

FARMERS COOPERATIVE ELEVATOR CO.

January 2010 VOLUME 13, ISSUE 1

NEWSTALK

"OUR MISSION IS TO BE A PROFITABLE, QUALITY SUPPLIER OF AGRICULTURAL PRODUCTS & SERVICES"

News from the Office from Brad Scheer

We will be hosting a Meeting Producer Thursday, February 2010. The meeting will cover market trends as well as different marketing options that are available to you. Ryan McCoy, Grain Merchandiser, and Tim Bergkamp, Fuel Merchandiser, will be the speakers for the meeting. The meeting will be held in the new Comark building in Cheney, located at 106 East South Avenue, which is directly east of our TBA store on Main Street. The meeting will begin at 7 p.m. and will run to 9 p.m. or until all questions have been answered. Snacks and drinks will be provided. Please RSVP by Friday, January 29th so we can be prepared. You can make your RSVP by emailing me at brad scheer@gardenplain coop. com or by calling the location nearest to you to reserve your spot. I encourage your attendance at these meetings; they can be of great benefit to you and your farming operation.



News from the General Manager - Terry Kohler

Each year brings a new and different look. The 2010 year will bring a different look to our business. During 2009 your Board of Directors voted unanimously to sell eight vacant lots on South Main in Cheney to CoMark Grain Marketing, LLC (CGM). CGM is a group of 11 local grain and supply Cooperatives operating in South Central and South East Kansas, and North Central Oklahoma. These member owners of CGM are cooperatives located in Columbus, Winfield, Arkansas City, Danville, Caldwell, Conway Springs, Anthony, Kiowa, Cairo, CCGP, and Garden Plain. CGM has constructed a new office facility on that property that will provide office space for all of CGM's grain merchandising operations, as well as CoMark's petroleum, safety and environmental compliance functions. As part of the negotiations for the sale of the property, Farmers Coop negotiated a 10-year lease for 3,100square feet of separate office space or 35% of the new facility. The lease is a standard commercial lease at a fixed price for the ten year term, and will be reduced by the sale price of the property to CGM. Farmers Coop will consolidate the backoffice function of your cooperative into a single location in Cheney. All Accounts Payable, Accounts Receivable, Equity Accounting, Credit and Collection, Invoicing, and Payroll processing will be centralized in this location. Currently, these functions are spread out over four different locations. Your cooperative's Board and management feel we should be able to gain additional personnel efficiency, significantly enhance our internal controls and reduce our risk exposure through this move, all while maintaining the existing functionality at all of our existing locations. As a result of this consolidation, there will be changes in personnel in Garden Plain, Cheney, and Belmont. The move should take place around the third or fourth

We encourage you to contact the administration office for any bookkeeping issues, including grain accounting, billing inquiries, patronage questions, etc. on the new toll free number 1-800-525-7490 or 316-542-3182. Or, of course just stop by in person at the new location just east of the TBA in Cheney, and we will be glad to help you with your business. As always, you will be able to pay bills and receive grain checks at any of our full-time locations.

The office building at Garden Plain will become the headquarters for your cooperatives sales function, including Feed, Seed, Crop Production, Transportation, Fuel, as well as serving as a focal point for our grain receiving operation. The 800-200-2122 toll free number, and the 316-535-2221 local number, will stay at Garden Plain and for all sales of feed, seed, fuel, and crop production applications on the eastern side of our trade territory. We appreciate your patronage and support during 2009, and look forward to serving you in 2010 and beyond! Have a prosperous and bountiful year!

News from Norwich from Randy Rhodes

Here we are into the New Year already! And with that said we all know it is time to do inventory and go through our annual audit to get everything squared away for 2009, so we can start 2010 with everything accounted for. The annual meeting will be coming up the end of next month and we will fill you in on how your company is doing. Keep an eye on the calendar and don't miss it because we would love to see you all there to enjoy a meal on us. With the way the economy is right now, we all have to keep on our toes and stay informed as to what is going on with our business. I don't think you will be disappointed.

I know there are still a few fall crops standing out there in the field. I just can't believe it turned out the way it did and the weather sure didn't work in our favor this fall. Don't let that discourage you from planning next year's fall crops because we all know that the weather changes as much as the grain prices do. We always have to hope for the best and plan for the worst.

I would like to thank everyone for there loyalty and patronage to the Farmers Coop. We really do appreciate it and we will always strive to take very good care of our customers.



