

AGP[®] NEWS

Serving Cooperatives and Agricultural Producers

A PUBLICATION OF *Ag Processing Inc* a cooperative, Issue #4 2022



ABERDEEN WEST

**New Facility Expands AGP's
Market Opportunities**

IN THIS ISSUE

- 3 Business Updates
- 4 Port Grant
- 5 International Markets
- 6-7 Annual Meeting
- 8-9 Board of Director Nominations
- 10 Member News
- 11 Industry Events



It has been nearly three months since AGP received its first 2022 harvested soybeans. Certain pockets of AGP's origination area suffered significant yield losses due to dry conditions. However, yields in the majority of our trade territory met or exceeded expectations. In particular, yields in the area surrounding our Aberdeen, SD soybean processing plant improved significantly from the prior year. Higher yields in this trade area are very beneficial to AGP, as this region has seen a strong export demand for soybeans from the Pacific Northwest terminals. The stronger pull from the PNW exporters is partially due to the Mississippi River's low water levels causing higher barge freight and less competitive offers out of the U.S. Gulf. Regarding quality, the new crop soybean allowed for a smooth transition at all of our processing facilities. Oil yields are on par with last year while protein levels trended lower.

On the cover of this newsletter is a picture of Aberdeen West, AGP's newest grain storage asset. Aberdeen West was acquired in March of 2022 with the purpose to supply soybeans to our soybean processing plant in Aberdeen, SD, or to rail soybeans to AGP's plants in Hastings, NE or St. Joseph, MO, if needed. This was the first harvest operating Aberdeen West and the facility performed extremely well. Besides operating efficiently, Aberdeen West took harvest pressure off the Aberdeen soybean processing plant resulting in faster unloading speeds for our members.

In this edition of *AGP News*, you will find an update about the Port Infrastructure Development Program (PIDP) grant awarded to the Port of Grays Harbor this past October. There is also information on a number of international visitors and the recent promotions of two well-deserving AGP employees.

Finally, I would like to end by mentioning former AGP Director Dave Leiting was inducted into the Iowa Cooperative Hall of Fame in November. I have been fortunate to observe Dave's participation at AGP's Board of Directors meetings for many years. Dave took his position seriously and always looked out for the best interests of the Company and its members. Speaking on behalf of all AGP employees, congratulations on receiving this honor. We wish Dave and his wife, Lucille, all the best.

Happy holidays and I look forward to seeing you at our Annual Meeting on January 20th.

Sincerely yours,

Chris Schaffer
Chief Executive Officer

AGP Leadership Appointments



Wayne Johnson
Asst. Vice President
of Transportation

Effective March 6, 2023, Wayne Johnson will be promoted to the position of Assistant Vice President of Transportation, reporting to Greg Twist at the corporate office in Omaha, NE. Wayne started his career at AGP as a Merchandising Trainee in Omaha in 1990. Wayne was promoted to Merchandiser in 1991 and subsequently accepted a transfer to Sheldon, IA in the same position. Wayne transferred to Eagle Grove, IA in 1995 as Assistant Merchandising Manager. In December of 1995, Wayne was promoted to Merchandising Manager at Mason City, IA and later, in 2004, he accepted a transfer to Sergeant Bluff, IA also as the Merchandising Manager. In 2013, Wayne was promoted to Regional Merchandising Manager for Sergeant Bluff, Sheldon, and Manning, IA and subsequently to Director in 2019 where his leadership and success have made a significant, positive impact on AGP's business as a whole. In this new position, Wayne's leadership will continue to help grow the Company's business and achieve continued success at AGP.



Matt Smith
Asst. Regional
Merchandising Manager

Effective earlier this month, Matt Smith was promoted to the position of Assistant Regional Merchandising Manager responsible for merchandising Sergeant Bluff, Sheldon, Manning and Aberdeen, SD. In this role, Matt will report directly to Adam Piper, Vice President of Soybean Processing, and will be located at the Sergeant Bluff facility. Matt began his career with AGP as a Senior Merchandiser at Sergeant Bluff in 2014. In 2018, Matt was promoted to Merchandising Manager for Aberdeen and, over the last four years, has exhibited the values and qualities that are important to AGP.

