



AGRONOMY • GRAIN • ENERGY • LUMBER • HARDWARE
CONVENIENCE STORES • AUTO REPAIR • FEED

DECEMBER

2009

FROM THE MANAGER'S DESK

I hope everyone had a Happy Thanksgiving and was able to spend some time with family and friends celebrating the many things we all have to be thankful for. While the weather wasn't ideal for traveling to grandma's house, for many of our members with crops still in the field it may have been just what was needed to get fathers, mothers, sons, daughters, grandparents, and friends out of the combines, tractors, and trucks and around the dinner table or in front of the Packer game to spend some time together. I'm looking forward to left over turkey sandwiches and pecan pie. Thanks to all of you that called in feed, propane, and other deliveries early so that our employee team could also enjoy the holiday. With Christmas and New Years only a few weeks away, please place your orders early so they can enjoy this time too.

Up until Thanksgiving week, November was just the month we needed to make up for a dreary October. Our members harvested corn and soybeans at a record pace. In some cases throughout our trade territory, this led to long lines, reduced hours, shortages of propane, and more as suppliers and grain facilities tried to deal with the large, wet crop. I'm very proud of the job our employee group did in meeting our member's needs whether it was for trucking, drying, storage, or propane supply.

Some of you may have heard or read that propane supplies came to a trickle as trucks could only load as fast as the pipeline could pump product. This led to waits of up to 12 hours at many terminals, and trucks logging hundreds of extra miles to

meet our needs. Fortunately our energy staff had foreseen this wet crop and the demand it would create, and had our storage full and had been filling our customers tanks a little earlier than normal. While this causes some inefficiencies and extra costs, it proved to be the right strategy and we have been able to meet our member's needs during the current propane shortage. Hopefully as grain drying slows propane supply will catch back up with demand and things will return to normal. In the meantime, there is no reason to be alarmed as we continue to have ample supply for our customers. There is not a shortage of propane. It is simply not being able to pump it through the pipeline into the terminals as fast as it is being pulled due to the larger than normal corn drying demand.

The year-end audit was completed in November, and it looks like your cooperative will have another solid year. While not as good as the record year in fiscal 2008, we will post nearly \$90 million in sales this year. Sales were down about \$8 million due in large part to the decrease in commodity prices for fuel, grain, and feed. With most of the economy experiencing extreme volatility in 2009, your company was affected and our earnings will also be down compared to last year. With a lower patronage refund percentage, the board has approved a one time increase of the cash portion of patronage your co-op will be returning in order to put more cash back to our members during these difficult times. Because of this, we will be returning the second largest cash patronage (nearly

\$550,000) distribution in our history next spring. This was only made possible through the hard work of a dedicated group of employees, incredible support through good times and bad of you, our members, and through the guidance, vision, and direction of the boards of directors. It remains our goal to be the "Premier" company for our customers and employees. While this is our goal, we also know we will not always exceed your expectations or ours. We do hope, however, that the partnership our customers/owners (you) and us have worked hard to build over the years will help all of us not only get through these challenges, but will help us emerge as a better company to serve you in the future. Thank you for the continued support and have a Merry Christmas and a very Happy New Year.

Andy Fiene
General Manager

One of the real joys of this season is the opportunity to say Thank You for your business this past year. The board of directors and employees of Premier Cooperative would like to Thank You and wish you a Holiday Season filled with Good Friends, Good Cheer and Good Health ... and the very best for the New Year.

Year End Crop Input Prepay Decisions

Premier Cooperative Agronomy is positioned to meet all of your 2010 product prepay needs. At Premier Cooperative Agronomy we have worked hard to secure the best crop nutrient, crop protection, and seed products at competitive prices for the 2010 growing season. As you make your 2010 crop input decisions, consider Premier Cooperative for your 2010 prepay products. We've been in business for 116 years—your prepay dollars are safe with us. Don't wait! Call your agronomist and tax professional today so you can make an informed prepay decision at year-end.

