

GPC

Glacial Plains Cooperative

Partners you can count on



Growing Agronomy and Financial Services



TOM TRAEN
General Manager

On page 5 of this newsletter, you'll meet Aaron Vadnais, our new financial services manager. We welcome Aaron and look forward to his leadership of our newly created financial services program.

We fully expect our efforts in finance to be a win-win exercise. Our customers will have access to very competitive financing options,

and Glacial Plains will go from providing millions of dollars in unsecured credit to having those millions paid on time with reduced risk.

Be prepared to check out Glacial Plains' financing options. Our sales agronomists will explain these options and will have credit applications available. We will also have applications at all of our offices, and you can call Aaron in Murdock at 320-875-2810 with any questions. Once financing is set up, you'll no longer have to worry about 18% interest or late fees.

In this newsletter, you'll also notice Glacial Plains is ramping up staffing in our agronomy department. While agriculture in general is under some financial stress, we know acres will get planted and that the world continues

its march towards nine billion people. Those nine billion people must get fed, and the American farmer is the key to getting that done.

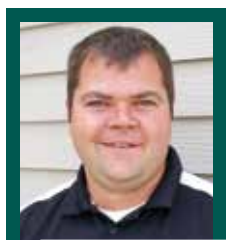
We intend to provide the best agronomists to assist you in growing an ever-bigger crop. With all the newly developed technologies and complex interactions between seed, chemicals, fertilizers, soils and Mother Nature, we'll help you make the right decisions for the right reasons. The bottom line is better profitability for you, our customer-owners.

Our ultimate goal is to significantly grow our agronomy department. We've started this quest with the purchase of Johnson Fertilizer and construction of the new 24,000-ton dry plant in Murdock. To assist in growing, we're adding agronomists. See our newest sales agronomists on page 4.

We expect to match these salespeople with the applicators, tender drivers and support staff that will allow us to continue the excellent service you've come to expect. As we grow, we will use our size and scale to more efficiently deliver the goods and services you require at very competitive values.

Have a safe and productive fall, and thank you for your business. ♦

Volatile Grain Markets



CRAIG KAVANAGH
Grain Merchandiser

The saying has always been, “The markets take the stairs up and the elevator down.” We’ve just seen that happen again. It still always comes as a shock on how fast things can change.

Everything was looking great as profits were increasing on June 20. Then, in a flash, corn lost \$1 in approximately 10 trading days. Over that same period, beans lost \$1.20. Now profits are erased, and we are back to square one. So, what caused it all?

The funds were a huge key in making the rally occur. Always keep in mind that funds love big swings because they can’t make money when the markets sit still with small ranges. During these volatile times, we consistently saw 30-50¢ ranges in single daily sessions.

I keep hearing producers say they just wish the funds would quit playing with the grain markets. Be careful what you wish. The funds also add a lot of opportunity. Without the funds, we might not have made the initial dollar rally at all. We wouldn’t have the big money in play to make the big swings. They give us the opportunity to sell our crops at a decent margin. They add risk, but they also add reward.

Weather is another contributor to rallies. With every change in the weather forecast—from hour to hour—the market reacted quickly. All weather forecasters were predicting a hot and dry summer—so it had to happen, right? Everyone wanted to believe it, and the bulls ran with it. But

it didn’t happen, and the corn crop made it to pollination with very few problems.

The corn crop ratings are currently 76% good/excellent, which are record numbers for this time of year. Beans had a little more time to ponder a weather scare in August. There was talk of another hot and dry ridge in late July/August, but that only lasted three days instead of two weeks. So, beans fell apart and are currently \$2 off the highs. The bean ratings are currently 71% good/excellent, which is also near record highs.

The USDA’s June 30th report is always one of the most volatile reports of the year. They decided not to change any yields. The report left corn at 168 bu/A and beans at 46.7 bu/A. Their current 2016-17 U.S. corn carryout is pegged at 2.081 billion bushels. Their current 2016-17 U.S. bean carryout was 290 million bushels.

If the weather stays favorable and the crop ratings stay near current levels, the ending stocks are going to get bigger. In the case of corn, it could be close to a 2.4-billion-bushel carryout. There are private estimates as high as 171 bu/A on corn and 48 bu/A on beans, and I think they have a solid case. Demand remains strong on both corn and beans. That looks to continue into next year as the U.S. stays competitive with the world market. This should help out the basis.

Between weather, crop ratings and the June 30th report, everything lined up to be bearish, and our summer rally was completely erased. Upside looks to be limited from here as the funds are now turning to short positions and will likely hold that into harvest. ♦

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Co-op Donates to Band

Supporting communities in which we live and work, Glacial Plains Cooperative donated \$1,000 (with a matching \$1,000 from Land O'Lakes) to the KMS High School Band for their trip to Hawaii.

