

The Best Way to Predict the Future is to Create It

By Mike Kinley, chief executive officer



Whether you're running a farm or leading a company like Mid-Iowa Cooperative (MIC), planning for the future is essential. During my ag career, I've learned that foresight isn't about predicting the future. It's about minimizing surprises and maximizing opportunities. In other

words, the best way to predict the future is to create it.

It's also worthwhile to review the past to help you make good decisions in the future. I thought it would be interesting to look back at the messages I shared with you in the MIC newsletter when I became MIC's CEO in early 2017. I still hold these views:

- "Adding value to crop production can be a valuable asset to Mid-Iowa, which is a solid company with great potential."
- "Opportunities present themselves in different ways, so having the ability to see opportunity when others may not is a real advantage."
- "While we'll continue to build on our grain assets, I'm excited to help Mid-Iowa look into new value-added opportunities. Maybe that means becoming more of an end user of our own grain at Mid-Iowa, rather than trucking it all to ADM or other destinations. Now's the time to look for more ways to improve efficiencies, cut costs and add value."
- "I'm a big believer in building people to build a business. I see great potential for Mid-Iowa, which has a strong track record and people who want to continue to improve."
- "When we continue to work on the right things, make smart decisions and lean on knowledgeable people who offer trusted advice, Mid-Iowa's future is bright. Thanks for joining us on the journey to build a great legacy in agriculture."

Thinking like an entrepreneur

It has been fun to take a more entrepreneurial approach at MIC. Think of all the progress we've made since 2017:


- Mid-Iowa became an owner of Sinclair Elevator.
- We helped lead the creation of the new Shell Rock Soybean Processing Plant, which is on track to open later this year.
- We've unified with East Central Iowa Cooperative and continue to reinvest in facilities and equipment throughout MIC.
- We rebuilt our Midway location after the 2020 derecho in only 75 days!
- We built one of the most efficient elevators in the industry, with our Mill Junction investment.

All this has been possible because of the great people connected with MIC. It's an honor to work with skilled employees, a strong board of directors and dedicated co-op members who support MIC. Thanks to you all.

As we look to the future, here's one more quote from the spring of 2017 that I still believe in today: "I'm so impressed with how committed our employees are to making great things happen. Just like the farmers they serve, our team wants to build a legacy in agriculture that will benefit generations to come." 🌾

Mid-Iowa Cooperative
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Darrel Burt Named Safety Director



Many of you know Darrel Burt as the feed sales manager for Mid-Iowa Cooperative (MIC). Darrel has agreed to become the co-op's new safety director, following Roger Ohrt's retirement in late December 2022. We recently

caught up with Darrel to learn more about his thoughts on this transition.

Q: How will your farming background influence your role as safety director?

A: I farmed for 28 years and raised crops, hogs and cattle. I bring a lot of common sense and hands-on knowledge to my new role, but there's still a lot to learn. I'm glad I have the opportunity to work alongside Roger before he retires. It's always good to have a second set of eyes and a different perspective to see things clearly.

Q: How will things change in the feed department with this transition?

A: Jacob Triplett is the feed team's sales manager now. He already has good experience in MIC's feed department, plus he asks lots of questions and is eager to learn. He'll do a great job.

Q: What appeals to you about your new role?

A: MIC has a good safety record, and we believe in continuous improvement. I'm glad to be part of this great company, where safety never rests. 🌱

We're Your "Speed and Space" Partner

By Bruce Kempf, chief operating officer



Investing for the long haul doesn't just make sense only for personal finance goals. It's also the approach we take at Mid-Iowa Cooperative (MIC) to keep serving you today and keep your cooperative strong for years to come.

Earlier this year, MIC's board of directors approved a series of capital projects to benefit you, our members, and MIC employees, as we strive to be your efficient "speed and space partner."