Has Your Soil Bank Been Paying You Interest?

To begin to answer this question we need to address what has happened to crop nutrient application in the last year or two due to the economics of the crop and the cost of fertilizer. Many producers cut back significantly on P&K applications, which was understandable. Short term this is tolerable but long term the soil bank of nutrients needs to be replenished if we expect to continue to make withdrawals through big yields. With the large crops that we are taking off we need to make sure that we are replacing those nutrients. There are no secrets in this game and what gets pulled out of the soil needs to be replaced either through commercial fertilizer or other means such as manure. You can't measure what you can't see! Basically this tells us that we need to measure the nutrients in the soil before we can apply the correct amount of fertilizer. Please contact your agronomist and make arrangements to have your soil tested and then determine the deposit you need to make back to your soil bank.

Premier Cooperative – Full Service Agronomy Retailer Providing Quality Agronomy Products and Services

- Plant Food and Lime
- Crop Protection Products
- Seed Brands
- Croplan, Mycogen, Asgrow, Dekalb, Channel/Midwest, NK and Golden Harvest Hybrids
- Dry and Liquid Custom Application
- VRT Application
- Grid Sampling
- Yield Mapping
- Nutrient Management
- Pest and Weed Identification and Management
- Crop Scouting
- Crop Consulting

\$5000 in Scholarships to be Awarded at Annual Meeting

Premier Cooperative is proud to be sponsoring up to \$5000 worth of scholarships this year for graduating high school seniors planning to pursue an Ag Short Course or any other 2+ year accredited degree program after high school. In order to qualify for one of the scholarships (up to \$500 each) to be drawn at this year's annual meeting, the student must:

1. Be a graduating high school senior in the class of 2010.
2. Be the child of an active, voting member of Premier Cooperative. Active voting members must have done over \$1,500 of patronage business with Premier from October 1, 2008, through September 30, 2009.
3. Either the Senior student or a parent must be present at the Annual Meeting on January 30.
4. At the annual meeting, the student (or parent on the students behalf) must submit a minimum 200 word essay on *the role/importance of cooperatives in rural America* and include the school the student will be attending. In addition, please include a senior picture with the applicants name on the back. Five of the essays drawn will be read during the annual meeting. The number of winners will be determined by the board of directors at the annual meeting. Actual size of the scholarship will depend upon the number of entries/winners.

If you will be attending this years annual meeting on January 30 at Mineral Point, **please be sure to call in your reservation no later than Friday, January 22nd**. Please call our main office in Mt Horeb at 1-888-723-7555 or 608-437-5536.

Managing Mycotoxins in Feed for Dairy Cattle

The cool, wet growing conditions during the 2009 crop year seems to have increased concerns for mold and yeast growth on corn and other grains throughout most of the Midwest. However, simply observing mold on corn does not mean that mycotoxins are present. The first and most important step is to identify the main types of molds present. Identification of the potential mycotoxins in the feed is important when formulating a plan for minimizing the effects on cattle. Table 1 below lists the common mycotoxins present in corn along with their potential impact on cattle and the levels at which they are believed to impact the animal.

Table 1. Common mycotoxins, their potential impact, and concern levels for dairy cattle 1, 2, 3.

<u>Mycotoxin</u>	<u>Impact</u>	<u>Concern level</u>
Aflatoxin	Transfer to milk, reduced growth and efficiency	20 ppb
Zearalenone	Irregular heats and fertility	0.56 ppm
DON	Off feed, ketosis, diarrhea	0.56 ppm
DAS	Effects similar to DON	0.25 ppm
T2	Effects similar to DON plus hemorrhage	0.25 ppm
HT2	Effects similar to DON plus hemorrhage	0.25 ppm
Ochratoxin	Kidney involvement, reduced feed intake and efficiency	0.25 ppm
Fumonisin		1.1 ppm

1 All concern levels expressed as in the total ration dry matter unless otherwise specified.

2 Data from Penn State University, Mold and mycotoxin problems in livestock feeding, Extension publication DA 93-21.

Keep in mind these are finished feed levels in a complete TMR or Ration, not necessarily the level in only the corn or other ingredients. Contact your Premier consultant to help identify if there is a risk factor in the corn you're feeding and to develop a strategy to minimize the potential risk.

