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Making Good Use of Winter

BY ROGER MILLER, GENERAL MANAGER

The board has spent considerable time evaluating, and prioritizing our various capital-expenditure needs. Three of the projects have risen to the top of the list as a result of their efforts.

I'll start with Thomasboro. Last fall, the facility was not able to unload farmer soybean deliveries in a timely manner. Our goal is that farmers never have to wait in line, or at the very most our lines shouldn't be more than 10-15 minutes long. To achieve this the board approved a new, high capacity top conveyor on the main concrete elevator. This will enable us to unload soybeans at both elevators simultaneously.

After an analysis of the Dewey facility, it was determined that we need to begin the process of replacing old, smaller conveyors with higher capacity equipment. Prior to harvest two new top conveyors will be installed at the west elevator. The new top conveyors will allow us to fully utilize our legs, thereby increasing efficiency.

DECIDING THE FUTURE

Our biggest project will take place at Broadlands. Recently, Tom Sinder, the regional manager in that area, interviewed a number of Broadlands customers. His report confirmed what we suspected: the facility was too slow and didn't have enough storage capacity. We had a choice to either upgrade and expand the facility or begin the process of walking away from it.

We took a feasibility study to our board in March, complete with what the needed upgrades would cost. I'm happy to announce that the board has approved the installation of a new pit and leg as well as a 540,000-bushel grain bin. The contracts are signed, and construction is already underway. If everything goes according to plan, these new assets should be ready to use by September 10.

With the addition of these assets, we believe that we will be able to not only better serve our existing customers but actually increase our customer base. The Broadlands area lacks high-speed elevators that can meet farmers' needs, and this upgrade will give us a competitive advantage.

A fourth project—a new office at our Gifford location—was basically completed last fall, but we tore down the old office this year. The new office greatly enhances the appearance and efficiency of that facility.

LOYALTY'S DOWNSIDE

We have been blessed by having a group of extremely competent and loyal employees. Our staff has an average tenure of roughly 17 years. That kind of average, however,

means we have a number of employees who have reached that magic retirement age. Four of those folks—Connie Sallee, Billy Lindsay, Steve Parrish, and Dan Rasor—have retired since August 1. These employees take a combined 79 years of experience with them, and they will be missed. We wish them all the best as they enjoy their well-earned retirement years.

On the flip side, I'm happy to report that we have hired four new employees to get us back up to full strength. Rick Smith, who has worked part-time at Sidney for several years, is now full-time with his primary responsibilities in the southeast region. Robert Billman lives north of Urbana and has worked part-time at various locations for Premier the past two harvests. He is now full-time and will operate the Leverett facility during harvest.

Jesse Armstrong, from Hoopeston, is new to the grain industry. He will begin learning the elevators in the northeast region. Finally,

