

SUMMER 2016 • WWW.CPCOOP.US • 800-238-1843

Good year for



READY FOR YOUR WHEAT

JOE SCHAUF, GENERAL MANAGER

As I write this article, the good Lord is blessing us with some good rain. After a relatively dry winter, we have received some very beneficial moisture the last few weeks. Not only that, but it has remained somewhat cool, which is allowing our wheat crop to reach its full potential. Some of the double-crop wheat did get hurt before the moisture came, but most of the crop looks very good at this time. We all know it is not in the bin yet, though.

Expected big crop needs plenty of space

We are currently working on getting enough space in our elevators for the wheat harvest. I am convinced that we should have room for the wheat crop, but this fall could present some space issues. There is pretty good carry in the wheat market, so we will see terminals sit on wheat as they did several years ago. We saw wheat being stored in some very unconventional places then, and we could see that again. This will make it a challenge to get the fall crops into the bins if we have any kind of harvest at all. We will do our best

to have room for you. To do that, we may have to look at building some pads to put grain on the



ground. We will keep you updated.

Looking back ...

We just completed our most recent fiscal year with the Central Prairie Co-op (CPC) annual meeting on May 9 at the Celebration Centre in Lyons. Visit our website for a recap of the evening. Although it wasn't the year we were hoping for, we did pass out checks at the meeting and mailed out checks to those of you who could not attend. Our total patronage returned to members this year was \$660,044.13, with 40% of that in the form of checks. So although it was not one of our better years, we still had a profit that was returned to members.

... and looking forward

As for the current year, we are expecting more challenges. With

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very limited grain movement, we will be challenged to maintain margins. As I stated earlier, there is good carry in the wheat market but that could be one to two years away. And with a large corn crop being planted across the country, we will continue to see pressure on the corn and milo bids. Without a major weather event that results in a poor harvest somewhere in the world, it doesn't look as though grain prices will be changing anytime soon.

We will continue to monitor our progress for the year to see what asset plans we will be able to accomplish this year, and what plans will have to wait until a later date. The board has put an emphasis on safety issues such as fall protection, railing and ladders to keep our employees safe, so we will work to take care of those items first. Of course, we'll also have repair items emerge throughout the year that will have to be addressed right away. We do have one major expansion underway: the new dry fertilizer plant at the Sterling Hub. This should be completed in time for the fall fertilizer run.

The way the wheat looks now, harvest might actually be completed before this newsletter gets to you. If so, I hope you all had a very safe and bountiful harvest. If you're still cutting, try not to get in too big of a hurry, as that is typically when accidents happen. Thank you all for your patronage. (

THE RIGHT CHEMICALS AT THE RIGHT TIME

ALLEN SHIVE. AGRONOMY DEPARTMENT MANAGER



This spring, May showers—not April—were the norm! Fortunately, most wheat growers in our trade area were proactive with fungicide applications. Considering all the damp, cloudy days in May, it looks like those fungicide applications are going to make a big difference—giving you an excellent return on investment.

Gearing up for soybeans

Soybean planting will begin in earnest once we have drier ground. We suggest using one of the following pre-emergent herbicides with your burndown applications, or following the planter or drill in tillage situations to put another mode of action out on your acres. Using these products will also reduce weed competition to help out with any unforeseen rain events that may delay an early post application.

- Warrrant®
- Fierce[®]
- Fierce® XLT
- Valor® SX
- Valor® SLT
- Authority® XL
- Authority® First
- Authority® Elite
- Authority® MTZ

All of these herbicides qualify for the Roundup Ready® rewards program—giving you cash back when you use Roundup PowerMAX® on matching acres.

We have an excellent supply of soybean and milo seed for both full season and double-crop. If you need any help with last-minute seed, chemical or fertilizer or scheduling delivery of any of those products to your farm, don't hesitate to contact any of our locations or your CPC agronomy staff.

We strive to be competitive and bring a lot of knowledge to your farm. Wishing you a bountiful wheat harvest and improved grain prices ahead. Thank you for your business. (

NO TREATED WHEAT, PLEASE

MAX MOBLEY, OPERATIONS MANAGER

There's a reason CPC does not accept treated seed wheat. The people we sell wheat to won't accept it—not even one kernel.

So if we detect any treated wheat at the grain dump—even just a single kernel—it will be turned away. The fact is, if we took that load, we wouldn't have anywhere to resell it. We appreciate your cooperation.

Big crop, busy elevators

We recently added a new automated

grain probe at Claflin. This will speed up the operations during harvest so trucks can get back to the field sooner.

With the possibility of a large wheat crop comes the possibility of long lines. Please bear with us—we're doing everything we can to keep things running as smoothly as possible.

