

PRIMELAND PERSPECTIVE



WWW.PRIMELANDCOOP.COM

“To remain viable in today’s marketplace, today’s growers are quicker, faster and produce more. You expect your cooperative to keep up.”

BEST YEAR YET!

Financially, fiscal year 2013 has been the best year yet for Primeland Cooperatives! Although final audit results are not in yet, it looks like we’ll wrap up this fiscal year with a bottom line of approximately \$6 million in net profit.

This record-breaking success is a result of an exceptional employee team who works hard each day, a strong working relationship between our board of directors and management team and loyal customers like you. Thank you all for your role in Primeland Cooperatives’ success.

OUR SUCCESS = YOUR SUCCESS

As a member of Primeland Cooperatives, a record year for your cooperative means record patronage rates! Patronage rates are figured once audits are complete and are paid out in February.

Net profits of \$6 million-plus don’t just happen. As I mentioned earlier, they are the result of exceptional people working together to make great things happen. And, you are a driving force behind this success.

To remain viable in today’s marketplace,

today’s growers are quicker, faster and produce more. You expect your cooperative to keep up. For several years now, Primeland

Cooperatives has proactively worked to do just that. Each year we strategically upgrade or build new facilities. In the last 12 months, Primeland has upgraded the Kendrick and Grangeville locations to increase unloading speed and efficiencies. We’ve torn down outdated facilities and consolidated or closed operations that were inefficient and costly to operate.

All the improvements, upgrades and changes we made this year help us maintain a strong market position and pass profits on to our members.

Moving into the 2014 fiscal year, you can expect to see more proactive improvements that will enhance our service to growers and provide a safe working environment.

We look forward to serving you in 2014! ●



KEN BLAKEMAN

INVEST TIME IN MARKETING

By **RUSS BRAUN**, GRAIN DIVISION MANAGER

As a grower, you invest a significant amount of time, energy and resources in producing a grain crop. Make that investment count and market proactively.

After you spend nine months raising a crop, why would you only spend 15 minutes marketing it? Quick marketing decisions might have worked in the past. However, in today's global marketplace, where Midwestern corn yields and international politics impact Pacific Northwest wheat markets—it pays to invest time, energy and resources in marketing and risk management.

There are multiple ways to manage risk and price grain, and Primeland's merchandising team is always available to help you decide which strategy, or strategies, best meets your needs and goals.

One strategy I suggest is forward pricing portions of your grain crop at levels that are above budget expectations. This management practice helps with cash flow planning and reduces risk.

BIG UNKNOWN

Until the last six months, this strategy was a lot easier to implement. However, because wheat markets follow corn markets and the USDA projects the 2013 corn harvest to yield more than 13.7 billion bushels, commodity prices have dropped over the last four months. If the projection is true, then carryover will double and prices could continue to drop.

With this in mind, you need to be cognizant of selling into and rewarding rallies when they present themselves.

By proactively marketing your grain, your budgetary needs will be taken care of if the USDA projections ring true. However, if yields come in below projections, then commodity prices should once again stabilize and, depending on actual yields, markets could potentially move up.

LOOKING AHEAD

As you look at marketing your 2014 crop, I encourage growers to look at Hedge to Arrive or Price Bonus Builder contracts. Ask your Primeland merchandiser to help you decide which options are best for you.

We continue to face a few challenges locally. First, many facilities need updating to handle the sheer volume of grain produced by today's growers. Primeland has proactively invested in facility upgrades and continues to strategically improve unloading speed and capacity at economically viable facilities.

Another challenge I'm sure you've heard about is the need for ratification of longshoreman contracts on the West Coast. This is causing logistical import/export challenges.

Our team looks forward to helping you market grain and proactively manage risk. ●



“It pays to invest time, energy and resources into marketing and risk management.”

PRIMELAND IN YOUR COMMUNITY

A team of Primeland employees volunteered their time to build a fence around the Troy Elementary School garden to keep deer and other animals out. Primeland Cooperatives donated the fencing materials.



CONSIDER PRIMELAND'S CROP INPUT LINE OF CREDIT

By **DAVE ARTHUR, PRIMELAND CREDIT MANAGER**

Maximize your financial flexibility and purchasing power with a crop input line of credit from Primeland. Now available for your fall 2013 and spring 2014 input needs.