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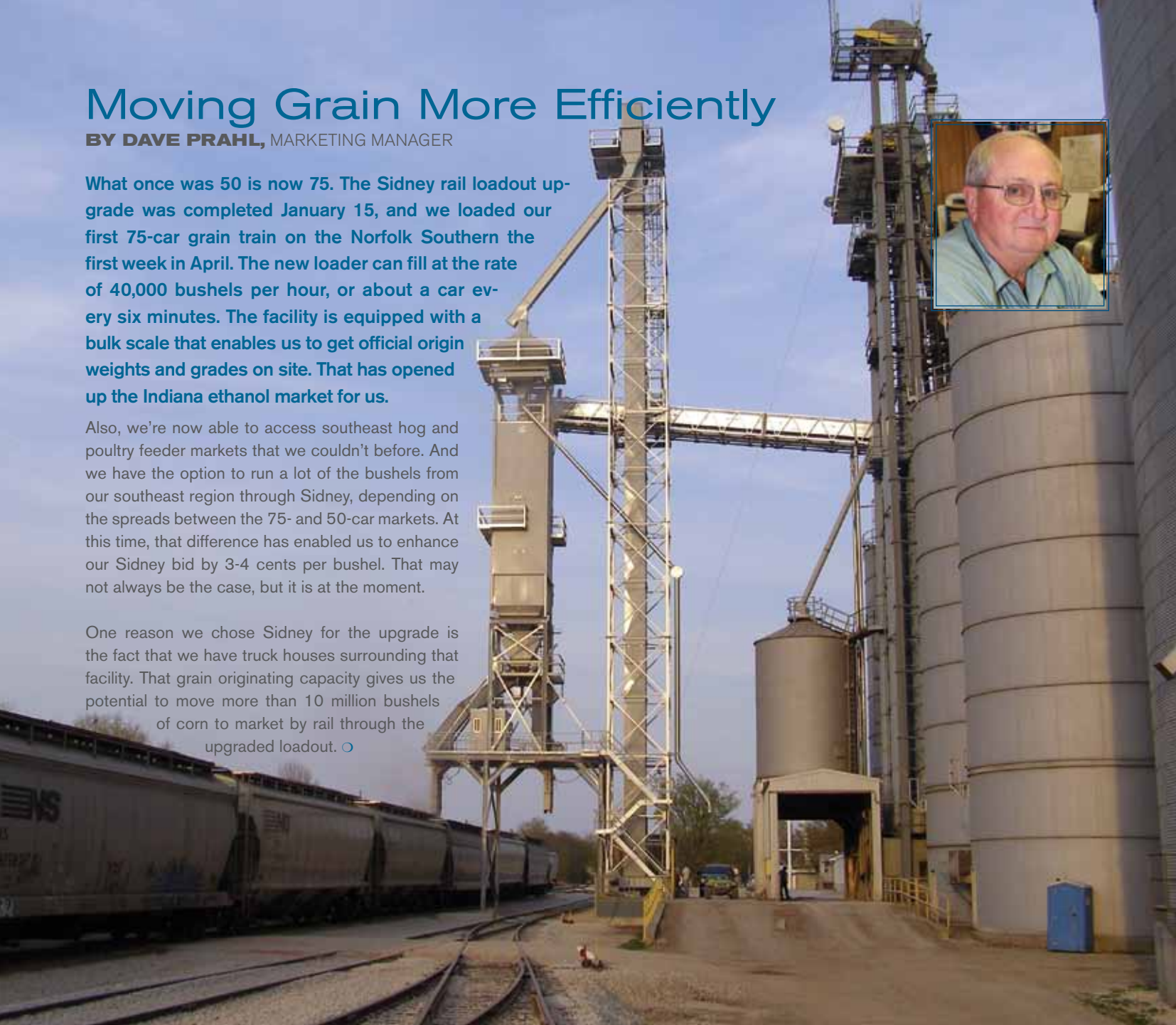
Moving Grain More Efficiently

BY DAVE PRAHL, MARKETING MANAGER

What once was 50 is now 75. The Sidney rail loadout upgrade was completed January 15, and we loaded our first 75-car grain train on the Norfolk Southern the first week in April. The new loader can fill at the rate of 40,000 bushels per hour, or about a car every six minutes. The facility is equipped with a bulk scale that enables us to get official origin weights and grades on site. That has opened up the Indiana ethanol market for us.

Also, we're now able to access southeast hog and poultry feeder markets that we couldn't before. And we have the option to run a lot of the bushels from our southeast region through Sidney, depending on the spreads between the 75- and 50-car markets. At this time, that difference has enabled us to enhance our Sidney bid by 3-4 cents per bushel. That may not always be the case, but it is at the moment.

One reason we chose Sidney for the upgrade is the fact that we have truck houses surrounding that facility. That grain originating capacity gives us the potential to move more than 10 million bushels of corn to market by rail through the upgraded loadout. ○



Making Good Use of Winter

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Dustin Snack of Sidell, graduated from Illinois State University this month. He will work at Ellis this fall.

We'll put all our new employees through an intense orientation and safety training program. We expect that these employees will be able to operate efficiently at their assigned facility by harvest.

In closing, I want to thank everyone for your business and hope that everyone has a safe and successful planting and growing season. ○



Retiree Billy Lindsay

Committed to Safety

BY TOM BILLMAN, SAFETY AND REGULATORY DIRECTOR

As safety and regulatory director for Premier Cooperative, my primary goal for the past several years has been to create a safe working environment at all of our grain facilities. That mission has become even more critical in the past year as OSHA has dramatically stepped up grain elevator inspections.

We prefer to deal with issues before they become problems, which is why we've arranged for ERI Solutions to come to several of our facilities and conduct mock OSHA inspections. The results of these inspections will help us address safety issues within our company. In addition to ERI, we can also draw on an almost unlimited supply of safety resources from Daske Insurance, Nationwide Agribusiness, Grain & Feed, GEAPS, and Ag States Group.