For those of you feeding swine, beef, goats, or other animals, please contact your Premier consultant for safe levels when feeding these animals.

If you'd like a sample of your grain tested, contact the Mineral Point mill or your consultant.



Diesel fuel is diesel fuel, right?

WRONG! Diesel fuels can vary widely by supplier. But a true premium diesel fuel, like Cenex® Ruby Fieldmaster® can increase both the performance and life of your diesel-powered equipment. You'll notice the difference—more power, better fuel economy, less maintenance and reduced emissions for cleaner air. That's because Ruby Fieldmaster is specially formulated to meet the rugged demands of your business. It contains a high-quality base fuel and a complete, balanced additive package that work together to provide optimum engine performance. In rigorous lab and field tests against standard diesel fuels, Ruby Fieldmaster has been proven to:

- Reduce Fuel Costs—Advanced detergents provide up to 5% better fuel efficiency.
- Protect Your Engine—10-15% better lubricity than standard #2 diesel reduces wear and maintenance.
- Maximize Power—Enjoy up to 4.5% more for pulling long hills.
- Promote quicker, more fuel efficient starts!

Plus, Ruby Fieldmaster is enhanced with soy diesel—a lubricity enhancer and clean-burning alternative fuel made from domestically-grown soybeans. It protects the moving parts in your engine better than any other fuel on the market.

With harvest under way, you want your equipment to be running at peak performance. Has this been an issue in the past for you? Does it seem like every year you are dealing with break downs and delays? It doesn't have to be that way. Ruby Fieldmaster has the characteristics you didn't even know you were missing. For more information about Ruby Fieldmaster Premium Diesel, please contact Jay Lindner, your local Certified Energy Specialist at 608-437-5536 or 608-575-6018.

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OUR ENERGY COMES THROUGH®

HOLIDAY HOURS

Premier Cooperative will have the following holiday hours:



Christmas Eve: Office, Agronomy, Fuel, Propane and Auto Repair center will close at noon.

Feed at 2 p.m., the Do It Best Store at 4 p.m. and the C-Stores at 5 p.m.

Christmas Day: All departments will be closed. 24-hour fuel pumps will be open at the C-stores.

New Year's Eve: All departments will close at 2 p.m. except the C-stores which will be open regular hours and Mt. Horeb Lumber Do It Best will be open until 4 p.m.

New Year's Day: All departments will be closed except the C-stores, which will be open from 7 a.m.—7 p.m.

Please call in all of your fuel, feed, lumber and other deliveries well in advance of the holidays. Thanks !



Telephone #: 437-5536

Hours: 7:30—5:00, M-F;

8:00—Noon, Sat.

WINTER CAR CARE TIPS



1. Have all fluids checked regularly.
2. Rotate or replace worn tires.
3. Replace worn windshield wipers.
4. Keep warm clothes, boots, blankets, a flashlight, and the like in your trunk in case of emergency.
5. Carry a cell phone with a fully-charged battery in case of an emergency
6. Have your battery tested.
7. Keep your fuel tank full
8. Be sure your heating and defrosting systems are functioning properly.
9. Check your headlights and taillights to make sure they're all working.
10. Drive intelligently!



PREMIER CONVENIENCE STORES



Mini Mart - Super Mart - Cenex C-Store
437-5536 767-2980 437-7777

DECEMBER SPECIAL

During the month of December
bring in any non-perishable item
for the food pantry
and receive a Small Soda Fountain Drink
or Coffee free.