David City Donation

Projects are well underway in David City, NE, where the Company's 11th soybean processing facility is slated to open in late 2025. Construction-related site work for the new plant started in December. AGP is committed to not only the safety of its employees, but also to the communities where the Company does business. AGP recently donated \$25,000 to the David City Fire Department to help with their rural emergency response. Pictured left to right: Lou Rickers, AGP Chief Operations Officer; Mark Sloup, David City Fire Chief; and Paul Wahlmeier, AGP Vice President of Finance.



POGH Secures \$25 Million Grant



Several months ago, AGP leaders traveled to Washington, D.C. to advocate for a federal grant supporting new investment at the Port of Grays Harbor (POGH) in Aberdeen, WA. Recently, the United States Department of Transportation Maritime Administration (MARAD) awarded POGH a \$25.5 million Port Infrastructure Development Program (PIDP) grant for the Terminal 4 Expansion & Redevelopment Project. The grant will be matched by \$21.35 million in non-federal funds.

The PIDP is a discretionary grant program administered by MARAD. Funds for the PIDP are awarded on a competitive basis to projects that improve the safety, efficiency, or reliability of the movement of goods at

a port. More than \$684 million of funding was available to make awards under the FY2022 PIDP grant program. POGH submitted an application for the Terminal 4 Expansion & Redevelopment Project in May 2022.

The PIDP grant is critical to the Port's ability to accommodate AGP's growth and attract private investment. Soybean meal supply is expected to increase as a result of the growing demand for its co-product, soybean oil, as a feedstock for the renewable fuel industry. Increased soybean meal production will require the development of new international markets. AGP intends to construct a second ship loader and high speed rail receiving building at POGH Terminal 4 to supply new export destinations. Once complete, the project will double AGP's soybean meal export capacity. To support the second transload facility, POGH will add 50,000 feet of rail to allow for efficient unloading, railcar storage, and unit train assembly. The Terminal 4 Expansion and Redevelopment Project grant will also allow POGH to: repurpose a former pontoon construction site into a cargo laydown area, make access and roadway improvements, and replace the marine terminal fendering and stormwater systems. The project will bolster the local economy, benefit farmers across the Midwest by opening new markets, and create significant new job opportunities. The project and POGH's grant application received widespread support from farmers, state and national soybean associations, and leaders at all levels throughout the Midwest and Pacific Northwest.

"We are incredibly grateful to our federal delegation and their staffs, who truly understand the importance of strategic transportation investment, for all of their support and leadership in securing this critical funding for the Terminal 4 Expansion & Redevelopment Project," said POGH Commission President Tom Quigg. "This project will allow us to accommodate AGP's growth and private investment here in Grays Harbor, increase international shipments of U.S. grown and processed soybean meal, and sustain thousands of farming jobs throughout the Midwest. This is not just a project of regional significance, but truly a project of national significance."

"The widespread, bi-partisan support we received for this grant application was extraordinary," said POGH Executive Director Gary Nelson. "We received strong support from our local and tribal leaders, to Governors and U.S. Senators and Representatives throughout the Midwest. This infrastructure project will play a critical role in the United States economy for decades to come. We look forward to having this project be a poster child for PIDP by showcasing how investment in public infrastructure can leverage benefits like private investment, job creation, and opportunities for communities across our nation."

Chile and Ecuador



Representatives from several South American businesses met at AGP's corporate office for a discussion on Company operations, services, and industry engagement.

The Philippines



A Philippine/U.S. trade mission visited several AGP locations before meeting with members of AGP management in Omaha, NE.

Mexico



A trade group from Mexico recently toured AGP's Hastings, NE facility and learned about the soybean production process from plant management.

Annual Meeting

Schedule of Events

EMBASSY SUITES - LA VISTA CONFERENCE CENTER
12520 WESTPORT PARKWAY
LA VISTA, NEBRASKA 68128
402-331-7400



Thursday, January 19, 2023

2:00 p.m.Registration Opens
5:00 p.m.Opening Reception

Friday, January 20, 2023

7:00 a.m.....Breakfast - Sponsored by CoBank
8:00 a.m.....Spouse Breakfast & Program with **Paul Mobley**
8:00 a.m.....Registration Opens
9:00 - 10:00 a.m.Breakout Speakers - **Elaine Kub** and **Ted Seifried**
10:30 a.m.....National Anthem
 Call to Order
 2021 Annual Meeting Minutes
 Election of Directors
 CEO Report
 CMO Report
 CFO Report
 Special Announcements
 Board of Director Election Results
10:30 - 3:30 p.m.Spouse Shopping Excursion
12:15 p.m.Lunch
1:15 p.m.Meeting Reconvenes
 AGP Recognitions
 Operating Reports
 Chairman’s Report
 Questions & Answers
 Adjourn Meeting
2:30 p.m.**Greg Doud**, Keynote Speaker
5:30 p.m.Reception
6:30 p.m.Closing Banquet - Entertainment Featuring **Josh Turner**