Separating your operating expense from your crop input expense makes financial sense, and a dedicated crop input line from Primeland allows you to do just that. It's good for all crop inputs you purchase from Primeland—seed, fertilizer, chemical, energy, services, etc. With an input line of credit, you can time purchases of products and services to take advantage of lower prices and manufacturer discounts as well as discounts available on Primeland's monthly statement.

Key benefits:

- Advances are Sept. 1, 2013, through Aug. 31, 2014.
- Maturity date is Feb. 10, 2015, allowing ample time to harvest and market the 2014 crop.
- Keep your operating line in reserve and available. Finance crop inputs at Primeland.

- Time purchases to maximize manufacturer discounts.
- Receive monthly discounts. Your account balance transfers to your Line of Credit on or before the 19th of each month.
- A simple one-page loan application and tax return on loan requests of \$250,000 or less. A bit more information is required if the loan request is more.



Take five minutes and sign up today. It could be the most profitable five minutes you will invest this year.

Our team recently sent out a brochure describing the program in more detail. To learn more about how Primeland's Dedicated Crop Input Financing can go to work for you today, contact your Primeland account or location manager or me: darthur@primelandcoop.com, Office: 800-456-8551 ext. 121, Direct: 208-298-1010, Cell: 208-791-1422. ●

A LOOK AT RECENT UPGRADES

By **JIM MILLER, SOUTH PALOUSE AREA MANAGER**

It's an exciting time to be in the grain business! Primeland Cooperatives is always looking for ways to improve our services and facilities to better meet our growers' speed and capacity needs.



Let's take a look at some of the significant upgrades that have been made, or are currently underway, to improve the speed and capabilities of our country elevators.

Kendrick: Installed a high-speed leg, long scale and unload augers. These upgrades sped up unloading time significantly. The new unload augers allow us to receive and ship simultaneously. These upgrades

increased traffic at volumes received during harvest and, as a result, we shipped out 600 loads during harvest to keep up.

Joel: At this facility we sold the wood crib to another company and updated the unload augers on the steel bins (located on the East side of the road). We plan to add a high-speed leg and scale in 2014.

Estes: At this facility we modified the ramp

to receive trucks more efficiently.

Viola: At this facility we installed a new high-speed leg and put in a new pit specifically for unloading wheat. This new pit and grain leg eliminated lines this harvest.

MOVING FORWARD

You will soon see updates made to other Primeland facilities—next on our list are upgrades to the Kennedy/Ford elevator. ●





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TIME TO SIGN STEWARDSHIP AGREEMENTS

Primeland Cooperatives has more than 24 varieties of soft white and hard red winter wheat seed to meet your fall seed needs.

This exceptional lineup of genetics comes to you from WestBred®, Limagrain Cereal Seeds, University of Washington and AgriPro®. However, before you can purchase many of the varieties, these seed companies require you to sign a Stewardship Agreement.

If you have not yet signed an agreement, visit www.primelandcoop.com and click on the "AgCelerate" link. AgCelerate is an online format where you can fill out the required stewardship agreements. If you need help, please call your local Primeland agronomy team member. We will walk you through the process or stop out to your farm and help you in person. •

INTEGRATED AGRONOMY

By KEN MINGO, SEED & AGRONOMY DIVISION MANAGER

Primeland's agronomy team recently began using the CHS YieldPoint™ precision ag platform. This new platform allows us to quickly compile data gleaned when scouting your fields as well as results from soil and tissue sampling. Our agronomy team will use this information when making fertility prescriptions and for variable-rate application as well as generating field recommendations.

Along with increasing the efficiency of our service, YieldPoint also allows us to share electronic data with you to enhance your records. For example, YieldPoint's data management system provides you with easy-to-read records of all products applied to each field.

95% CALCIUM CARBONATE

Primeland now offers you a better lime application option. In the past we've offered granulated sugar lime to help adjust soil pH. However, sugar lime did not provide optimum results, so we began looking for a better option. Our research found the best option to be a 95% pure calcium carbonate lime that is prilled to reduce waste by as much as 50% and increase



absorption. In fact, this new product breaks down so quickly that you can expect to see results within the same cropping year!

Primeland can also custom apply this product, and/or the producer can band it when applying starter fertilizer.

Our team is currently scheduled to apply several thousand acres of this new lime product, so if you're interested, call soon to get your acres on the schedule. If you have any questions, contact your local Primeland Cooperatives agronomy team member. •



Moscow agronomist Daniel Spenbakken.