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JANUARY

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SEED

Dave Stover

Location Managers

Alta Vista - Rick Lucas Onaga - Brent Beck Ampride - Jerry Fenske Westmoreland - Jeff Overbey

Our Mission:

To be your business of choice, anticipating customer needs, and growing a progressive company.

"In Business For Your Business"

Management Notes By Darin Marti

In last month's news letter, I reported that the Coop's board of directors had announced their intentions to pursue merger discussions with MKC, headquartered in Moundridge, KS. MKC is a cooperative exactly like yours but is substantially larger. The objective in this move is to provide additional capital for projects, better vendor relations, enhanced opportunities for employees, and ultimately improved services for our members.

Since the last report, your board has met and began discussing their expectations in the merger agreement. Obviously, both boards will have to agree to the main items in the agreement and the agreement will have to be fair to both cooperatives. Discussions so far have surrounded board representation, equity, and services.

No decisions have been made at this time. What I do know is that you will continue to have board representation and your equity will be preserved in cash and stock in the new company.

The MKC CEO, Dave Christiansen has attended a staff meeting and visited with employees regarding the MKC operation and has also assured them that jobs will not be cut. Some responsibilities may change a bit but overall, most employees will not see much change in their job description. About 15 of our employees have also visited the MKC headquarters to visit with employees there and learn more about their goals and expectation. I believe that our people were impressed with the professionalism and excitement portrayed by the MKC employees they visited with.

No time line has been set for merging but our board has indicated that they are confident this is the best avenue for our members and employees so sooner rather than later is the goal. There is some chance that in late winter or early spring the decision could be brought to a member vote.

Many of you have expressed a positive opinion toward this venture. We certainly appreciate your understanding. If you are unsure of how you feel, please keep an open mind but do not hesitate to visit with a board member or myself for further information. We will also hold member meetings in the near future to help you further understand what is to be gained from a positive vote toward merging. And as always, we certainly appreciate the support you have shown this cooperative!

Alta Vista News By Rick Lucas

With the year 2013 coming to an end we now have that task of remembering to write 2014 on our checks and other dated documents. It usually takes me a few days.

As of the end of the year Gene Brabb is retiring so he can enjoy more time with family and grandkids. He has been with the Coop for more than 35 years. That in itself is quite an accomplishment to go to work at the same place for that many years. Gene would do about anything asked of him except climbing the bins, he believes if he was meant to be that high he would had wings. We wish him the best in retirement.

We have some new faces here at Alta Vista, Charles Walker is from Council Grove and will be our main delivery person. He is not that familiar with the area so he may be calling you for direction. Brad Martin is from Council Grove and will be running the feed mill and elevator.

This year we would like to get started fertilizing your brome and corn ground as soon as we can get in the fields. On the early application you can take advantage of our delayed billing which will give 30 extra days to pay.

While it is still fresh in you mind what weeds were in your fields come in and let us know what they were. We can then determine what chemicals we need to use to control those hard to kill weeds. With so many weed becoming resistant to Roundup you should put down a preemergence herbicide on all of your spring planted acres.

With the price of cattle up and grains down the feed mill is staying busy. Remember to get your feed orders in 24 hours in advance.

Onaga News By Brent Beck

Looking back at 2013.....Wow, what a year!! We went from dry, dry, dry, to raising one of the best hay crops many can remember. Most of our area received timely rains and livestock and crops flourished while market prices remained high. 2013 proved to be a record harvest year at the Farmers Cooperative Assn. Onaga location and for many producers as well. More bushels of grain were received this harvest year than ever before. Corn and milo prices held up well for the first three quarters, but tumbled during harvest. Soybean prices remained at high levels. Fertilizer costs moved downward, © from the prior year as well as feed and hay expenses. All in all, I think we could rate 2013 as a very successful year for most producers and ag business's as well.

I would like to take this opportunity to Thank each and every one of our customers for their patience and understanding as we transitioned thru all of the changes that have manifested during 2013, at the Onaga location. I am very proud of our employees as well. It isn't easy to accept change, and even through everything went pretty smoothly during the destruction/construction phase of improvements, there were a lot of times when each employee was asked to go above and beyond to make sure the job was done correctly. A special "Thank You" to all.