News from Cheney from Dan Ramsdale

Happy New Year Everyone! Hope you all got what you wanted for Christmas. I know I'm sure enjoying my new "mad bomber" hat. It sure is warm. (note from editor...visualize the hat worn by the brother in law of Chevy Chase in National Lampoon's Christmas Vacation...that's the hat!)

This winter weather is hard on you and your livestock. Keep in mind that we stock animal health supplies and several supplement choices to help you and them through these cold months. While you are having to spend time indoors, it gives you time to sit down and make a list or two of things that you will need in this new year (seed, feed, fertilizer, mineral, animal health, herbicides, etc). Taking a little time to plan and check on prices can save you money and make it easier when making your marketing decisions.

We do still have some straw bales for bedding for your animals, big & small. Our Red Flannel brand of pet foods have been well received by those that are using it. If you haven't tried it yet, please do so. I think your pets will do well

As always, thank you for doing business "your" Coop.



News from our Agronomy Department by Doug Bates

I have found that farmers are among the first individuals to embrace new technology. From computers in the office, to GPS steering in the cab. You do a great job of enlisting tools that make your job easier, or more efficient. I would like to encourage you to take advantage of e-mailing your crop production requests or questions to us at the COOP. Please include your contact information, and any other information that is appropriate. Often times you have electronic maps, along with legal descriptions of your fields that are easy to send. This gives us an e-copy of work to complete, and will also allow us to start developing an electronic file of your farm that will provide an easy reference. You can get email addresses off of our website at www.gardenplaincoop.com. For crop production, use dbates@gardenplaincoop.com (Belmont area), jrenner@gardenplaincoop.com (Garden Plain area), and scooper@gardenplaincoop.com (Pretty Prairie area).

Spring planting is right around the corner, so it's time to start pulling soil samples. Soil sampling is a great way to know where you are in terms of soil fertility so that maximum yields can be achieved. We can pull samples, send them in, and make recommendations for you. Give us a call or e-mail. Thank you for your business in 2009, and I look forward to working for you in 2010. Let me know how I can help.

News from the Feedstore from Joe Krehbiel

2009 is over, inventory is done, and we are ready to hit 2010 running. It seems like most feed costs have leveled off. Purina 14% Range cubes, Pasture Gest Creep pellets and Stocker Grower pellets continue to be a good buy. We try to have a good supply on hand at all times, both in bulk and bags.

Doing inventory is always interesting. It shows what's hot and what's not. The two hottest moving items right now on the supply side have been the "Solar Flare" infrared heaters and the "Utter Delight" hand lotion. Lots of cold weather is left, so come take a look at these customer favorites. If there are some products that you would like to see us handle, just give us a call. We would be glad to check them out. We like to get new interesting products in here at the feedstore. A lot of the locals have come to expect it.

Speaking of new things at the Feedstore - most of you already know that we have a new face. John Kerschen has accepted the challenge and has now crossed over to the "east side" of the street. John has been Garden Plain's elevator man for many years. He is now broadening his horizon and helping run and operate the Feedstore. I'm very happy to have John's knowledge and work ethic full time. Stop by and tell John "hi,", he is turning into quite the salesman.

Again, thanks for all your business in '09. We are looking forward to better serving you in 2010. "Overheard Coffee Drinker's Wisdom": "Knowing a lot of facts is not the same as being smart."

"I fully respect your right to disagree with me so long as you understand that I'm right and you're

"Always remember you're unique - just like everyone else."

News from Pretty Prairie from Scott Cooper

Farmers Coop, Pretty Prairie has undergone some changes over the last year, most notably the fresh coat of paint on the elevator. I have been really pleased by the response of the community towards the improvements. I appreciate all the folks that have come by or called. I feel like we have not only improved the facilities for our company, but also the community.

Along with facility improvement, we are constantly trying to analyze what products we can supply the community to provide quality products at competitive prices. Currently we are stocked up on cold weather supplies for your cars, trucks and facilities. We have added Baldwin filters and Cenex Lubricants for cars, trucks and tractors. We are still carrying bulk cubes, receiving chow, and creep pellets for pickup. Also, we carry the Fence Master line of fencers, quite possibly the best fencer I have seen.

So be sure to shop at home early and often. I have found that when I deal with people I know and trust, I am money and time ahead because I am dealing with someone who has my best interests in mind as well.

