



Central Prairie Co-op

Today's Technology, Yesterday's Values

NEWSLETTER

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BIG CHANGE COMING TO PARTRIDGE SKYLINE

See page 6 for details.



WHAT WILL THE LOCAL CO-OP LOOK LIKE IN THE FUTURE?

MARK ENGELLAND, BOARD CHAIRMAN



The other day, one of my children looked at a pizza box and then quizzed me about when the particular company had taken its first

online order for pizza. I still haven't ordered pizza online, so I'm not sure that I was the best one to ask. But I was surprised at the answer: 1994. I don't even remember having internet in '94, but it does make a point. Things are changing.

How many of you remember planting with row markers? Do the people who work with you on the farm remember them? I don't need a survey to know the typical farm in our territory has more acres operated by fewer people with larger equipment than we had in 1994.

The crop insurance people will also tell you that producers are harvesting

more bushels per acre. The nation's cowherd produces 30% more beef per cow than 30 years ago. With all of these trends toward increased size and increased production, it raises some important questions:

- What is the role of the cooperative in farming?
- Is there a role for the cooperative in the future?
- How many cooperatives should we have in Kansas?
- How many should we have between the Rockies and the Mississippi River?

I was recently at meetings with other co-op leaders from around the state, and one of the speakers discussed the model of a large cooperative made up of local co-ops extending through much of the Corn Belt and into Canada. Is this really a good idea for local farmers and our communities?

This is no longer just an academic question for some grad assistant

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HELP WANTED: HOW DO WE INTEREST YOUNG PEOPLE TO WORK IN AGRICULTURE?



JOE SCHAUF, GENERAL MANAGER

If you own or manage a business, you know there will be challenges that arise from time to time that will test your resolve. Many of these challenges are just part of your business. For a co-op, this can include a large harvest creating space issues, old equipment breaking down at the worst possible time, low margins, and a host of other issues. The one challenge I want to discuss is finding quality employees in an economy that is robust outside of agriculture.

We have some great employees. The challenge today is keeping those employees. To hire and re-train employees is a huge undertaking and it's expensive. The more inexperienced they are, the more expensive it can be. In the U.S., farm labor makes up about 1.5% of the workforce. Our youth who were raised on farms are not returning home after college to take over the farms. This and other factors are forcing consolidation into larger-scale efficient farms, thus eroding our farm-grown labor pool even further. And so, we are forced to look for

employees who are capable and willing to be trained. But even that is not easy in this economy. Unemployment has fallen to levels we haven't seen in many years. Agriculture faces fierce competition for labor from industries such as transportation, warehousing and hospitality. Transportation, for example, is short of truck drivers. Nationwide, they are short about 60,000 drivers according to a CoBank article I recently read. That shortage is projected to be around 175,000 in five years. Wages are increasing and for agriculture, that is a huge challenge in our current climate.

Getting creative to recruit employees

At CPC, we're trying different methods of finding employees. We have attended many job fairs at colleges and even high schools. We are working the online application sites very hard. We have hired interns in the summer months hoping to get them to sign on with us full-time after they are finished with their education. And most importantly, we are promoting the rural lifestyle.