- **Jesup:** A new transformer and power upgrade coming into the mill will establish a strong foundation for necessary upgrades to both the mill and grain receiving in the future. In addition, we resealed the feed mill's roof and the large silo to extend the life of these structures.
- **Liscomb:** The programmable logic controller (PLC) automation was updated throughout the facility, which keeps things running smoother for customers and employees.
- **LaPorte City:** We've added a rail fall protection to the Bishop Avenue site, along with a grain sampler. As rail traffic at this site continues to increase, these enhancements create a safer work environment for employees and faster grain loading. A 15,000 bushel-per-hour grain leg will be added to the location on Bishop Avenue, doubling our grain receiving capacity at this site. We also plan to add a 4,700 bushel-per-hour dryer at this site this winter.
- **Midway:** The receiving pits will be upgraded with baffles, a grain oiler and an AIRLANCO dust-collection system. This will remove the dust from the pit area and put it back in the grain at the leg. This will allow for a much cleaner, safer environment for MIC's customers and employees.
- **Mill Junction and Midway:** You'll have the option to use radio frequency identification (RFID) cards to identify your trucks as you come to the Midway and/or Mill Junction locations, or you can continue to do things the traditional way, if you prefer. The RFID technology allows you to begin your tickets, see if your fields are accurate, make necessary changes as you see fit, or radio for the scale to update and change fields, splits, etc. This will allow drivers to flow through our system quicker, with the ability to weigh themselves out once all grading is done. This will increase speed at these locations and take pressure off our employees, so they can focus on grading grain and meeting customers' needs.

Managing supply-chain challenges

We'd hoped all these capital projects would be completed prior to fall 2022. There have been long lead times, however, on certain parts and equipment, like the dryer at LaPorte City and the dust-collection system



at Midway. These upgrades won't be completed until late winter 2022 or early spring 2023. We'll complete them as soon as possible.

Thank you for your ongoing support of MIC. We appreciate the opportunity to serve you and be your speed and space partner. 🌱

Meet Mid-Iowa's Board Candidates

As Mid-Iowa Cooperative's board member election nears, we'd like to help you get to know this year's candidates, including the incumbents and a new candidate:



Ben Bader, 36, has farmed south of Jesup for 14 years with his family, including his father. Bader, who is a sixth-generation farmer in Black Hawk County, returned to the family farm after graduating from Iowa State University (ISU). The Baders raise corn, soybeans and hogs, plus they run a feed mill that services their swine barns. Ben and his

wife, Anna, have three daughters: Molly, Leah, and Madelyn.

Ben has been involved in various church boards and enjoys volunteering at the school and St. Athanasius Catholic Church in Jesup. Ben is also a past president of the Black Hawk County Farm Bureau board and is the county Farm Bureau's current voting delegate. In his free time, he enjoys traveling and camping with his family.

Ben is proud to serve on Mid-Iowa's board of directors and would like to continue to serve the members. "The co-op is important to the local communities we live in. In many cases, the co-op is the centerpiece of the town. The coop is here to support our local farmers and communities, as well as look forward to what the producer of the future needs."

It's also exciting to see the completion of the Shell Rock Soy Processing (SRSP) crush plant, Ben adds. "I'm proud that Mid-Iowa was a founding member of SRSP. Projects like this keep Mid-Iowa on the cutting edge and give its members market access and ownership in processing, which I believe will help us compete long term."



Brent Schipper, 44, has been farming with his father, Arlyn, for the past 23 years in the Conrad area. Schipper, who graduated from ISU in 2001 with a major in ag studies, raises corn and soybeans, manages a small cow-calf herd and sells seed for Beck's Hybrids. "The co-op has always been an important part of our farming operation," Brent says. "We

utilize the elevators in the fall and appreciate the employees' hard work to keep harvest running efficiently."

Brent is a Farm Bureau member, an Iowa Corn Growers Association member and serves on the BCLUW school board and Comet League Basketball committee. He has been married to his wife, Pamela, for 16 years. They have two children, Elle and Avery, and attend Trinity Lutheran Church in Dillon. Brent enjoys coaching his son's basketball team and helping his kids with their 4-H livestock projects.

Brent wants to continue serving the members of Mid-Iowa Co-op as a board member. "We've seen many changes in agriculture. I want to continue to improve and expand Mid-Iowa to keep up with the future of farming and still be focused on local needs."



Henry Rolston, 43, has been farming for 10 years south of Conrad. A fifth-generation farmer, he raises corn, soybeans and seed corn. Henry graduated from Iowa State University with an undergraduate degree in agronomy and a master's of science degree in seed technology and business. He worked in the seed industry for 11

years at Trimble Genetics International in West Des Moines before returning to the family farm. Henry and his wife, Jami, have been married 16 years and have two daughters, including Olivia, who is a freshman at BCLUW, and Julia, who is in 6th grade at BCLUW.