REGISTRATION PACKETS FOR THE ANNUAL MEETING HAVE BEEN MAILED TO ALL MEMBER COOPERATIVES WITH COMPLETE DETAILS OF THE MEETING.
PLEASE CONTACT MEMBER & CORPORATE RELATIONS, 800-247-1345 EXT 5017, WITH ANY QUESTIONS YOU MAY HAVE REGARDING THE ANNUAL MEETING.
NAME BADGES REQUIRED FOR ALL EVENTS.

Guest Speakers

Gregg Doud
KEYNOTE SPEAKER



With more than 30 years of professional experience, Gregg Doud brings an unparalleled global perspective and economic expertise to the agricultural sector. Prior to his current role as a consultant and economist with Aimpoint Research, Gregg served in the Office of the U.S. Trade Representative as Chief Agricultural Negotiator and was one of the primary architects of the U.S.-China “Phase One” trade agreement.

Gregg previously served as President of the Commodity Markets Council where he worked to lead the industry in addressing global market and risk management issues. As a senior staff member of the Senate Agriculture Committee, Gregg helped craft the 2012 Senate Farm Bill working on international trade, food aid, livestock, and oversight of the Commodity Futures Trading Commission. Additionally, Gregg served as Chief Economist for the National Cattlemen’s Beef Association and is a former market analyst for U.S. Wheat Associates.

Raised in north-central Kansas, Gregg continues to be involved in his family’s 100-year-old farm and is a partner in a commercial cow/calf operation. He currently resides with his family on their horse farm in Lothian, MD.

Elaine Kub
BREAKOUT SPEAKER

Elaine Kub is the author of *Mastering the Grain Markets: How Profits Are Really Made* – a 360° look at all aspects of grain trading which draws on her experiences as a futures broker, market analyst, grain merchandiser, and farmer. Elaine grew up on a family farm in South Dakota where she is still active in grain and livestock production. Her expert analysis can be found on various media outlets such as DTN The Progressive Farmer, *Market Journal*, and *Market to Market*.

Ted Seifried
BREAKOUT SPEAKER

Ted Seifried is Vice President and Chief Market Strategist for Zaner Ag Hedge Group. He specializes in agricultural hedging employing various strategies using futures, futures spreads, and option combinations. He believes it is paramount to be able to use different strategies to adapt to market conditions. Ted works with large to mid-size grain and livestock producers and end-users worldwide. His comments on the industry can often be seen on *Market to Market*, Bloomberg, and other outlets.

Paul Mobley
GUEST SPEAKER



Paul Mobley has been called the quintessential portrait photographer. His years of experience photographing everything from celebrities to landscapes, allows him to approach his work the same way—by capturing the soul of the subject and presenting a compelling portrait that is authentic and timeless.

Paul has published four books of his photography with *American Farmer: The Heart of Our Country* (2008), *Everyday Heroes* (2012), *If I Live to Be 100* (2016), and *American Firefighter* (2018). He also put together a traveling exhibition of his *American Farmer* photographs that will tour museums and colleges around the United States until 2025. Paul splits his time between New York and Los Angeles with his wife, their two daughters, and their rescued shar-pei.

