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# Premier CONNECTION

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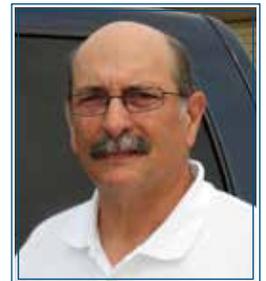
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## Organizational Strength Helps Overcome Challenges

BY ROGER MILLER, CEO

**As we close the books on another fiscal year, you can feel good about the performance of your cooperative in the face of some challenging conditions. The fact that we are diversified with strong agronomy, grain, and energy business divisions, made the difference between a break-even year and a profitable one.**



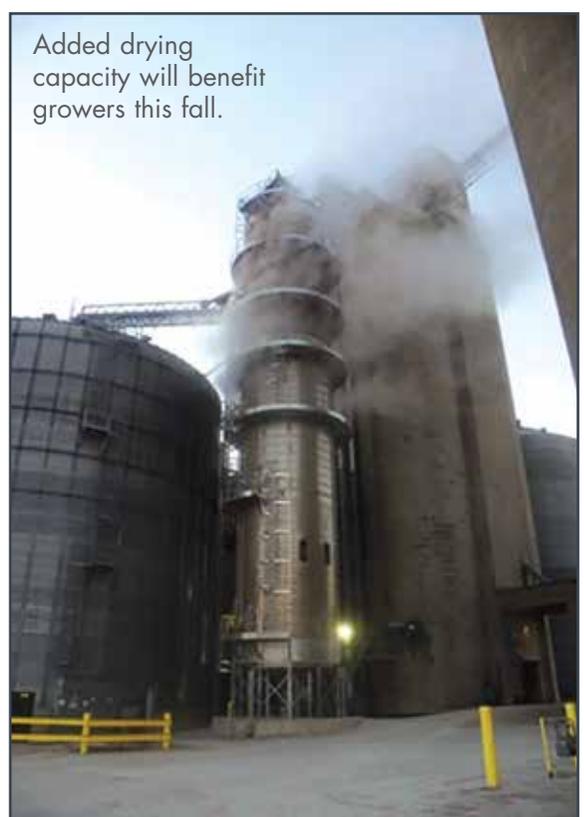
Final numbers showed a total pre-tax income of \$1,456,000. We had strong sales from both agronomy and energy. Somewhat surprising was the 11 million bushels of soybeans we handled, which was roughly equal to the prior three-year average. Corn was where we struggled. We handled about two-thirds the size of the previous year and discovered significant aflatoxin problems.

Even there, we had good news. First, the corn came in wetter than anticipated, generating drying income for the cooperative. Second, we took the time and endured the expense of segregating the aflatoxin-contaminated corn, shipping high-aflatoxin corn to the appropriate markets. ~~As it turned out, a lot of the aflatoxin remained in the screenings.~~ Some of the remaining corn at a few of our elevators had levels of aflatoxin slightly higher than is acceptable. We made the decision to screen the corn at those locations. As it turns out, a lot of the aflatoxin remains in the corn screenings, making this corn shippable to our normal markets. Had we commingled it all, the non-contaminated corn would have had high enough levels of aflatoxin that we wouldn't have been able to ship it all.

Ultimately, we were able to empty out our facilities going into this year's harvest. That is good for us in the fact that with a \$1.50 inverted market, we couldn't afford to carry old crop into the new-crop year. It's good for you in the fact that we have a lot of room for your 2013 harvest—roughly 3.5 million bushels more than last year, thanks to a new grain bin at Fulls Siding and fewer bushels on hand.



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Added drying capacity will benefit growers this fall.

## Organizational Strength Helps Overcome Challenges

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This fall, we're looking at a wetter, later crop. Since 2009, the benchmark wet fall, we've added 20,500-bushels-per-hour of drying capacity companywide. We're ready to handle just about anything this fall.

### THE LONGER LOOK

We didn't ship a lot of grain in July and August, so we made good use of the extra time our employees had. We formed five committees—farm marketing, internal and external support (IT), grain operations, energy, and values/brand development—and revised our business plan. We hadn't updated the plan since the consolidation in 2009, so it was time. We've just completed our work and presented the results of a very productive process to the board.

The result is a three-year plan that outlines several strategies and identifies the resources needed and the key people who will execute the strategies. I believe we will be more of a cutting-edge company when the process is completed.

One great advantage of the approach we took is that a large number of our employees were involved. Their input helped create this plan. Two aspects that we will focus on immediately include continuing education for our employees to keep them on top of industry developments and doing a better job of communicating with our customers regarding the services we provide.

