railroads to PanAm vessels. Often the visual of your kitchen sink draining can represent

the kind of market we are in. A mass flowing through the point of least resistance. In this instance we toss a couple dish rags in (i.e. bad weather in Mid-West) that slows or stops the flow (i.e. transportation). Eventually, the sink will drain. It may even go empty if nothing is ever added to the sink, or the "flow" remains constant at least.

What does this mean for the corn and bean farmer of SW MN? Be patient. But not too patient. Have realistic expectations. Remember the size of your crop. And know the price it takes. We have seen corn and beans trade in the same range since mid-June. This through 3 significant crop reports and severely long managed money. For now we look for a sign of the decoupling point. Should there be one.

OTC's/Averager/Website=Marketing Tools

In January FCE had Marketing Meetings in Minneota, Cottonwood, Granite Falls and Montevideo with FC Stone and CHS presenting. A couple of things to think about:

In the Corn market: for the last two years, corn has traded in a \$.60 trading range (340 to 400) every week but three. Of the three weeks, two were above the \$.60 range and one was below the \$.60 range.

In the Bean market: for the last two years, beans have traded in a \$1.00 trading range (950 to 1050) for about forty eight weeks. Of the other fifty six weeks, sixteen

were above the \$1.00 range and forty were below the \$1.00 range.

With a narrow trade range, OTC's make sense. It is a way to gain a premium for your crop. Feel free to contact me with questions.

FCE Averager is a very popular marketing tool being used by many FCE patrons. New crop and old crop, corn or beans are eligible and at NO cost to the producer. Last day to sign up is February 28th.

When marketing your grain the first thing any producer should do is "find your cost of production". I found this helpful tool from

By
Grant Velde
Grain
Originator



Iowa State University and would encourage all producers to look at it. <http://www.extension.iastate.edu/agdm/crops/html/a1-20.html>

Together we are FCE.

Veterinary Feed Directive update

It's been one month since the VFD (Veterinary Feed Directive) has been in effect. The first couple of weeks were hectic with lots of questions and changes, but we have worked our way through the paperwork. There has been some confusion on how the forms should be filled out and the type of form to use. Here are some tips to make the transition go a little smoother between the vet, feed mill, and producer:

- Some VFDs are meant to be used more than once in a 6 month period, if the medication is being used for more than one group of hogs. Make sure you have your vet indicate this in the "Special

By
Ron Hodges
Feed
Department
Manager



Instructions" section of the VFD. This will help the mill know if the VFD is a one-time use or continuous use VFD.

- When purchasing Aureo for cattle, please have the vet indicate how many head you are treating and the weight of the cattle. Also, have them indicate in the

"Special Instructions" section to feed 1 gram of Aureo for every 100# of body weight. This will indicate to the mill how much Aureo we can sell to the producer.

Sometimes, we have to have VFDs resubmitted because they are not filled out properly, creating some delays. Producers have been very patient and diligent about getting their VFDs to the feed mill before we can make feed or sell a medicated feed. We appreciate your patience and help in working through some of these new guidelines. As always, if there are any questions or concerns, please contact Beth or Ron at 1-800-423-6230.

It's A Good Idea
To Take A Good

LOOK

At The Grain
Stored On Your Farm
Once A Week

FARMERS COOPERATIVE - PAGE 4

Effective 2-1-2017,

**we will begin offering a "No Service Charge,
Delayed Price Contract" for corn and soybeans**

Both the free corn and soybean Price Later Contracts will be in effect until 8-31-2017 at 5 p.m.

Please check with your Location Manager or the Hanley Falls Office before you haul because THIS PROGRAM IS BEING OFFERED ON A SPACE AVAILABLE BASIS! When the Delayed Pricing Contract is written on the 15th of the month following delivery, the corn will be shrunk and dried to 14% moisture.

Our Granite Falls location will not be offering this program at this time.

Temp-Return Service Requested

Hanley Falls, MN 56245
1972 510th Street

**Farmers Cooperative
Elevator Company**

HANLEY FALLS • COTTONWOOD • ECHO

GRANITE FALLS

MINNESOTA FALLS

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**FARMERS
COOPERATIVE
ELEVATOR CO.**

1972 510th Street
Hanley Falls, MN 56245

E-Mail: fce@mvtvwireless.com
Website: www.farmerscoopelevator.com

February 2017

Hanley Falls: 507-768-3448
800-626-2510
Hanley Falls South Elevator: 507-768-3602
Hanley Falls Uptown Elevator: 507-768-3484
Minnesota Falls East: 320-564-3835
320-765-4100
Minnesota Falls West: 320-564-3834

Montevideo: 320-269-6531
Cottonwood: Mill Office: 507-423-6235
800-423-6230
Cottonwood Elevator: 507-423-6489
Echo: 507-925-4126
Taunton: 507-872-6161
Minnesota: 507-872-6134

From the manager...
Thanks for
another good year

We hope that you are able to attend your FCE Annual Meeting on Friday, March 17th. It is a good time to get out of the house, reconnect with your Neighbors, and participate in the Annual Meeting of the Cooperative that YOU own. I hope that



By
Scott Dubbelde

many of you will have the time to come early and listen to Gerbrandt Kriel's presentation about South African agriculture. And of course participate in the Question and Answer session also.

In the next few weeks you will receive in the mail an updated version of FCE Articles and Bylaws. If adopted, they will replace the Articles and Bylaws that were passed in 1997. Please ask any questions that you may have to any Board Member or myself as you will be asked to vote on whether or not you approve of the updates.

Our open corn piles are picked up at every location except Montevideo and even in Monte it is getting close. Our goal this past Harvest was to have all open piles to be off the ground by mid-January. And we almost made that goal. We should have the last Monte pile picked up next week. Our Hanley Falls soybean bunker has already been picked up and is either in a bin or was loaded on a railcar.

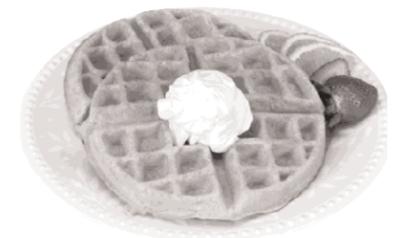
Beginning February 1st, we are again offering Free Delayed Price Contracts for corn and soybeans as each location's space allows. Remember that this program ends 8-31-2017 and grain hauled in under this program cannot be put onto a warehouse receipt. If your grain is not sold by 8-31-2017, storage will accrue by the day without any minimum storage amount charged.

We hope to see you in Cottonwood on March 17th at the Annual Meeting if not before.

**ANNUAL
MEETING**
Friday, March 17
at the
**LAKEVIEW HIGH SCHOOL
IN COTTONWOOD**

**BELGIAN
WAFFLES**

Served from 4 to 7:00 p.m.



ENTERTAINMENT

Gerbrandt Kriel is a native South African who works for Land O' Lakes. Gerbrandt will share information with us about South African agriculture and compare it to agriculture in the U.S.

6:15 - 7:00

MEETING BEGINS
at 7:30 p.m.

The traditional, delicious Belgian waffles will be served along with all the trimmings from 4 to 7:00 p.m. ALL YOU CAN EAT. Bring your spouse and children. There will be at least 38 waffle irons and everyone can wait inside. Lakeview High School is located on the north side of Cottonwood, visible from Hwy. 23.

The business meeting begins at 7:30 p.m. We'll review last year's operations at FCE and discuss plans for the current year. We will also be electing three directors to the board. Profiles of the director candidates are inside this newsletter.