

July 2014

Primeland Perspective

CUSTOMER NEWSLETTER



Farmer Driven and Globally Connected

Those of us working in agriculture share the responsibility of feeding the world. To accomplish this, many farmer-owners of this cooperative have increased their operations' efficiencies—becoming bigger, faster and stronger. CHS Primeland is following your lead.

Consider us your strategic business partner.

Every step we take throughout this cooperative is to provide you with the best products and services that will in turn increase your yields and profits.

CHS Primeland is committed

Each year, we invest to improve our people, facilities and services so you can partner with us in confidence that we won't slow you down.

As anyone who has dumped grain at an outdated facility will attest, the old wooden elevators don't make the cut when it comes to speed, efficiency or safety.

Although we cannot rebuild every facility this year, our board and management team has a plan in



*By Ken Blakeman
General Manager, CHS Primeland*

place to continue investing in CHS Primeland's infrastructure. This newsletter includes articles that outline recent facility upgrades and new construction projects currently underway throughout CHS Primeland.

As the scale of your operation continues to grow, risks increase and access to research-based recommendations become even more valuable. CHS Primeland has the agronomy team in place to meet this need. In his article, Jim Miller, our director of sales and marketing, will tell you more about how we continue to build and train this team to serve you today and into the future.

Global partnership, local patronage

Although we remain farmer-owned and locally managed, our partnership with CHS connects us to the global marketplace. The size and scale of CHS also gives us purchasing power, allowing CHS Primeland to provide our customers with the best products and services at competitive prices.

We are proud of our partnership with you and CHS. By summer's end you'll see that our signage reflects this partnership and name change.

For a cooperative and its membership, success is a win-win. The board and management team makes every decision with you in mind. By partnering with CHS Primeland, members receive patronage on products and services purchased. We're proud of the strong patronage we've been able to return to you. Together, with your loyal support, CHS Primeland is positioned for continued success.

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Partner With Us and Maximize Yields

By Jim Miller, Director of Sales and Marketing

From the day you purchase your seed until the end of harvest, multiple decisions will be made that ultimately impact your yields and profits.

Some decisions impact things under your control, like seed variety, inputs and field management. Other decisions are based on elements out of your control, like weather events, pests and disease pressure.

For all these decisions, CHS Primeland's agronomy sales team is here to help provide you with the latest in research-based recommendations to help you maximize yields.

Consider us your partner this growing season. Our agronomy team takes the time to get to know you and your operation, so they can be your feet on the ground, scouting fields and providing you with recommendations if and when challenges occur.

Trained and ready

In the off-season, CHS Primeland invests in an extensive training program for our entire agronomy staff. They attend



Darrell Tyler (right) examines a wheat plant for rust with Nathan Groth, Agronomy Sales Trainee.

“CHS Primeland's agronomy sales team is here to help provide you with the latest in research-based recommendations to help you maximize yields.”

trainings so they are up on the latest product offerings and research-based recommendations.

Our agronomy team are all Certified Crop Advisors (CCA).

Because nothing beats in-field experience, the 15 experienced agronomists on staff are currently mentoring seven trainees.

Along with hands-on mentorship, these trainees are studying to receive their CCA. Even if they have degrees in agronomy, they will be trained under the watchful eyes of experienced agronomists for about two years before working on their own.

To learn more about how your operation can benefit from the services of a CHS agronomist, contact me at 208-743-8551 ext. 136.

Prepare Today for Harvest 2014

By Russ Braun, Grain Division Director/Merchandising Manager



By Russ Braun
Grain Division
Manager

Once harvest arrives, it's all systems go! So while we wait, CHS Primeland is working to empty and clean all our facilities.

How about you? Is your equipment ready for harvest? To guarantee premium grain quality, we encourage everyone to take a look at their harvest equipment to ensure it is ready to run mechanically and give it one more

cleaning. I also encourage producers to keep safety in mind—make sure you have a working fire extinguisher on board.

Always working to increase the speed and efficiency of our service at harvest, CHS Primeland has updated several facilities to increase unloading speed and efficiency this harvest. More facilities have also installed the oneWeigh™ software, which provides growers with online access to weight and ownership information within 24 hours of delivery.

To warrant accuracy of ownership information, whether you are a new or existing CHS Primeland grain

customer, please check in with us to ensure that your delivery information is correct (ownership and landlord splits, etc.) This information will be input upon your first delivery.

In time for harvest, we have installed a new RFID system at the Lewiston River Terminal. This will automate the scale and unloading at this facility, improving traffic flow and unload volume.

Harvest is always a good time to remind our farmer-owners of the solid patronage rates CHS Primeland offers. In 2013 we paid 18¢ per bushel on wheat, \$15 a ton for barley and \$1.50 per bushel for canola.

See Research First-Hand in 2014 Answer Plots®

By Ken Mingo, Seed and Agronomy Division Manager

Cooperatives, by nature, are founded on the winning philosophy that if farmers and ranchers succeed, then the cooperative succeeds—and together we profit. CHS Primeland takes this philosophy to heart.

