

The Farmers Coop of Hanska

E-Newsletter

March 2017

1929-2017

88 Years!



FCH Board Members:

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-President

Randy Aschenbrenner
-Vice President

Mark Fischer
-Secretary/Treasurer

Gerald Grathwohl
-Director

Richard Wurtzberger
-Director

Brad Portner
-Director

Matt Suess
-Director



As Minnesota native Bob Dylan once said, “The Times They Are a Changin’”. It used to be we would see our members at the coop multiple times per week or talk to them as they placed orders for feed or other inputs. Nowadays, it takes more effort to regularly communicate with our members so we are going to start putting together “E-Newsletters” that our team members will be writing to keep you informed of what is going on here at FCH. I hope you find the publication informative and as always, we are always willing to visit with you about any concerns you may have. In fact, with all the “fake news” in the world today there seems to be no shame in passing around rumors and stories that are not true or exaggerated versions of the truth. We invite you to “fact check” what others are telling you by stopping by or giving me a call so I can address your concerns.

I thought I’d briefly address the financials of FCH as I’ve been hearing some concerns from members. There is no doubt that we need to perform better than last year from a financial standpoint. For those of you who attended the annual meeting in November you got a detailed review of why the annual report showed some significant losses last year. We cleaned up several major grain quality and inventory issues in fiscal 2016 that significantly impacted the income statement. We also had several other “one time” expense items that we have not experienced this fiscal year. Depreciation is the other expense that weighs heavily on our income statement as large investments in grain facilities in New Ulm and Hanska as well as the addition of the Courtland and Mankato feed and grain facilities added significant depreciation costs.

It is no secret in the coop world that being in the grain marketing business has been and still is very challenging. With poor export markets (compared to ethanol corn markets) to support our shuttle train loading investments we continue to bear the fixed costs without capturing the additional margins and volumes we used to enjoy. I can report that the feed and energy departments are both performing at above budget numbers and the agronomy department would be if we had a normal fall application season. So, we are optimistic that this fiscal year will be much better than last. Our lender has been very supportive and there should be no concern about doing business with your coop. Or as another great writer, Mark Twain, once wrote, “The rumors of my demise are greatly exaggerated”!

I can tell you that FCH has a great group of managers and employees who care about you as a customer and you aren’t just a number here. We will have plenty of capacity this Spring to get fertilizer applied and you shouldn’t have to wait 3 days like I’ve heard some producers had to from our competitors last year. Your board of directors has listened to the membership and has taken the position that they would like to see the Farmers Coop of Hanska stay independent in spite of the sudden increase in coop mergers we’ve seen. But, it is important that the membership give FCH the opportunity to serve their needs and support the local coop they want to preserve. Please give us an opportunity to earn some more of your business this year and at the same time support one of the last small local coops left in Southern Minnesota where “everyone still knows your name”!



Finding You The Best Fuel Price Possible

Seems like there's always new and often unexpected driving the energy markets. While we can't control the global energy markets, we work daily to get you the best prices possible. Back in December and January we tried to get as many people filled up as prices were competitive. We try to stay in touch with you, we encourage you to call us or text us for energy related questions.

You can reach me at (507) 276-1007. Thank you for your business!

Energy Manager - Brian Stueber



Do We Spend Enough Time on Marketing?

It comes around each time of year when the farmer sits down with his agronomist and discusses his fertilizer, seed, and chemical needs for the next year. He looks at different ways to improve his yield and increase his margins per acre. Many hours are spent looking over all these different needs and deciding what is best for his operation. By the time spring planting starts he has everything planned out and ready to execute. Yes there are a few surprises along the way that he didn't plan for but he makes adjustments to his plan to make it work. At the end of harvest he takes a look back and decides if the plan he had put into place was the right one. Did the seed they used meet expectations or the fertilizer and chemicals help increase productivity? But this is only the input side, what about the final product. Did you spend the time needed to look into different marketing options for your grain? Do you know what your cost is per acre, and what effects different yields will have on that? Did you develop a grain marketing plan and execute it when the prices got to the levels you needed to make a profit? Did you sit down with your Grain Team and go through different strategies to make you more diversified or do you have all your eggs in one basket? Much like your strategy for your input there will be some unexpected bumps along the way in the grain markets but the question will be if you are ready for those. These are things that the Grain Team and Hanska Coop can help you with. We have cost analysis sheets that can help you know your input cost for your farm. We offer many different marketing contracts (at no cost to the producer) ranging from Cash, Basis, Conditional Bonus Contracts. We also offer contracts with small upfront fees such as Hedge to Arrive, Accumulator, and Minimum Price Contracts. For more information about these different types of contracts, please contact Scott @ 507-345-4103 or Karen @ 507-439-6003.



We have been getting a lot of questions about weed control in beans and as you know we have some great options with Liberty beans and the new Extend beans that are dicamba tolerant. With new options we are getting a lot of questions about how to make decisions for the spraying season. On March 15th at 10:30 am we will be hosting an informational meeting at the Hanska community center to answer as many questions and concerns as possible. We will have two seed reps, our chemical supply rep, and our surfactant and adjuvant supply rep on hand. Topics will include product information, spray rates, label restrictions, spray nozzle selection, tank mix requirements and restrictions, and I am certain there will be

many questions from our growers. Meeting at 10:30, lunch to follow.

Our shed is filling up with seed, our fertilizer plant is full, and the guys are close to having the equipment ready for spring work to start. As always if anyone has questions or needs help planning for spring and summer we are always here and feel free to stop by or call me, Mark Bocock at 507-621-2601 or Bill at 507-766-0510. Thanks to everyone for their continued business and loyalty!!!

We are currently looking for a custom applicator and have seasonal positions available as well. If you are interested in these positions please call Brandon Mohr at 507-439-6014