Henry enjoys traveling, reading, attending his daughters' activities and wants to give back to the community by serving on the Mid-Iowa board. "Mid-Iowa has been a wealth of good advice in grain marketing. I've enjoyed every interaction with all the employees there. I want to give back and help the organization that has made a lot of my success in farming possible." 🐾

GLADBROOK UPDATE

There are lots of changes underway at Gladbrook, as we continue to work with contractors to move the useful equipment, such as the dryer, leg and pit to other locations as parts and labor become available. Once equipment has been moved, we plan to have a contractor take down the east silos and tear out the concrete pads on the east end and around the office.

The removal of material and disposal will start this winter. Depending on conditions and equipment availability, this process will be completed over the next year. We'll continue to clean up buildings, as well, throughout the process. If anyone has interest in a parcel or parcels, please contact Bruce Kempf at 515-451-0181.

MID-IOWA OFFERS SAFETY BONUS FOR DRIVERS

Mid-Iowa Cooperative is now offering bonuses for safe driving. About 80% of our drivers earned the safety bonus this past year.

To earn a safety bonus, you must have none of the following for the entire year:

- No accidents
- No tickets or warnings
- No DOT violations of any kind

We're always looking for qualified, reliable drivers to join our Mid Iowa team. We're also looking to add owner operators/farmers. For more information, contact Ryan Ashton, Logistics Coordinator, at 641-751-1422, or rashton@midiowacoop.com. 📧



Volatility Makes Harvest Preparations Tougher

By Jeff Thatcher, grain department manager



Setting our harvest policies has been tougher than ever this year, due to the extreme volatility of the energy markets. We try to look at all the scenarios that could impact your cooperative and make the right choices to minimize risks to Mid-Iowa Cooperative (MIC).

On the bright side, we're anticipating a good crop in our trade territory. We don't anticipate harvest being too early this year. While some combines will probably start rolling in late September, it appears at this point that harvest won't be in full swing until early October.

We'll have enough space to handle your grain this fall. We've added ground piles at various locations, along with improvements in grain-handling speed and service, including the RFID tag system at Midway and Mill Junction. You can read more about this technology in Joel Benson's article on page six.

One more thing—the difference between old-crop grain and new-crop was around \$1 by late summer. Don't keep old-crop too long before you make a marketing decision. We appreciate your business and are here to help with your grain marketing decisions. We hope you have a safe, productive harvest this fall. 📧

Mid-Iowa Invests in Efficiency, New Trailers

By Ryan Ashton, logistics coordinator



Time is money in farming, so we place a premium on efficiency. We track our truck drivers' efficiency, and the drivers have achieved some outstanding results this year.

In fact, the drivers were more efficient in the second quarter of 2022, compared to this same period in 2021. Drivers don't compete against each other. They're motivated to beat their own previous record, since their

bonuses are tied to goals like this. Congratulations to all our drivers, who do a great job every day of working more efficiently and striving to get the best fuel mileage possible.

Increasing efficiency also depends Mid-Iowa Cooperative (MIC) investing in modern equipment. We've ordered 25 new Timpco grain trailers outfitted with hydraulic hoppers. These trailers will allow us to dump grain more safely and efficiently. Watch for these new trailers in our trade territory soon. 📧





Grain Policy 2022-2023

Corn

Moisture Discount/Drying:

- \$.0425 per point of moisture 17% and below
- \$.0450 per point of moisture 17.01% - 20%
- \$.0475 per point of moisture 20.01% - 25%
- \$.05 per point of moisture 25.01% and above
- All loads 17% moisture and below will be averaged and all loads 17.01% moisture and above will be averaged

Moisture Requirements

- Corn will be purchased on a dry basis 15% or less
- Warehouse Receipt = 14% Grain Bank = 15%
- Sale for cash or deferred = 15%
- Sale for basis = 15%

Custom Drying

- \$.10/bu handling charge if removed in 10 days
- \$.12/bu handling charge if removed 11-20 days

Shrink Factor:

- Corn shrink factor is 1.45% for each 1% of moisture removed

Test Weight:

- \$.01/pt 53.9# to 52.0#
- \$.03/pt 51.9# to 50.0#
- \$.05/pt 49.9# <

Foreign Material:

- \$.02/pt 3.1% - 4.0%
- \$.03/pt > 4.1%

Damage:

- \$.015/pt 5.1% - 7.0%
- \$.03/pt 7.1% - 9.9%
- \$.04/pt 10.0% - 14.9%
- \$.05/pt > 15.0%

Other Discount Factors:

- Sour, Musty, Infested, COFO - \$.10/bu

Soybeans

Moisture Discount:

- 13.01% - 13.5% : 1.75% contract price
- 13.51% - 14.0% : 3.50% contract price
- 14.01% - 14.5% : 5.25% contract price
- 14.51% - 15.0% : 7.00% contract price
- Loads over 15% are subject to additional discounts or rejections
- All loads 13.5% moisture and below will be averaged, loads 13.51% to 15% will be averaged
- Beans delivered above 15% moisture cannot be stored

Test Weight:

- \$.01/pt 53.9# to 52.0#

Foreign Material:

- >1.0% deducted from gross weight

Splits:

- \$.0025 each 5% > 20% - 40%

Damage:

- ½% of contract price/point from 2%-3%
- 1% of contract price/point >3%

FOR MORE INFORMATION, CALL A
MEMBER OF OUR GRAIN TEAM TODAY!

Jeff Thatcher

Bob Nielsen

Pete Busch

Kathy Kucera

Rick Ogle

Jessi Sorensen

McKenzie Feckers

Disposition of Grain:

The hauler should provide accurate information to the scale operator concerning the owner, split percentages, and disposition. If no disposition is given within 10 days of the average delivery date or 20 days from the first load date, whichever comes first, the grain will be considered stored

Storage Rates:

Corn

\$.15 minimum for the first 90 days, .0015 per day thereafter for the next 275 days. Rates repeat annually

Beans

\$.15 minimum for the first 90 days, .00167 per day thereafter for the next 275 days. Rates repeat annually

Grain Bank

Free for 180 days, \$.025/month thereafter

Handling Charges:

Per posted Tariff all grain

15 cents in charge & 15 cents out charge

Mid-Iowa Cooperative would like to thank you for your business, and we wish everyone a safe harvest 2022!

Conrad Marketing Office: (641)-366-2740

Toll Free: 1 (800)-950-2740

Grain Policy Valid 9/12/2022

Subject to change without notice

Speeding Things Up at the Scale: New RFID Technology Keeps Grain Moving



By Joel Benson, data integration specialist

When you pull up at the scale at our Midway and Mill Junction locations, you'll have more automation and faster service, thanks to RFID (radio frequency identification) tags. Just request an RFID tag from us, and place it in your truck.

When you pull up at the inbound probe kiosk, the system will scan your tag. Use the touchscreen to tell the computer what crop you're hauling and who you're hauling for. You can see the

data on the screen, which helps reduce errors. When you pull onto the inbound scale, the system will also record the inbound weight.

You'll use the RFID system at the outbound kiosks, too. When you're done, the system will measure the outbound weight, print you a ticket, and you're out of there.

We've invested in this technology from CompuWeigh, because we wanted a way to improve the throughput of trucks at the co-op's locations. This automation keeps truck traffic moving efficiently, even during the peak of harvest.

This new technology has been a big win by speeding up service without burdening truck drivers or MIC employees, plus it integrates well with our existing grain accounting system. Give it a try this fall, if you're coming to Midway or Mill Junction. 📶



Mid-Iowa Hosts Employee Meeting

While it's tough to bring a busy crew like the Mid-Iowa team together, your cooperative and its employees make time to get together periodically each year to discuss how we can serve members and customers more effectively.

The team gathered for our pre-harvest, all-employee meeting on August 30. We started by reaffirming our commitment to the safety of our employees, customers

and communities. Members of the grain, operations and transportation teams reviewed plans to manage this year's harvest. With the assistance of ABC Benefits and True North, we reviewed the benefits that Mid-Iowa Cooperative provides its employees. We finished up with a question-and-answer session with Mike Kinley and Bruce Kempf. The meeting concluded with a good meal and great conversations. Thanks to everyone who attended. 📶



5 Things You Need to Know About Feed Now

By Chad Ciesielski, feed division manager



It's hard to believe the summer 2022 fair and livestock show seasons are complete. Thanks to all of you who participated in our sponsorship program. This is the second year we've offered all 4-H or FFA members in good standing an at-cost sponsorship on selected, bagged show feeds. We're already working on ways to improve this program for 2023.