News from Belmont from Steve Goebel

I would like to take this opportunity to thank all of the local patrons in the Belmont trade area for there business over the last several years. I am changing locations again. This time moving back to Cheney to work out of the administrative office for the Coop located in the new Comark building. I have enjoyed the many patrons I have become acquainted with over here hopefully we will still get the chance to keep in contact. I am still working for the Coop just in a different location. John Sheetz will be taking over as location manager here at Belmont. Many of you know John as he has worked for the Coop here for several years.

Thanks again for all your business and stop by Cheney when you get a chance and say hi.

News from our Grain Department from Larry Werner

LOW GRAIN PRICES FOR 2009				GRAIN PRICE	S FOR 2009	
DATE	GRAIN	<u>PRICE</u>	<u>DATE</u>	<u>GRAIN</u>	<u>PRICE</u>	
10/2	WHEAT	\$3.68	6/1	WHEAT	\$6.82	
9/4	MILO	\$2.35	6/4	MILO	\$3.69	
9/4	CORN	\$2.56	6/4	CORN	\$4.04	
10/5	BEANS	\$8.27	6/1	BEANS	\$12.07	
LOW	FUEL PRICES	FOR 2009	HIGH I	HIGH FUEL PRICES FOR 2009		
DATE	<u>FUEL</u>	<u>PRICE</u>	<u>DATE</u>	<u>FUEL</u>	<u>PRICE</u>	
1/2	UNLEAD	\$1.499	10/22	UNLEAD	\$2.599	
1/2	ETHANOL	\$1.499	10/22	ETHANOL	\$2.599	
3/19	RT DIESEL	\$1.969	12/2	RT DIESEL	\$2.839	
3/19	FM DIESEL	\$1.469	12/3	FM DIESEL	\$2.339	
LOW	FERTILIZER I	PRCES FOR 2009	LOW F	ERTILIZER I	PRICES FOR 2009	
DATE	<u>FERTILIZ</u>	<u>ER</u> <u>PRICE</u>	DATE	FERTILIZ	<u>ZER</u> <u>PRICE</u>	
10/1	28-0-0	\$190	1/26	28-0-0	\$300	
6/16	46-0-0	\$355	1/26	46-0-0	\$410	
7/15	82-0-0	\$365	1/6	82-0-0	\$470	
11/13	10-34-0	\$385	1/6	10-34-0	\$970	
6/16	11-52-0	\$385	1/6	11-52-0	\$550	
11/13	0-0-60	\$590	1/6	0-0-60	\$860	

Looking back on the year of 2009 we have definitely seen the extremes. When thinking back we try to remember just when grain prices were at their highest and lowest and the same goes for fuel and fertilizer. Sometimes recollecting such information brings on a pat on the back for some of the marketing moves one made during the year of 2009 and sometimes we wonders what we were thinking when doing what we were doing. One thing we know for sure and that is when making a decision on when to sell wheat , or when to contract fuel, or when to prepay fertilizer, one has to make the move and not look back. When making the decision, at the time you make it , you have to feel that this is the best decision made under the present circumstances and you can't tell yourself later that you should have done things differently. Hindsight is better than foresight.

Looking at the chart at the grain prices we saw our highs in June and September and October were the two popular months posting our lows. Looking at fuel I had actually forgotten that gas and diesel had gotten that low but can be very happy that in October and December that these prices didn't get out of hand and keep on rising. On fertilizer we still saw highs that was a spillover from the terrible highs of 2008 only to see these prices level off to somewhat respectable prices later in the year.

We have been getting some questions pertaining to contracting for the 2011 wheat crop. As of right now, there is no basis available to us for that far out. We can offer HTA (Hedge to Arrive) contracts for 2011. The way a HTA contract works is there are two pricing opportunities for the producer. First, you set your futures price. Then, once a basis is set or becomes available for 2011 (which probably won't be until after the 2010 wheat harvest is completed), you have another pricing opportunity where you can set your basis. The basis must be priced before harvest 2011 begins. The fee for a 2011 HTA is 15 cents, compared to 10 cents for a 2010 HTA. Also, you can only contract in increments of 5000 bushels. If you have any questions please don't hesitate to call. Thanks, Brad.

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News from the TBA Service Center from Brent Stuhlsatz

The service center has been a very busy place lately. We have been selling lots of batteries and windshield wipers and checking a lot of antifreeze levels. Not to mention the various service jobs that we have done as well.