Fall harvest went smoothly. Really smoothly!! We filled every nook and cranny of space, but hauled grain out consistently during harvest, maintaining adequate operating space to take every bushel that came thru our driveway without filling up until the very end. The changes to the office structure, installation of the new scales and an outside ticket printer, combined with the extra bin capacity, allowed the Onaga location to better serve our customers, which translated into much less waiting time for inbound grain trucks. During harvest we were able to **permanently enter**, nearly all, of the producer grain splits into the computer system for the first time, at this location. Thank You Doug Biswell and Tiffany Boen, for all your efforts!! © This will make the accounting process in future years much, much more manageable. Also, by years end we hope to have the biggest part of the feed rations entered into our computer system as well. On the feed side, this will enable us to more easily provide traceability records as required by recent FDA legislation.

Fall anhydrous/dry fertilizer application has progressed very well. With the change in application machines, the addition of larger ammonia nurse tanks, and N-Serve application we are able to add more flexibility for the producer and cover much more ground on a daily basis. Our Lime Application business has escalated so quickly that we find ourselves needing more and more equipment to adequately satisfy our customers fertilizer needs. As in any business there are always growing pains and we are consistently striving to improve and expand our customer service abilities. We have made great strides forward, but there is always room for improvement and it seems it can never happen fast enough.

2013 has allowed us to expand our staff, our knowledge and technology base, make great headway on location improvements, improve our application equipment lineup, and better serve our valued customers. With a little luck and a lot of planning maybe next year can turn out even better than this one.

Thank You for your business and come grow with us in the coming year.

Looking forward ... Hello 2014 !!! ©

Stover's Story By Dave Stover

This time of year is a great time to get with the agronomy staff and make a plan for the upcoming growing season. There are many challenges that were less of an obstacle in previous years. One of those challenges is obviously weed resistance or tolerance problems.

One of the problems we face is trying to kill "trophy weeds". These are weeds that have not been controlled, and in some cases never been sprayed until they are bigger than the labeled size. In most cases that is below 4 inches tall. Take this newsletter, fold it top to bottom, and stand it up like a tent on the floor. If the weeds are bigger than the point of the tent, they are off label and are going to be very tough to control.

One of the ways to combat this is to use residual herbicides to keep the hard to control weeds from emerging in the first place. Another way to help is to add a herbicide with a different mode of action then glyphosate. But still remember that bigger weeds may still make it through this. Let us make a plan with you to not only help you with weed control, but also fertility planning, seed selection and placement to help you maximize profits and avoid costly mistakes that in the short term look bad, but in the long term make problems that last for years and years.

Happy New Year to all of you and may you have a safe and prosperous 2014!!!

Crop Production By Ken Diehl

Another year is coming to an end and it has been a pretty good year for most of you. The corn yields surprised most with above average yields in most of the territory and the soybeans hung on long enough to make some surprising yields despite the extreme heat and grain sorghum, despite its inability to dry down, produced some good numbers. As usual, it is that time of the year to begin planning for the next crop, I would encourage you to come in and sit down and talk as to what you want to accomplish next year as far as seed, fertilizer and especially chemical programs. Let's look at the fields that you have little trouble as well as those acres we struggle with and put a plan in place to try a deal with the issues.

Fertilizer will continue to be a volatile market. With unrest in regions of the Middle East, where most of our urea comes from, to India's fertilizer demands as well as China and their fertilizer demands compounded with their export of fertilizer and the taxes they impose, will make nitrogen especially a volatile market to play in. Phosphates have also taken a run up, some is spring purchases by producers and some are traders that have over sold the market and are short trying to cover product with higher priced product. With that said I encourage you to try and plan your fertilizer needs trying to take advantage of lower pricing until it lasts.

In the past we have struggled with the dreaded waterhemp and palmer amaranth pigweeds, yet this season we seemed to make up some ground on the front. Some of our producers went with a two pass system on pre emerges which helped out tremendously, you really need that residual out there to help. The coop applied many acres of Marvel and Cobra this season which are burners but it helped greatly too keep the weeds down. The key to the whole process is to apply chemical at that 2-4 inch stage. Past that you are off the chemicals label most of the time yet the chemical companies have been pretty good about taking care of the problem even though by the label it really is not their problem but that won't last forever. Please come in and talk with us so that we may customize a system that will work with your cropping system.

As always we at the Coop truly appreciate your patronage this year and look forward to continuing that relationship for years to come.