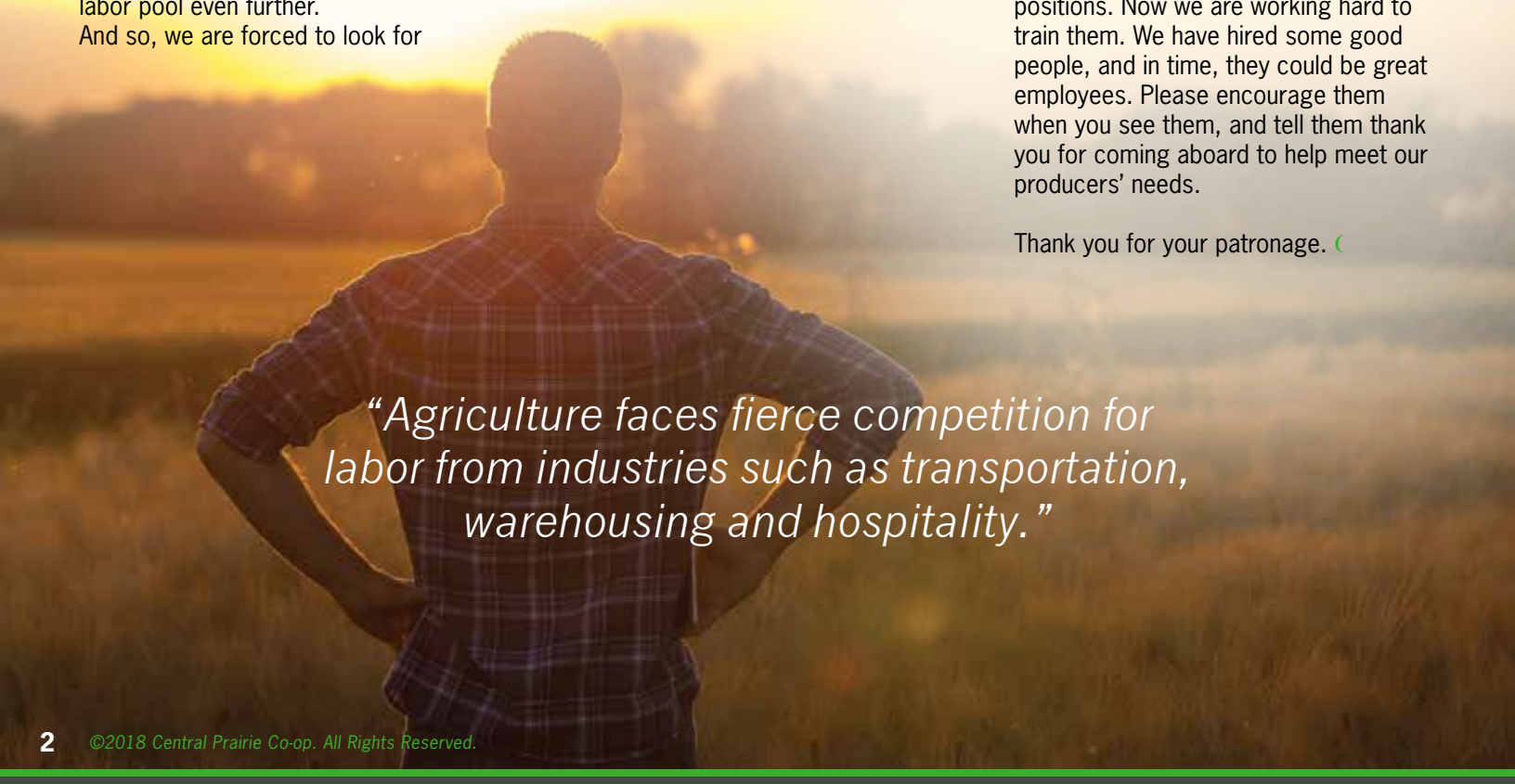
Why do I write an article about this when

all of you are aware of this challenge? Because if we don't change the perception of the youth in the country about our industry, it will only get worse.

We have taught our kids that success means going to college, getting a degree, and then finding a job in the city. We need to get back to promoting that there is no place better to raise our kids than out in the country. When I was growing up on a farm near Colwich, I remember busloads of kids coming out from Wichita to learn about the farm. They were eager to learn where their food came from. I know that field trips like that are mostly a thing of the past because of liability reasons, but there are other ways we can all get involved to encourage our young ones to look at agriculture for their future. Please take the opportunities when they present themselves.

The other reason I write this article is to ask for your patience. Three weeks ago, we had about a dozen positions open at Central Prairie Co-op. Our management team has worked hard to fill these positions. Now we are working hard to train them. We have hired some good people, and in time, they could be great employees. Please encourage them when you see them, and tell them thank you for coming aboard to help meet our producers' needs.

Thank you for your patronage. ☺



“Agriculture faces fierce competition for labor from industries such as transportation, warehousing and hospitality.”

AGRONOMY NEWS



ALLEN SHIVE, AGRONOMY DEPARTMENT MANAGER

It has been a challenging year for sure. The first half of the year, we could not buy a rain—which resulted in a below-average wheat harvest. But since the middle of July, it seems like we can't miss a rain.