FOCUS ON BINS

One of our current tasks is the restructuring of our bin entry policy. With the recent increase in bin entrapments, this has been an issue OSHA has really emphasized. Our new policy, combined with the replacement or modification of our current bin sweeps, will provide our

employees with the level of bin safety they deserve. Due to OSHA requirements, our new policy prohibits Premier employees from entering any bin that is not on Premier property.

The bin concerns we face aren't any different than those dealt with by the farming community in general. Many of you have numerous grain bins that have to be unloaded and cleaned out yearly, and you deal with the same dangers. Operations on the farm have grown, with faster unloading systems than we had 5 or 10 years ago.

That fact alone should make us all use extra caution when thinking about entering a grain bin. Carefully evaluate the condition of the grain; its temperature; whether grain is bridged, standing, or hung up on the wall; and the presence of any gas, vapors, or toxins. These are just a few of the warning signs. If you have a concern, I would be glad to come out, assess the situation with you, and offer suggestions. ○



Why Oil for Food Is a Good Trade

BY DAVID KIEFFER, NORTHWEST REGIONAL OPERATIONS MANAGER AND FUEL DIVISION MANAGER

I'd like to begin this article by introducing myself. I imagine that a number of you know me as regional operations manager, but you may not realize that I'm also the new fuel division manager.

The person most of you do associate with fuel here is Truman Langley, who's basically a legend in this area. I've heard the rumors that Truman is quitting, and I want to lay those to rest. Truman has been working with us for a long time, and he has expressed a desire to slow down a bit. So he will be cutting back before year's end, but you'll still see him out driving the routes.

USED OIL FOR FOOD

Where else can you trade your used oil for a good lunch right off the grill? We're holding a used oil drop-off day July 26 in Elliott. So finish all your field work, get the combine ready for fall, and swap the old oil from your tractors and combine for a square meal. Drop-off hours on the 26th are 10 a.m. to 1 p.m. Don't miss it.

REGULATORY UPDATE

We had a very good meeting in Elliott in March concerning the new EPA regulations about on-farm fuel storage. We had a geological engineering firm there to speak about all the requirements, one of which was the need for a dike around your tanks unless they are dual-wall tanks. We will be

holding a similar meeting in Dewey in July, and we'll be calling all our customers on this once we get a firm date.

To help you comply with these new regulations, we do have dual wall tanks available for sale. And if you need additional information on meeting the regulation's requirements, we'll direct you to the proper resources that can answer your questions.

THINK ABOUT FALL

It's time to start thinking about your fall fuel needs, and I don't need to tell you how volatile the energy market is. To protect your margins, you may wish to contract for a portion of your fuel inputs at the same time you contract grain.

We carry a full line of grease, oil, batteries, and other supplies. If you are interested in these or in contracting for fuel, please contact Truman at (217) 781-2594 or me at (217) 897-1111. ○





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We're Ready for Spring in Dewey



BY KEN BIERMAN, MANAGER, UNITED PRAIRIE LLC

We are officially up and running at our new Dewey location. The new anhydrous bottle is in place and ready to go, and our Dewey-area salesperson, Kyle Meece, has been working hard. In addition to anhydrous application, we're delivering mini bulks and packaged chemicals and offering dry fertilizer application service to customers in the Dewey area.

We're excited about this opportunity to bring a high level of agronomic products and services to the growers in this region, and our goal is to continue to expand our offerings. In addition to the anhydrous installation, we've just finished up some other site modifications that should improve our efficiency. Plans are also in the works for a chemical warehouse and loadout facility, which will further increase our service capabilities.

I have to give a big "thank you" to the grain staff in Dewey, who has been extremely encouraging and helpful as we've gotten set up here. We're looking forward to working closely with them going forward.

VOLATILITY THE NORM

It's a good time to be a part of the ag industry, but higher grain prices also mean higher fertilizer prices and increased volatility. With volatility comes

risk, and we're all looking for ways to keep those risks manageable.

One good strategy is to lock-in input pricing at the same time you forward contract your grain. That's a good way to ensure some margin for your operation, and we can help. If you're thinking of contracting fertilizer, contact us.

Finally, each spring brings new products for farmers to consider. High commodity values, increasing weed resistance, and interest in getting the most from every input dollar are helping some newer products gain traction. Two categories that stand out in our area are nitrogen stabilizers and fungicides. If you want to know more about these products, or you're working to figure out the best product mix to battle resistant weeds, give me a call. That's why we're here. ○

It's not painted yet, but our anhydrous facility is ready to serve Dewey-area customers.