Left to right is band director Pam Diem, band members Libby Peters, Molly Jeppesen, Kalina Nichols, Serenity Driscoll, and Alexis Lamecker, and Tom Traen, GPC general manager. ♦

Weeds Invading Fields From the Edge

We are close to putting the last of our inputs on this year's crop. Soon, we will be able to look forward to harvest. When both you and your co-op are out in the fields scouting, we need to make notes of how different products and management practices are impacting the crop, particularly weed control. These notes can help us make better decisions for next year's crop.

We have noticed that some products do not always perform the same or provide the length of residual weed control as they have the prior years. This can result from less rainfall or more rainfall, depending on the water solubility of the chemical in the fields. How well your weed control program performs definitely depends on climate.

As I have traveled our area, one consistent thing I have seen is the amount of uncontrolled weeds growing on field edges and non-tilled areas, and in road ditches along fields. Last year, on a field edge along a county road, there was a hedge of giant ragweed that was not cut down or sprayed. This year, the soybeans in that field have giant ragweed 40-50 rows into the field. This weed is as hard to control in soybeans as waterhemp.

Another hard-to-control weed moving closer to us is velvetleaf. It's growing on the edge of fields. As you are

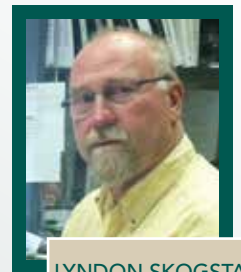
out driving and scouting your fields, check your edges and non-cropped areas for weeds. You can help yourself out by not letting weeds in these areas produce seed that will make its way further into your field.

Time to replace nutrients

We have been buying fertilizer for the fast-approaching fall season. Prices will be significantly lower than last fall. If you have cut back on fertilizer application in recent years, this fall could be an opportunity to catchup on replacing those nutrients. It'll give you a good start for growing a high yielding crop next year.

We are working at getting our fall fertilizer programs in place. When we do, each of you will get a call from a GPC sales agronomist to set up a time to go over what products and services Glacial Plains can help you with.

Our priority at Glacial Plains is to provide the information, products and services that enable our customers to be the most successful growers in this area. Thank you for trusting Glacial Plains to be a partner in your farming operation. ♦



LYNDON SKOGSTAD
Agronomy Manager

Striking Balance Between Need and Spending



DUSTIN SKOGSTAD
Agronomy Operations
Manager

So far, the 2016 growing season has been pretty good, other than a little frost early and hail in some areas. Hopefully, the rest of the crop year is uneventful and you have a plentiful harvest. In times like these, you need all the bushels you can get.

At Glacial Plains, we're continually working to better utilize our equipment. In the last year, we have moved much of our application to paperless dispatch. This makes it a lot easier to send orders back and forth between locations, and results in faster service for you. All the mapped fields have GPS coordinates to make certain we are in the correct crops applying what was ordered.

We're also assessing our need for future capital expenditures. Every year, we add equipment to increase our capacity and efficiency. Last spring, we had longer wait times for fertilizer than I personally like to see. There were multiple reasons. Weather and minor breakdowns put us behind. Also last spring, we moved about 30% more fertilizer than planned. Most of that was due to the large crop harvested the year before and growers increasing their rates.

We are striving to maintain the high-level service our growers need, but we also need to make sure we are spending our patrons' money wisely. As we move into another fertilizer season, your sales agronomist will be calling on you to plan your needs for 2017. Planning is always the best way for your cooperative to prepare for the coming year.

As always, thank you for your business. ♦

Sales Agronomists Join GPC

To grow the agronomy side of its business, Glacial Plains is hiring additional sales agronomists. Meet Andrew and Brock who recently joined our staff at Murdock.



Andrew Carruth

Andrew Carruth grew up south of Danvers on a grain and dairy farm. After graduating Benson High School, Andrew majored in agronomy and minored in soil science at South Dakota State University. He joined Glacial Plains as a sales agronomist on May 9.

"Growing up on a farm, I've always liked crop production, which led me into this career," says Andrew. When asked why he chose Glacial Plains, Andrew stated, "It's a good local co-op, it's growing and it will be fun to be a part of that."

Andrew, who will call on farmers west of Murdock, says he brings a good knowledge of agronomy to his customers. "I've been around it all my life," he states. "I'm not afraid to work hard and do whatever it takes to get the job done for my customers."

Brock Tillman grew up in the Murdock-Kerkhoven area and attended high school at KMS. His work experience after high school included welding for Bobcat, working for a company that built and repaired elevators, and working for 12 years on a farm south of Murdock.