Hopefully, fall harvest has been smooth and yields have met your expectations. We can only hope commodity prices will follow suit. It's better for everyone when we have normal moisture. New seed varieties and genetics are great, but it still has to rain.

New location in Little River

One of the projects we have been working on this past summer is the Little River agronomy location. We believe this is a great opportunity for CPC and a chance for us to be a good neighbor

in the community. See the story on the back cover for more information about this new location.

Don't miss special offers on seed

There are still great opportunities to lock in seed with early-order discounts and great financing deals. (For more details, check out Brent Werth's article on page 6.) Please give me or any of our agronomy sales staff a call, and we would be glad to visit with you about the many options available.

We have a very knowledgeable and experienced agronomy staff at CPC and we would appreciate the opportunity to earn and grow your business. Here's to a profitable 2018/19. Thank you for your business! ☺

WHAT WILL ... CONTINUED FROM PAGE 1

at K-State to write a dissertation about. We are in the flow of changes whether we like it or not. But we do have the ability at this point to choose where we let that flow take us. Your board leadership is constantly examining the trends and taking strategic steps to position Central Prairie Co-op to meet the coming challenges. We believe a strong, independent local co-op is the best organization to accomplish our goals.

Continuing the tradition ... and evolving with the times

Our fathers, grandfathers and great-grandfathers saw the need to cooperate in order to store and market grain and purchase inputs. They started the local co-op knowing their equity would build a company that could have a lasting impact in the community, and the reward of the investment might not be seen in their own lifetime. I find it hard to imagine what the farmers in the 1930s and 1940s would have faced without farmers cooperatives. We are reaping the benefits of the storage they built back then. But just like individual farms have changed, so have the co-ops and their communities.

CPC has several elevator locations that were at one time surrounded by houses, but now stand nearly alone—with even the railway tracks pulled up. In other locations, the growth of

the community has nearly created a landlocked island that is no longer comfortable to reach with a truck filled with grain. What our forefathers created no longer meets the needs of the new production environment we have today.

We are changing, and that is good. But one thing that doesn't have to change is CPC's commitment to the old-time principles of quality service and real value.

Your board of directors is focused on two priorities: protecting the equity of CPC members, and providing our producers top-quality service and value to help make them profitable. Because the only sound way for the co-op to make money is for the producer to make money. Like the biblical parable of the talents—we don't want to take your equity and bury it just because we are afraid to invest. However, we know that to preserve everything the co-op provides, we must invest in projects that will make us profitable into the future. ☺



TRUTH OR FICTION? CONSUMER REPORTS ARTICLE STIRS CONTROVERSY ABOUT MEAT SAFETY



VERTON MILLER, FEED DEPARTMENT MANAGER

Many of you have probably read the story in the latest issue of *Consumer Reports* indicating that prohibited

drugs are ending up in meat intended for human consumption. The magazine went on to place blame on the producers whose only motivation appears to be the financial reward. The article also suggests that the Department of Agriculture's Food Safety Inspection Service (FSIS) is failing to ensure that meat is free of unsafe drug residue.

Interestingly enough, the Kansas Livestock Association (KLA) newsletter showed up about the same time as the *Consumer Reports* magazine. The KLA headline states: "Consumer Reports on the Hot Seat for Inaccurate Story about Meat Safety." The National Cattleman's Beef Association (NCBA) sharply criticized the story based on unconfirmed residue screening tests on meat. Despite having the corrected information, the published story contained inaccurate data.

Stories like this one serve to create further mistrust in the industry, and especially about the safety of the U.S. meat supply. The NCBA suggests that *Consumer Reports* knowingly printed the false information to mislead consumers, and to further push consumers to question the safety and competency of the USDA and FSIS. The FSIS called the story "sensational and fear-based aimed at confusing shoppers with pseudoscience and scare tactics."