Also, thanks to all of you who shifted feed orders ahead in mid-July so we could replace the feed load-out distributor on the Beaman mill.

We have another big project planned this fall. We'll upgrade the main electrical service to the Jesup feed mill before winter. This upgrade will cut down time by reducing breakdowns, plus it will allow for more power, as future electrical needs arise. We plan to complete the work over a long weekend, with a three-to four-day down time. We'll keep you updated once we schedule a date.

Here are five other pieces of news you can use from the feed world:

1. HPAI, PRRS and PED-V. While highly pathogenic avian influenza (HPAI) hasn't been in the news like it was in the spring of 2022, one thing to watch is HPAI in Canada. A farm in Quebec was affected by HPAI, and as wild birds migrate south this fall, it could increase potential cases in America's Corn Belt. In the pork industry, it seems many pork producers are seeing porcine reproductive and respiratory syndrome (PRRS) wane, but they're having to deal with new outbreaks of porcine epidemic diarrhea virus (PED-V), especially in northwest Iowa. We'll continue to watch this, since it will likely affect demand for feed additives.



2. DDGS. As prices of dried distillers grains (DDG) continue to fall, this is causing an uptick in amino acid usage. We're seeing tryptophan inclusion rates increase substantially. This trend will pull in inclusions for lysine and threonine, as Chinese imports have nearly halted on amino acids due to domestic oversupply. We're watching this situation closely to ensure that a bullwhip effect with demand (as pork and poultry farms are repopulated), and supply (few or no imports) won't cause further shortages this fall and into spring 2023.

3. Lysine imports. Lysine imports continue to arrive in the United States, with many shipments from February and March 2022 arriving now. The glut will probably continue into the end of the third quarter, when we anticipate a bullwhip affect to dry up inventories, as lysine imports from China have dropped substantially the last few months.

4. African Swine Fever (ASF)/Germany. Earlier this year, ASF reached Germany's most important farming region. This will be a crushing blow to the industry, as major markets like China will continue their import bans. It's frightening that ASF is now in western Germany, since it had been confined to eastern Germany for the last couple years. ASF is now in Lower Saxony, which is home to 6.4 million pigs and piglets. Will ASF reach the Netherlands and France? The wild boar population in Germany is extensive, and with the latest report of ASF making a 300-mile jump, this could cause the disease to spread to other countries fairly rapidly.

5. Freight markets. U.S. cargo imports set another record high in the spring of 2022, as shipping delays of items ordered from China last fall resulted in over-ordering. Many companies also stocked up before the West Coast labor dockworkers' contract expired. That deadline was July 1 but was extended. U.S. ports handled 2.4 million 20-foot containers in May 2022. That's a 6% increase from April 2022, and a 2.7% increase year over year. We're seeing congestion wane on the West Coast and East Coast – a good sign as container rates have started to drop. However, most containers are still at approximately \$11,000 to Midwest ports, a heavy increase from \$2,500 2.5 years ago.

Thanks again for trusting Mid-Iowa Cooperative with your feed business. We appreciate the opportunity to serve you. 🙏

JACOB TRIPLETT NAMED MIC'S FEED SALES MANAGER



Now that Darrel Burt will become Mid-Iowa Cooperative's (MIC) new safety director, following Roger Ohrt's retirement in December 2022, Jacob Triplett has been named the feed team's sales manager.

Triplett will continue to work directly with producers as he has in the past and is here to help you with your herd's nutritional needs, said Chad Ciesielski, MIC's feed division manager. "Jacob's knowledge and drive are well received by the feed sales team. Jacob will continue to promote the success and growth of our feed department." 🙏

PO Box 80
Beaman, Iowa 50609

Truck Drivers Host Picnic, Cookoff

Mid-Iowa Cooperative (MIC) values teamwork and leadership, along with good food and friendships. MIC truck drivers once again organized their own company picnic, which they hosted on June 25 at Union Grove State Park near Gladbrook. MIC's truckers and their families attended the festivities, plus they invited location team members from all the various MIC locations they haul from. There was a good turnout for this annual event, which included a pork roast cookoff this year. 🍖



Thanks to all of you who attended one of our Fall Customer Meetings in early September. We hosted meetings in Cedar Falls, at our Mill Junction location, our Midway location, Beaman and Liscomb. This photo shows the group at our Mill Junction location.