Featured Entertainment

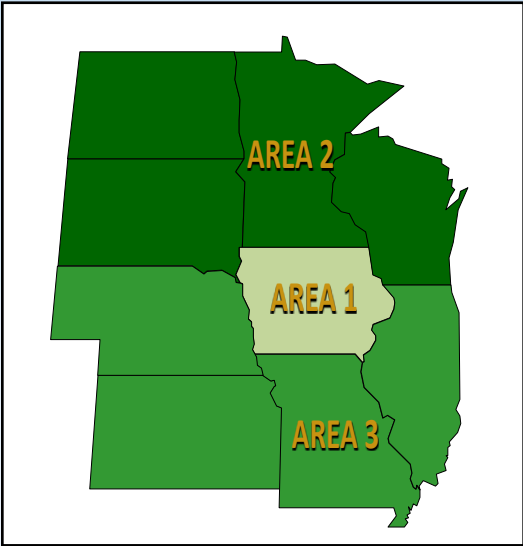
Josh Turner



For two decades, Josh Turner’s trademark deep voice has been one of the most recognizable on country radio. He broke onto the scene with 2003’s “Long Black Train” and quickly established himself as a country traditionalist in an era that saw the genre shifting more toward pop music. He would go on to incorporate elements of modern country music in the mid-2000s hits

“Would You Go with Me?” and “Your Man.” That garnered Turner Grammy nominations for Best Country Album and Best Male Country Vocal Performance, and helped him gain induction to the Grand Ole Opry in 2007.

More recently, his career has seen him find crossover success on Christian radio, and as a guest mentor on *American Idol*. All total, Turner has released nine albums, with three reaching the number one spot on *Billboard’s* Top Country Albums. His most-recent record, titled *King Size Manger*, is a collection of Christmas classics and was released in 2021.



All Board positions are for three-year terms

AREA 1 - PRODUCER
IOWA



JAY SUNDERMAN
Winterset, IA
Incumbent

Jay operates a family farm near New Market, IA, growing corn and soybeans on 5,000 acres. The operation also includes an 800-head beef feedlot and a 200-head cow/calf herd. Jay has 27 years of cooperative board experience. He currently serves as a Director for Agriland FS, Inc. in Winterset, IA. Jay previously served on the Board of Directors for Clarinda Cooperative Company in Clarinda, IA, including as President, prior to a merger with Agriland FS, Inc. Jay has served on the AGP Board of Directors for nine years.

Jay attended Iowa Western Community College, Clarinda campus, while beginning his full-time farming operation. He is a member of the Iowa Soybean Association, Iowa Corn Growers Association, Iowa Farm Bureau, Taylor County Cattlemen, and Iowa Cattlemen’s Association. Jay was Chairman of the Nominating Committee for AGP in 2011.

Jay is also active in his community. He is a Director of the New Market Foundation and Treasurer of the New Market Celebration Committee. He is a former New Market school board member and served as a First Responder for the New Market Fire and Rescue. He has held numerous leadership positions for his church, New Market Methodist Church. Jay and his wife, Mary Ellen, have one son, Fletcher.



JIM WAGNER
Cherokee, IA

Jim operates a 2,000-acre corn and soybean family farm and a 2,400-head swine finishing livestock operation near Primghar, IA. Jim manages his farm operations in partnership with his brother, Tom, and his son, Michael.

Jim has over 28 years of cooperative board experience, currently serving on the Board of Directors of AgState in Cherokee, IA. Jim previously served on the Board of Directors for ALCECO

Cooperative in Albert City, IA, and has also served as Secretary on the Board of Directors for Siouxland Energy Cooperative, an ethanol producer in Sioux Center, IA. He has previously served as a member on the Producers Coop Board, a refined fuels cooperative, for nine years. Over his tenure on these various boards, Jim has participated in numerous training courses provided by the Iowa Institute of Cooperatives.

Jim’s civic and community involvement includes time as a youth coach and official for IHSAA football and basketball conferences in Northwest Iowa. Jim is married to his wife, Mimi, and together they have five children and six grandchildren.

AREA 1 - MANAGER
IOWA



DARRELL HENKENIUS
Arcadia, IA

Darrell serves as CEO/General Manager of Farmers Cooperative Elevator Company (FAC) in Arcadia, IA. Darrell began working at FAC part-time in the late 1970s when he was a teenager. He became the Grain Manager in 1999 and was promoted to Operations Manager in 2009.

During his career, he helped oversee a number of major expansions at FAC, from the addition of the Westside and Schleswig locations to the construction of a \$14.4 million

feed mill in Arcadia in 2016. When Darrell was named CEO in March 2021, he became the fourth General Manager in FAC’s 85-year history.

Darrell received the State of Iowa’s Community Betterment Leadership Award for his involvement in various local community development activities. Throughout the years, he has been elected to the Arcadia City Council and served on the board of directors for several local organizations, including the Kuemper School System in Carroll, IA, and the Holy Spirit Catholic Church Finance Board. Darrell and his wife, Kerry, live in Carroll and have three daughters and six grandchildren.