We feel the placement of Veterinary Feed Directives (VFD's) has helped ensure the judicious use of antibiotics in food-producing animals. It is also our responsibility to educate ourselves and be able to talk to someone who has read the *Consumer Reports* story and give them the facts regarding our ongoing commitment to protect public health. As we continue to work daily to produce safe, quality feed, we hope the public will ask questions and stay open-minded about similar articles. ◀



NEW ALL-NATURAL PRODUCT

CPC is excited to be distributors of Think Fly & Tick—a NEW, all-natural deterrent. Think Animals™ collaborated with veterinarians and researchers to take animal care to the next level—developing a line of all-natural products designed to improve the health and wellbeing of livestock, pets and wildlife. Think Fly & Tick pellets alter the blood palatability so flies biting and feeding is reduced. It also changes the odor of the animals, making them less attractive to parasites. Stop in and visit with us about Think Fly & Tick and Think Equine. As always, we thank you for your business.

OFFICE AND BUSINESS UPDATES



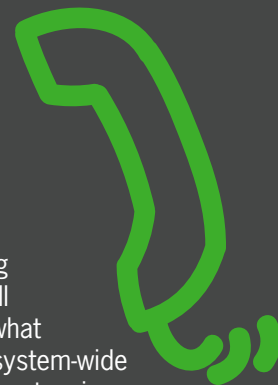
DAVID CORNELIUS, CONTROLLER

A few notes about Equity Retirement

Equity Retirement checks were mailed at the beginning of August. This retires equity earned in 1998, totaling \$450,000 returned to members. CPC strives to retire equity back to the members every year. Please remember that Equity Retirement payments are non-taxable payments. The equity income was reported the same year the equity was earned (1998). If you have questions regarding your equity, please call us at the Sterling office and we will be glad to help.

New phone system will be a welcome change

In the coming months, CPC will be overhauling the entire network and phone system. This will increase network speeds by 10 to 20 times what they are today. It will also allow us to have a system-wide phone network connecting each branch as an extension, rather than having to call that branch. For instance, if you call the Sterling office and need to visit with an agronomist, we can transfer you—rather than giving you the phone number and you having to call. This system should be completed sometime in December or January. ◀



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PROPANE SAFETY TIPS FOR CPC CUSTOMERS



1 THE COLOR OF YOUR PROPANE TANK MATTERS.

Propane customers like to have their tanks match or complement the color of their home or surroundings. This presents a safety problem and a service issue. Tanks painted dark or non-reflective colors absorb heat, while lighter colors reflect it.

Dark (Non-Reflective) Propane Tank = Absorbed Heat = Propane Expansion = Relief Valve May Open = Possible Safety Issue

Rust-colored propane tanks pose the same issue. They absorb the heat and are subject to over-pressure. If the tank is badly pitted, it can be compromised. Some rusted tanks can be sanded and scraped with a wire brush before they are repainted.

2 GET A SAFETY LEAK CHECK.

CPC performs annual leak checks for our customers. We are required by our insurance company to perform leak checks on all our customers once over a 5-year period. This does not consider any new customers or out-of-gas calls. We also need to be notified if you have added any appliances, or had any work done to the propane system, so we can do a leak check to make sure the system is working properly. Any time a customer switches from provider to provider, a leak check is required for the safety of you and your family.

3 CHANGE OUT-OF-DATE REGULATORS.

The old saying goes, "If it ain't broke, don't fix it." But regulators 20 years old or older are required to be replaced—and here's why. There are many parts and internal mechanisms that wear down and may not work efficiently to control the flow of gas and lower the pressure from the tank to the appliances in the gas system. All regulators are not the same, and different propane gas systems require certain regulators. Please call our certified staff if you have questions.

4 KEEP TANK MANUFACTURER'S NAMEPLATE IN GOOD SHAPE.

This nameplate lists all the information required by industry standards and provides all the pertinent information about your tank. It identifies and is unique to your tank. If the nameplate becomes rusted or unreadable, the propane tank is required to be put out of service. Protect and keep the nameplate free of paint and rust to support the longevity of your tank. If you have questions on the condition of your nameplate, please call us and we will come take a look at it.