Our mission statement is to provide outstanding service that is fast, efficient, technologically advanced, and always delivered with integrity. That is the motto we live by, and that won't change. We will continue to be a company serving today while preparing for tomorrow. ○

# Tough Conditions Yield Record Performance

BY TIM HUGHES, MANAGER, UNITED PRAIRIE LLC



**Despite the challenges that the past fiscal year presented, United Prairie LLC recorded strong profitability and the highest sales volume we've ever experienced. Two locations in particular, Jamaica and Dewey, experienced a great deal of growth. Our seed business also saw solid growth this past year.**

As you know well, we had a short window to get the majority of the spring work done. Our employees put in the hours and did a great job, allowing us to get the acres covered. Now we're anticipating a strong fall run once the crops come out and we get going.

have automated loading systems at all of our chemical facilities.

Like the rest of the year, this fall will be late and compact, but we're ready to go when the fields open up. ○

### UPGRADING EQUIPMENT, FACILITIES

We continue to upgrade our application and support fleet to keep pace with your increasing efficiency. This fall, we're adding a twin-bin variable rate Airmax dry machine.

Work on the new Dewey chemical shed is complete, and we're going forward with a bulk soybean and seed treatment system there as well. In the coming year, our plan is to install automated Junge loadout systems at the chemical sheds at Dewey, Tolono, and White Heath, to increase accuracy and efficiency. Our goal within the next year is to



# Marketing That Fits Like a Glove

BY **KURT SIMMONS**, FARM MARKETING CONSULTANT



The way you market is a function of who you are and the way you're wired. A one-size-fits-all approach really doesn't work for a lot of farmers. That's why Premier Cooperative is now offering a

## very personalized marketing program.

We've partnered with Randy Bolen of RAM Agri Marketing to create this new program. We consult with you, learning about your farm operation, your profit goals, and how you like to market your grain. We'll take a number of factors into account, including your breakevens and level of crop insurance. Then we will analyze the market and develop specific marketing recommendations tailored to fit you. It's like hiring a vice-president of marketing for your operation.

As part of this personalized service, we provide e-mail market updates three times daily and text market prices at least once daily depending on the level of market activity. In a nutshell, we'll work with you to develop a highly personalized marketing roadmap at a very reasonable

price. Contact me if this sounds like an option you'd like to explore.

## NEW CONTRACT OPTIONS

Thanks to our relationship with CHS Hedging, we are now offering three new over-the-counter contracts. For example, one puts a floor under your price while allowing unlimited upside potential. A second is a premium offer contract, where you can add a premium to an existing sale and put an offer in the future at a profitable level.

Talk to me about these new contracts, or our personalized marketing service. We're committed to providing the marketing tools and advice you need to successfully market your grain. ○

# Convenient Account Access

BY **JIM DETERS**, CONTROLLER

Looking for a little more time? If so, you'll be interested in Connection Central, our convenient online link to your Premier Cooperative account information. It's the handy way to look up your account statements, scale tickets, delivery sheets, contracts, grain settlement history, and a lot more. And unlike our locations, Connection Central is open 24/7, so you can check your tickets when you come in from the field at 10 in the evening—or 1 in the morning. You can also submit offers to sell grain through the system.

Connection Central is a good way for landlords who may reside elsewhere to check on the progress of harvest in your fields. If you're signed up for Connection Central, you can elect to receive email or text messages when scale tickets are entered for your account or updates specific to your location. For example, we'll let you know when hours of operation change—information that can make planning easier this busy harvest season.



You can sign up for Connection Central through the website by going to the My Account link, or you can call us and we'll get you connected.

## GET PAID QUICKLY

You can also avoid bank lines—and get your money in a hurry—with our direct deposit service. With direct deposit, if you settle by 5 p.m., your money will be in your account the next day. It's easy, quick, and convenient. To sign up, you can download the form from our website, print it, fill it out, and either bring it in or mail it to the settlement office. Talk to me if you have questions. ○





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## Expanding Horizons for Fuel Division

BY DAVE KIEFFER, FUEL DIVISION MANAGER

Our focus on expanding energy service within the grain footprint of Premier Cooperative has gone extremely well. Since this past December, when we added additional staff and equipment, we've seen steady growth in new customers. I want to commend everyone in the fuel division for taking on additional duties and doing an exceptional job of delivering service. This extremely hectic spring was an outstanding example.



The two new fuel trucks we've purchased have performed just as we hoped. Our new bulk terminal at Tolono/ Apex will be finished at the end of October or the beginning of November, giving us a better base of operations to serve customers in the southern half of our territory.

### SEMINARS RETURN

During the winter months we will once again be offering our educational seminars. There will be several throughout our trade area covering everything from contracting fuel and pricing to technical training on our products. Watch for a flier in the mail with the details.

As the winter months approach, December is generally a good time to contract fuel for spring usage. In fact, 80% of the time it's the right move to make—pretty good odds. Remember that we will book fuel with no fees, no additional charges, and no payment required until we drop the fuel at your location in the spring. So if you know you're going to use some in the spring, consider booking in December. ○