Later, he attended Ridgewater College and graduated with an ag business degree in 2014. After graduating, he worked as a sales agronomist in North Dakota and for CHS

in Starbuck, Minnesota. He joined Glacial Plains as a sales agronomist this past May.

The construction of the new agronomy plant at Murdock and the intent of Glacial Plains to expand their agronomy business attracted Brock to his current position. "I think it will be fun to grow with a co-op that is on the rise," he states.

Brock brings schooling, a farm background and real-life experience to his new job. "I speak well with people and have the ability to understand their needs," he states. ♦



Brock Tillman

FALL FERTILIZER FINANCING



Financing for fertilizer applied this fall will be 0% interest if paid before Jan. 15, 2017, and 3.5% interest if paid between Jan. 15, 2017 and Jan. 15, 2018, according to financial services manager Aaron Vadnais.

"In the past, we've asked our fall fertilizer customers to put 5% down by Oct. 1," says Aaron. "This fall, growers with approved credit will not need to put any money down."

Aaron points out that this program will help producers with their cash flow and will help the co-op put in place the product, equipment and manpower necessary to fill the demand. Plus, they can finance their fall

fertilizer at a competitive rate.

GPC's Fall Fertilizer Program, underwritten by CHS Input Financing, requires the completion of a one-page application and promises a 2-3 day turnaround on the decision.

Growers are encouraged to fill out and submit the application in August or early September so product can be spread right after harvest.

EDITOR'S NOTE: Besides this Fall Fertilizer Program, Glacial Plains will offer John Deere Financing and various supplier programs that growers can utilize to finance seed and crop protection purchases. ♦



Assisted Living Gets Lift Bed

Supporting communities in which we live and work, GPC donated an electrical lift bed to Gabriel House Assisted Living in Murdock. Left to right, Pat Wilke, Dean Peterson, Doug Kavanagh and Butch Suter move the bed inside.

Our New Finance Manager

Meet Aaron Vadnais, the new financial services manager at Glacial Plains Cooperative (GPC). In this position, he'll administer various financing programs including John Deere Financial, CHS Input Financing and Farm Credit Input financing.

"I'll also work with the cooperative's aged balances and collection," says Aaron, who came to work for the cooperative July 11. He looks forward to earning his crop insurance license this fall in preparation for helping growers with this risk management tool next spring.

Aaron lived in Benson during his high school years. After graduation in 2004, he earned a degree in ag business and accounting from North Dakota State University. "I have worked in the finance and accounting sector for other cooperatives before joining GPC," he states.

Aaron, his wife, Kristi, and their newborn daughter, Freya, live south of Benson on the family farm. "I live on the same place my mother grew up," says Aaron, who grew up on the quarter south of where he currently lives.

When Aaron was 12, his parents moved the family to town. "But I still had my own cattle," said Aaron, "so I spent part of each day out at the farm." The new financial services manager got into grain farming at 15. He still grows corn, beans, wheat and alfalfa, and raises beef cattle. He thinks that will be an advantage in working with GPC's growers.

"I've dealt with financing myself, both personally and in working in the financial industry," Aaron explains. He's looking forward to helping farmers with their cash flow and making sure they make money to keep in business. ♦



Aaron Vadnais



New Leadership in Energy

Joel James, our former Benson Energy manager, has accepted the position of safety and compliance manager for Glacial Plains Cooperative and will continue writing crop insurance for our growers. You'll learn more about Joel's new position in the next issue of this newsletter.

Meanwhile, please welcome Shaun Stottler, our new Benson Energy manager.

A native of western Minnesota, Shaun graduated from the Starbuck Public Schools in 1985. He earned an associate of arts degree from Lake Superior College in Duluth and is completing a degree in business management at Southwest State in Marshall.

Shaun worked construction through college. In 1992, he joined his wife, Tammy, at American Solutions for Business in Glenwood. Tammy continues to operate the company. In 2012, Shaun took a job in energy sales with Prairie Lakes Cooperative, earning the title certified energy specialist (CES).

Shaun joined GPC as Benson Energy manager at the end of April. In addition to CES, he holds Certified Employee Training Program (CTEP) certifications for bobtail, rail, basic principles and plants, so he is qualified to run every aspect of Glacial Plains' propane business.

"I bring 30 years of experience in the business world to today's farms, which are businesses in every sense of the word," says Shaun adding, "I'm looking forward to growing the cooperative's energy trade." The new manager says he is in the process of hiring another CES to help him expand the customer base.