5 MAINTAIN CLEAR ACCESS TO YOUR PROPANE TANK.

Too many times, as your propane supplier, our drivers have to go through many obstacles in order to deliver and fill tanks. We ask that you keep vegetation trimmed and away from your propane tank. This includes any debris and fencing which might limit access to fill your tank. Please keep in mind this is not only for our safety, but for your safety as well.

If you have questions about any of these topics, please contact us at (620) 422-3207 or (800) 861-3207.



BROUGHT TO YOU BY

EMILY HAAS
FUEL DEPARTMENT MANAGER

Welcome new member of our fuel department accounting team

Veronica (Ronnie) Garrett joins us from Greeley, CO, where she grew up. She entered the co-op world in 2002, working as a data entry clerk for propane. Soon, she was handling all energy billing, and eventually mastered Energy Force software designed specifically for energy accounting and operations. She is excited to bring this energy know-how to CPC, and looks forward to meeting our customers.

Ronnie moved to Sterling with her 10-year-old daughter, Chloe, who is in 5th grade at Sterling Grade School, and her mom, Pam, who is retired but still works remotely for the University of Northern Colorado. In Ronnie's spare time, she loves tackling do-it-yourself projects around the house. ☺



Ronnie Garrett, new Fuel Department accounting employee

READY TO HANDLE YOUR FALL HARVEST



LEE BURGESS, GRAIN DEPARTMENT MANAGER

Corn harvest got a late start because of early-September rains, and aflatoxin at this point seems to be less of a problem than last year. Hopefully it stays that way. The milo and soybeans look to be very good.

Changes to discount schedules

Corn: TMA changed to a shrink-only discount. Plus, discounts for aflatoxin will not start until 100 ppb—whereas last year, the discounts started at 20 ppb. Most of the corn at our locations is marketed to the Kansas Ethanol plant, and they reject corn if the aflatoxin level is 20 ppb or higher.

Milo: The discount schedule softened, but there's still a moisture-handling charge and shrink discount. They retained these two discounts because splitting the discounts actually lowers the number of bushels being docked at scales and maximizes producers' government trade subsidy payments. Overall, this is good news.

Wheat moving out ... fall grain moving in

TMA is very busy moving wheat out of our locations to make room for fall harvest. Most of the four million bushels of wheat going to TMA's Yoder bunker is coming from our CPC locations. The rains slowed this process, so we are a little behind getting the wheat moved out. Please be patient with this process—as it may create some delays. But we will do everything we can to keep things fluid at the scales.

Fall harvest can stretch out for several months. Please keep in good contact with the CPC branches where you are delivering grain so we are there when you need us. ☺

BIG CHANGE COMING TO PARTRIDGE SKYLINE

MAX MOBLEY, OPERATIONS MANAGER



It's a busy time at our Partridge location as we're in the midst of construction on two new concrete bins. This location turns over about three times in a year—which is two more times than we would like. So the new bins will offer a number of important advantages:

- More storage reduces the need to ship out so much grain, and allows CPC to take advantage of carrying grain
- Better efficiency and less traffic because employees won't be shipping out grain and dumping farmer trucks at the same time
- Easier, faster and safer for employees to clean out bins

In addition to the new bins, we're also repainting the old elevator and adding our logo at the top. This will be the first of our elevators to be labeled as Central Prairie Co-op. Construction should be finished in April—leaving plenty of time to complete electrical work before wheat harvest. ☺

SEED MATTERS: TAKE ADVA

BRENT WERTH, SEED SALES & TRAIT MANAGER



With the fall harvest getting closer to the finish line, and wheat planting still in full-throttle mode, it's time to start making decisions for next year's corn, soybeans, sorghum and sunflower seed purchases.

One of the highest inputs per acre purchased by growers is seed. We at CPC want to help you keep your production costs on the farm low to minimize expenses as much as possible without jeopardizing yields. Early-order seed purchases help make this possible, along with the security of knowing popular varieties and seed sizes will be available for you. Early-order purchased seed often has deadlines in October and November of the current year. It can be difficult to commit without knowing all the yield data for some varieties. But we do allow growers the flexibility to adjust original contracts without penalty—even after the initial commitment is made.