Safety first

Please remind your drivers to take it slow around the elevator. There's always the possibility of extra people

(even children) around the dump site who are not familiar with truck routes.

We ask that you always proceed with

Also keep in mind that there could be loadout trucks at some locations. We will do our best to keep those out of the way so your trucks can flow freely. If you have any questions or concerns, please speak to the location manager. (



IT LOOKS LIKE A GOOD YEAR FOR DOUBLE-CROPPING SOYBEANS

BRENT WERTH, SEED SALES & TRAIT MANAGER

With an anticipated early wheat harvest this year, the timely soybean double-crop practice is a true player in the strategy for additional income in the CPC trade area. Adequate subsoil moisture is the next key in this success, and it looks to be in good shape as we get closer to the wheat harvest window. Residue management utilizing no-till is a valuable practice that allows the subsoil moisture to stay intact. With the high residue, proper planting and herbicide applications must be carefully followed to allow the soybeans to experience a high success rate.

Here are some important considerations when planting double-crop soybeans.

Plant through wheat residue to ensure consistent seeding depth. The planter must be able to cut through or move the surface straw from the wheat crop.

- Use a row spacing that promotes thorough canopy closure. Proper plant adjustment and operation can help achieve good seed-to-soil contact and consistent seeding depth needed to promote rapid germination.
- Utilize a seed treatment that contains both a fungicide and insecticide. Seed treatments protect against seed diseases as well as early-season insect pressures that may reduce the crop seeding vigor.

Your CPC seed sales professionals can help you with your cropping decisions. We offer several brands of seed along with the most reputable seed care treatment packages and services. Stop by any of the agronomy locations with any questions you may have. (



FIRE UP THE GRILL!

GORDON ROTH. FUEL DEPARTMENT MANAGER

Even though you're busy in the fields now, we hope you find time to relax and do some grilling or camping this summer. Did you know you can refill your 20-pound propane tank at your CPC location for considerably less than you can exchange it for? As an added plus, we legally fill your bottle with approximately 25% more propane. So you get more propane for less money. If you need a new tank, we offer those as well—also for considerably less than you will find it elsewhere.

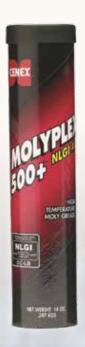
Need your camper filled? We can do that for you in Claflin, Lorraine, Lyons and Sterling. We now offer exchange at Hutchinson as well, so there are plenty of convenient locations where you can top off on your way to the lake.

Let's have a great summer and a bountiful harvest. See you soon!

SPECIAL OFFER ON CENEX® GREASE

Receive a \$10 VISA® gift card for every qualifying 4-10 pack or 35-pound pail of Cenex grease purchased **June 15 through August 15**. You can also receive a \$30 Visa gift card for every qualifying 120-pound keg purchased during the promotional window.

Qualifying products include: HD Moly Xtreme, Poly-Xtreme, Maxtron® EP, Blue Gard 500+, Molyplex 500+ and ML 365®. It's a great way to get money back for products you already use!



HARVEST REMINDERS FROM CPC AND TMA



LEE BURGESS, GRAIN DEPARTMENT MANAGER

The grain department has been busy getting CPC elevators ready for wheat harvest—making repairs, completing upgrades, cleaning bins and training our employees to better serve our producers. Plus, TMA has been shipping out grain to make room at all of our locations.

Wheat harvest reminders

- Please remember to keep an open line of communication with the branches where you are delivering wheat so we can best serve your needs.
- CPC and TMA grain buying hours are Monday through Friday, 8:00 a.m. to 5:00 p.m., except for holidays.

Many of you have used TMA's grain marketing and crop insurance specialists. They have the tools and expertise to help you make sound decisions for managing risk on your farms. Please give me a call and I can put you in contact with

one of the specialists serving your location.

TMA also offers these valuable services:

Patron access: See and manage all of your grain accounts online.

ACH payments: Have your grain checks sent directly to your bank account.

Grain market text messages: Receive opening, midday and closing grain market text messages.

Website: Visit www.tmagrain.com for access to all of TMA's daily grain markets, discount schedules and many more services. You can also access their website via the CPC website: www.cpco-op.com. Just click on the grain tab, and it will direct you to the TMA website.

Please give us a call at 620-278-2141 or 800-238-1842 if we can assist you in any way. Thank you for doing business with CPC. (

Welcome SUMMER INTERNS

Central Prairie Co-op welcomes our 2016 interns. Kirk Engelland, agronomy intern, will be working out of the Sterling and Bushton Hubs. Kirk is from Sterling, and is a senior at K-State majoring in ag tech management with a minor in agronomy.