In the agronomy division, we understand that you can purchase the best inputs money can buy, but without cutting-edge management recommendations, yields won't increase. This is where our Answer Plot program comes in. These plots are designed so our farmers can see first-hand how management recommendations work, and then determine if the recommendation is right for their field.

If you were able to attend our third annual Answer Plot tour June 10, you know what I'm talking about. We encourage growers to

"We understand that you can purchase the best inputs money can buy, but without cutting-edge management recommendations, yields won't increase."

pull plants up, inspect roots and make in-field comparisons.

The Answer Plot is managed by WinField™ Solutions and CHS Primeland staff. Topics covered during the tour ranged from herbicide modes of action to fungicide efficiency and fertility rates.

The plots also featured alfalfa variety trials and starter fertilizer demonstrations.

If you haven't been to the plot, contact your CHS Primeland representative and go take a look.

New Construction and Upgrades to Serve You

Compiled by Darrell Tyler, South Palouse Location Manager; Mike Kennedy, Camas Prairie Manager; and Ken Mingo, Seed and Agronomy Division Manager

Maximizing profits on your operation is our focus and the motivation behind each planned facility upgrade and new construction project underway throughout CHS Primeland.

As we continue to retire wooden crib elevators, you will witness many upgrades and new construction projects that allow us to automate many aspects of grain handling. This will make our facilities safer, more efficient and also allow us to better serve you.

Before each project begins, it is thoroughly vetted by the board and management team, who prioritizes the timing of projects based on need and available capital.

Nezperce, Idaho

We are nearly finished researching a plan to build a new elevator in Nezperce, Idaho. There is currently only one delivery option for farmers in this region, and it is not affiliated with a cooperative. This new, state-of-the-art facility would introduce healthy competition to the region's marketplace. It would provide farmers a facility with the speed and capacity to meet the demands of today's high-speed combines.

Once we get the green light from the board, we will begin construction with hopes to have the facility operational by harvest 2015.

Strategically, this elevator is a good fit for CHS Primeland because we already provide agronomic products and services to area farmers.

Grangeville, Idaho

In time for harvest, we've updated the Grangeville grain facility, built in the 1950s, to meet today's demands. The upgrades make this facility the fastest on the prairie, with unloading speeds of 20,000 bushels per hour.

Joel, Idaho

Farmers in the Joel area can expect their unloading time to be cut in half as a result of recent upgrades. We tore down the wooden



The Grangeville facility upgrade included a new leg, distributor and spouting to bins. It also eliminated many cleaning and maintenance issues.

crib elevator in Joel and are in the process of replacing it with a new outside pit, 100-foot scale and a 15,000 bushel-per-hour grain leg. This project is scheduled to be complete in time for harvest 2014.

Port of Wilma, Wash.

CHS Primeland is researching a plan to invest in a new, state-of-the-art fertilizer storage facility at Port of Wilma near Clarkston, Wash. Plans for this facility have been in the works for a few years. Once complete, this facility will store both dry and liquid fertilizer.

Volatile markets and logistical challenges motivated the leadership of CHS Primeland to explore this project in order to ensure we have product available for producers when they need it, and allow us to purchase product when the markets are more stable. We will bring the final analysis to the board, and we will proceed if they believe it is the correct investment for Primeland and approve it.



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Your Financial Partner

By Dave Arthur, Credit Relationship Manager for CHS Primeland

CHS Primeland introduces feed input line of credit, a new credit program designed for all the livestock producers who do business with us.



In addition to our popular operating line of credit, CHS Primeland is now offering a feed input line of credit as an additional tool to help finance your operation.

Like our traditional crop input line of credit, this program provides you with the opportunity to work with people you know and experts who understand your farming or ranching operation.

Crop and feed input lines of credit:

These competitive programs are very flexible and work well to augment your traditional line of credit, increasing your working capital to ensure you have the inputs necessary to raise a successful crop—whether its calves, wheat or corn!

The crop input line runs 18 months and the feed input line runs from June 1 to May 10. Both cover all necessary inputs purchased from CHS Primeland. Once you have an input line, CHS Primeland automatically

transfers the amount due on monthly bills, so you can take advantage of discounts.

If you have any questions, please contact me. I have 30-plus years experience in the world of finance, and I will meet with you in my office or on your farm to help you decide what program(s) are right for you and your operation.

CHS Harvest for Hunger

MARCH 1-20, 2014

Thank You!

Thank you for your role in making 2014 Harvest for Hunger a success! CHS Primeland donated more than \$40,000 to area food banks and collected 500 pounds of food.

Each \$1 raised provides four meals for community members in need.



Freight Rate Change

As of July 1, 2014, barge and rail freight rates will go up. Barge rates will increase by 3%. At this time, we do not know how much rail rates will increase.