PARTRIDGE PROJECT AT A GLANCE

2 new **CONCRETE UPRIGHT BINS**

140' TALL

40' wide

NEW TECHNOLOGY:



BIN FANS



TEMPERATURE CABLES
(measure temperature of grain to help keep it in condition)



LEVEL INDICATORS

3 CONVEYERS

FEED NEW TANKS AT
13,500 BU/HR

UNLOAD VIA GRAVITY AT
20,000 BU/HR

CONCRETE:
McPherson Concrete Storage Systems out of Salina

MILLWRIGHT:
HABCO out of Hutchinson

62 AUGER CAST PILINGS

230,000 lbs rebar
1,430 cu yds concrete

UP TO
80' DEEP
IN THE GROUND



NTAGE OF ATTRACTIVE OFFERS AVAILABLE NOW

Act now for best value

We have two offers available this fall that reflect the highest percentage discounts on seed: pre-pay and financing options. Past numbers show that 80% of all seed purchased comes within this early-purchase discount period during October and November.



CPC uses John Deere Financial, which allows special terms on seed and crop protection. We have used JDF programs for several years, and the flexibility and low interest rates are again very attractive this year.

We have a terrific team of Agronomy Sales professionals at CPC who can further explain the advantages of early-order seed, along with financing options and enrollment procedures to get your seed contracted. Call us today so we can help you stretch those input dollars.

New technology helps you farm smarter

We're excited to introduce **Climate FieldView™**—a unique technology platform that gives you the ability to collect, store and view your field data in one easy-to-use digital platform accessible from your field, office or home. Climate FieldView also allows you to instantly visualize and analyze crop performance with imagery and field data maps, so you can make the best decisions for your fields. Another option allows you to build a customized plan for each field, so you can manage variability and maximize yield. These are just a few of the tools available with the Climate FieldView subscription.



Get a FREE subscription and equipment when you order seed now

Place your seed order for 2019, and receive a free Climate FieldView subscription and equipment for one year. Contact your local Agronomy sales staff for details about this attractive offer available right now from CPC. ☺

Central Prairie Co-op

Today's Technology, Yesterday's Values

225 S Broadway | Sterling, KS 67579

PRSR STD
U.S. POSTAGE
PAID
VISTACOMM

WINTER HOURS

These CPC locations will be
OPEN on Saturdays,
December through February:

Hutchinson
Sterling Farm Store
Sterling Fuel Station
Lyons

The remaining CPC offices will be closed
on Saturdays, December through February.



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[FACEBOOK.COM/CENTRALPRAIRIECOOP](https://www.facebook.com/CENTRALPRAIRIECOOP)

FEATURED LOCATION: LITTLE RIVER

KEN SCHMUCKER, LOCATION MANAGER

CPC is pleased to introduce our new location northeast of Little River—serving communities including Windom and Marquette. We've installed a new truck scale, torn down some outbuildings and made many improvements on and around the property. This is a full-service agronomy location, along with bagged feed and petroleum products.

The Little River location is staffed full-time, with Ken Schmucker as location manager, and Dale Buxman as sales agronomist. Dale has been in the agronomy business his entire career. Contact Dale with any of your agronomy questions. If he doesn't have an immediate answer, he knows exactly who to call to get the information you need.

This new location also fills the need for a farm store in the Little River area—offering everything from farm supplies, to water softeners, to lawn and garden care.

New signage for the property is on the way. In the meantime, Ken and Dale welcome you to stop by for a visit or call them at (620) 897-6549. As Ken says, "You have to work to build relationships. That's what we are striving to do—be good neighbors and good friends to the people in this area." ☺

The picturesque location is 3 miles north of Highway 56 on 29th Road.



About the manager:

Ken grew up on a farm southwest of Sterling and attended Nickerson High School. He worked for 18 years as a farm manager north of Hutchinson, and joined CPC in 2017. He has always lived on the farm, and enjoys living at the Little River location with his wife, Michele. She works at Eastwood Church of Christ in Hutchinson where she has been a secretary for almost 25 years. Ken loves cattle and sports. In fact, he kept statistics for 25 years during the National Junior College Basketball Championship in Hutchinson.