Zachary Lee, agronomy intern, will be working out of the Adams Corner location. Zach is from Burlington, and is a senior at K-State majoring in ag economics with a minor in agronomy.

Taylor Oller, grain department intern, will be working at the Partridge and Whiteside locations through wheat harvest, then helping agronomy at Adams Corner. She is from Partridge, and is a senior at K-State majoring in ag business with a minor in agronomy. (







THE HOWS AND WHYS OF PATRONAGE



DAVID CORNELIUS, CONTROLLER

It's important to note that CPC pays patronage based on the direct method. This means we track each department—agronomy, feed/merchandise, petroleum and grain—based on its individual profitability. We chose this method because we feel it is fair for all patrons.

For instance, this year we paid patronage on agronomy, feed/merchandise and petroleum. But unfortunately, patronage was not paid out for grain because that department didn't make a profit.

This is different from other co-ops that use the gross sales method. In that case, profits from all departments in the co-op are divided up based on the department sales dollars—even if one department lost money. So while they might have paid patronage to grain customers, it was an average payment based on all departments.

We tell you this as a reminder to be careful when comparing patronage paid by CPC versus other co-ops. If the other co-op uses the gross sales method, it's not an apples-to-apples comparison. (

WHY PAY ONLINE?

It's easy. Simply log in to your Patron Access, and pay your bill via ACH (Automated Clearing House) from your bank account.

It's fast. You don't have to build in time for your check to make it here via the postal service. Just pay online, and your payment would be posted the same day.

It saves money. Receive a discount when you pay by the 15th of the month.

If you haven't set up a Patron Access login for online payment, please do so. Questions? Give the main office a call at 620-278-2141.

ALL THE FEED EXPERTISE YOU NEED



VERTON MILLER, FEED DEPARTMENT MANAGER

For quite some time, we've felt a need for a full-time feed consultant. Lucky for us, we already had someone in house who was perfectly qualified for this position. Greg Farney has agreed to take on this position and started his role in

May. He will continue to work out of the Sterling Farm Store, but will cover all locations for CPC. Greg can be reached on his cell at 620-664-1239, or call any location and we will have Greg contact you.

Beef news

The buzzword in the beef industry is anaplasmosis—a crippling, blood-borne disease carried by ticks and flies that can kill mature cattle if left untreated. Controlling the fly and tick population is critical, and we have several products to help with this. Contact Greg with your questions. He can also answer any questions about VFDs.

Dairy news

The dairy industry looks like it is facing a tough year ahead—at least until fall, when a rebound to \$17 or more is expected. When the milk price falls, the question that always pops up amongst dairy producers is: "What can we cut?"



Greg Farney is the new feed consultant based in the Sterling Farm Store.

It helps to look at the economics. It takes an average of \$5.50 in feed costs to produce 80 pounds of milk, and 80 pounds of milk is worth about \$11.20. So is cutting feed at the risk of losing production the right decision? The cost to feed a 40-pound cow is still around \$4.40, and the return is \$5.60. I think this would be a good time to cull high SCC cows and low producers.

One thing I do know for sure, cheating the heifer and dry cow program is never the right decision! Low milk prices remind us of the importance of our forage programs. We always need to think milk per acre, not tons per acre. Of course, the perfect scenario is to have both.

If you would like to discuss your feed options, please give Greg or me a call. (



Central Prairie Co-op

Today's Technology, Yesterday's Values

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FEATURED LOCATION: PARTRIDGE

CLIFF TAGGART. LOCATION MANAGER

When wheat trucks start rolling into the CPC location in Partridge this year, it will mark Cliff Taggart's 28th wheat harvest there. He joined what was then called Partridge Co-op Equity after stints at Continental Grain and Collingwood Elevator in Hutchinson. In time, Partridge merged with Nickerson to become Farmers Co-op, with Cliff as the location manager in Partridge. Of course, Farmers Co-op became part of CPC in 2014.

Things have changed drastically over the years. "Back then, a good-size farmer had 800 to 900 acres," says Cliff. "Now, that's small."

The equipment is bigger. Yields are bigger. And that means way more grain coming into Partridge and Whiteside—which he also manages.

"We can store a little over 400,000 bushels here in Partridge and 400,000 at Whiteside," he reports. "I think it's going to be one heck of a harvest, so we'll probably have to move grain out to make enough space."



This will be the second harvest for the new pits at Partridge. Everything is running smoothly, and his crew is ready to get farmers in and out quickly.

Once harvest is over, Cliff looks forward to his three favorite pastimes: golfing, hunting and fishing. He especially likes hand fishing for flatheads on the Arkansas River.

Cliff has been married for 32 years to Cindy, and they live south of Partridge. They have a son and daughter—both married and living in Hutchison, and four grandchildren ranging in age from four to 13 years old. (