EDITOR'S NOTE: Shaun and Tammy have been married 25 years. They have two sons. One is a graduate student at Virginia Tech and the other is a pre-med junior at St. Cloud State. ♦

Budget Propane this Winter

Again this winter, Glacial Plains Energy will offer a Budget Program that is very attractive to anyone who wants to know what their propane bill will be each and every month. Based on your prior year's consumption, we'll quote you a price, divide it by 10, and bill you that same monthly amount from August through May.

Next spring, we'll give you a choice of writing a check for any additional purchases, receiving a check for any unused gallons or applying your balance to summer-fill or next year's payment schedule.

Too late to start on your Budget Program in August? Start in September instead, and pay your propane bill in nine equal installments.

Call Shaun Stottler or Judy Eystad at the Benson Energy office to sign up at 800-697-5311. ♦



Clean Burning, Corn Based Fuel

At a recent Customer Appreciation Day held at our Benson C-Store, Jonathan Olmscheid displayed his Wisconsin Midwest Modified racecar with a small block Chevy 350 engine capable of developing a torque of 425 horsepower. Kansas engine manufacturer Adams Automotive says it's the highest dyno they have ever seen.

Jonathan races weekly, fueling his car with E98 from Glacial Plains. "The cornfield behind my house could fuel this race car," says Jonathan, who is also director of administration for Central Minnesota Renewables based in Little Falls. ♦

Plenty of Local Data on What Works

As a customer of Glacial Plains Cooperative, you're in a sweet spot when it comes to picking the right hybrids and varieties for your fields in 2017.

In Swift County, you have the results of WinField's regional Answer Plot® at Murdock and Monsanto's training site south of Benson. You also have two additional GPC plots—a soybean plot (containing the new Roundup Ready 2 Xtend® trait) east of our Benson Agronomy plant and a corn plot west of Clontarf—to gather information about what works locally.

Over summer, we've held tours at both the Answer Plot, located west of our Murdock Ag Plant, and at the Monsanto training site. If you did not have an opportunity to attend these tours, please contact your GPC sales agronomist who will be glad to give you a personal tour.

If that were not enough, Monsanto, as part of its Field Trial Network (FTN), has established plots all across the counties served by Glacial Plains Cooperative.

FTN plots cross fields with multiple soil types. At harvest, yield monitors sample small batches along these soil types. Results of each FTN plot could yield well over 200 data points out of a few bags of corn and tell us where that hybrid can best be utilized.

After harvest, your GPC sales agronomist will make information from all these plots available to you as you finalize your 2017 seed selection. Be sure to ask about WinField's R7® Tool, which combines satellite imagery with historical data, soil variability and other vital information to help

you pick the right seed for the right field.

2016 field observations

In general, we planted earlier this spring. Some planting conditions were perfect, although some early corn got a little frost on it and froze off two to three leaves. However, the growing point was below ground, so the cold just set these plants back approximately 10 days.

With near-perfect planting conditions, growers applied a lot of pre-emerge crop protection product on their fields, and it worked very well again—especially in fields with resistant weeds. That will be a must for coming years. It's easier to kill a weed with one growing point than it is to kill a weed that is four to six inches out of the ground with multiple growing points.

Examine your fields now and at harvest. Take notes on the weed's you are seeing so we can get the proper chemistry on your fields next spring. Plan to layer your herbicides so they are in front of the emergence of the species you are trying to kill.

This year was a rough one for iron chlorosis. For future decision-making, note those soybeans—particularly the new varieties, which did well, and those that did not do so well at resisting IDC.

Thank you for your business. Stay safe this harvest season. ♦



JIM JOHNSON
Clontarf Location
Manager

**Iron chlorosis is evident in
this local soybean field.**



**Glacial Plains
Cooperative**

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Murdock, MN 56271-0047

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Late Summer Road Trip?

Warm-season travel reveals the weaknesses in our vehicles. At GPC's Benson shop, we service:

- **Air Conditioning**—our technicians will find the leaks and replace the components in your vehicle's faulty air conditioning system. We even install A/C kits from Vintage Air and Southern Air in classic cars.
- **Trailers**—including car trailers, fifth wheels, campers, stock trailers, boat and snowmobile trailers. We repair and replace brakes, lights, wiring, wheel bearings and jacks, as well as perform DOT inspections. We'll also replace springs and axles if necessary.

Harvest vehicle service

Now is the time to get farm trucks ready for fall harvest. We will be busy when harvest starts, so the sooner you bring your trucks in to have the tires and brakes checked the better. We also perform DOT inspections on farm trucks. Although those inspections are no longer required, it's still a good idea for your own safety and to keep your equipment in good working order. Give us a call at 320-843-3999 (ext. 1). ♦



TOM LYE
Shop Supervisor