Cold weather doesn't always bring out the best in our vehicles so make sure you have them in proper working order before getting too far from home. Call in today and schedule your service appointment. We are usually scheduling a day or two (maybe more) in the future so don't wait until the last minute.

We had a real good year here in 2009 and actually saw some improvements in our bottom line. We hope to continue this in the future and we can't do that without all of you. Please continue to give us a chance with all of your tires, service and repair needs.

ATTENTION FARMERS! CALLING ALL YOUTH 14 & 15 YEARS OLD

TRACTOR SAFETY TRAINING is set for FEBRUARY 22,23,25,& 26, 2010 from 7 - 9:30 pm at the EXTENSION OFFICE at 7001 West 21st Street North (corner of Ridge and 21st Street) Call 316-722-7721 for more information or to register

(cost: \$15. Registration deadline is February 16, 2010



FARMERS COOPERATIVE ELEVATOR COMPANY DIRECTORY

ANNESS –	620-478-2458
BELMONT -	620-297-3911
CHENEY -	316-542-3181
TOLL FREE -	800-525-7490
TBA –	316-542-3381
CLONMEL -	620-545-7138
GARDEN PLAIN -	316-535-2221
TOLL FREE -	800-200-2122
FEED STORE -	316-535-2291
GRAIN MARKET-	316-531-2681
KINGMAN –	620-532-2662
MURDOCK -	620-243-3827
NORWICH -	620-478-2272
PRETTY PRAIRIE -	620-459-6513
TOLL FREE-	800-472-4670
RAGO –	620-243-3828

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Steve Davis - Chairman Greg Reno - Vice-Chairman Jon Kerschen - Sec./Treasurer Directors :

Rick Casley - Martin Kerschen Dennis Davis - Gregg Scheer <u>Advisory Board:</u> Chad Basinger



JD 158 Loader w/ 7' Bucket JD Grapple for a 158 Loader GB 800 & 900 Loaders for Case Tractors 500 gallon LP tank 510 Koyker Loader w/ JD mounts call 620-243-3253 or 491-0573 Wanted: 1 ton, 4x4, manual transmission, diesel Truck call 620-243-3253 or 620-491-0573

News from the Field from Doug Scheer

Help Bring Back Roundup Ready Alfalfa. We need your help!! As many of you may know, a court order was issued in 2007 to stop the sale of Roundup Ready Alfalfa until the USDA conducted an economic impact statement (EIS) . The organizations that filed the lawsuit are trying to prevent all biotech crops from being planted including other herbicide and insect resistant crops and this ruling was a big step in favor of accomplishing their goal. Now is your chance to be heard! The EIS has been completed and the public comment period is now open. It is very important that you inform the USDA of the importance and economic benefits of Roundup Ready Alfalfa. The comment period will run through Feb. 16, 2010. It is critical that you act now and send your comments by the end of January to insure that they arrive in time. Even if you do not plant alfalfa your support is still needed. If this group of radicals succeeds in removing one roundup ready crop, your corn or soybeans may be next. Monsanto recently purchased Westbred, LLC, a very large wheat breeding company that markets seed under the name of Agseco. They plan to release several new biotech traits that are currently being used in corn and soybeans in the near future which could be a huge benefit to us. I am enclosing several internet links with information and an address that letters can be mailed to show your support and protect your right to plant biotech crops. I also have a very good article explaining the process that I can e-mail to you. Simply send me an e-mail with RR Alfalfa in the subject line (to prevent it from going to my junk mail box) and I will send it out to you. I also have a short explanation posted on our website at www.gardenplaincoop.com. I can be reached at dougscheer@gardenplaincoop.com or 316-772-2014. Remember to protect your rights!! Links: http://support.roundupreadyalfalfa.com/www.monsatoperformance.com www.regulations.gov/search/Regs.home.html#submitComment?R=0900006480a6b7a1

Mailing Address:
Docket No. APHIS-2007-0044
Regulatory Analysis and Development
PPD, APHIS, Station 3A-03.8
4700 River Road, Unit 118
Riverdale, MD 20737-1238

*Mail two copies of your letter. Introduce yourself, describe your farming operation, describe your personal experience with alfalfa or other biotech crops, include a clear statement of your position on the subject, and discuss why you support roundup ready alfalfa.

VARNER

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CHENEA BETWONL

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401 WYIN' b'O' BOX 316' CYBDEN bFYIN' KS 67050

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