DOUG SCHURR
Craig, IA

Doug has served as General Manager of Farmers Cooperative of Craig, IA over 10 years. His 30-year cooperative career also includes time in successive leadership positions at several Northwest Iowa cooperatives, including Farmers Cooperative Society in Sioux Center, IA.

Doug is currently the Secretary of the Board of Directors of the Cooperative Credit Company, a cooperative financial institution in

Sioux Center, IA. In his community, Doug has been involved with the Sons of the American Legion. Doug also helps with numerous fundraisers and benefits throughout the community. He is a graduate of Iowa State University with a degree in Agricultural Business. Doug and his wife, Bobbie, have two children and live in Le Mars, IA.

AREA 3 - MANAGER
ILLINOIS, KANSAS, MISSOURI, NEBRASKA (ALL OTHERS)



DEAN THERNES
Battle Creek, NE
Incumbent

Dean has served as President/CEO of Farmers Pride Cooperative in Battle Creek, NE for 12 years. His 36-year cooperative career also includes Special Projects/Southern Region Manager for Farmers Cooperative in Dorchester, NE; Interim Manager, Grain Manager, and Location Manager for Farmers Cooperative Elevator in Plymouth, NE; and Location Manager and Agronomy Manager at Southeast Nebraska Cooperative in Beatrice, NE. Dean was elected to AGP’s Board of Directors in 2020, and was elected Board Vice Chairman in 2022.

Dean is Vice Chairman of the Nebraska Cooperative Council, President of the Nebraska Cooperative Managers Association, and served as a Director of NIK from 2010-2018. Dean graduated from the University of Nebraska-Lincoln with a degree in Agriculture.

In his community, Dean serves on the NEXUS committee at Northeast Community College in Norfolk, NE, which is a campaign to develop rural communities and agriculture. Dean is also a member of the local Lions Club. He is a member and past Chairman of Trinity Lutheran Church in DeWitt, NE. Dean and his wife, Tammy, have three children and eight grandchildren.

- Growmark named Mark Orr as Chief Executive Officer replacing Jim Spradlin who retired. Mark previously held the position of Vice President of Agronomy at Growmark.
- Dell Rapids Coop Grain in Dell Rapids, SD named Curt Bennett as General Manager to succeed Mark Lee who retired. Prior to joining Dell Rapids, Curt was General Manager at Valley Springs Farmers Coop in Valley Springs, SD.
- Valley Springs Farmers Coop in Valley Springs, SD named Trent Hartog as General Manager. Trent previously held a supervisor position at Valley Springs prior to being named General Manager.
- The AGP Board of Directors approved the membership of The Great Bend Cooperative Association D/B/A American Plains in Great Bend, KS.
- Country Partners Cooperative in Gothenburg, NE appointed Chris Wagner President and CEO succeeding Tod Clark who recently retired. Chris previously held the position of President and CEO for American Plains Cooperative in Great Bend, KS.



Project Update

Work is being completed on a new meal tank at AGP’s Sheldon, IA facility. This project will better serve customers by providing additional storage and improving truck loading times.



Dave Leiting Inducted into IIC Hall of Fame



Pictured left to right: Board Member Jay Sunderman, Board Vice Chairman Dean Thernes, Board Secretary/Treasurer Larry Oltjen, HOF Inductee Dave Leiting, Board Chairman Lowell Wilson, Board Member Bruce Granquist, Board Member Matt Ashton, Board Member Chris Boshart, Board Member Rob Jacobs, AGP CEO Chris Schaffer, and Board Member Chuck Schafer.

In November, the annual meeting of the Iowa Institute for Cooperatives (IIC) was held at Iowa State University in Ames. Dave Leiting, former member of AGP’s Board of Directors, was the latest inductee into the Iowa Cooperative Hall of Fame. Dave worked for cooperatives in western Iowa since 1973, including 26 years at West Central Cooperative in Ralston, IA. He served as General Manager of Farmers Cooperative Elevator Company (FAC) in Arcadia, IA for 19 years until his retirement in 2021. Dave was elected to AGP’s Board of Directors in 2006 and served for 15 years.

“It is a great honor to be selected for the Cooperative Hall of Fame. I am humbled to be included with the great leaders that preceded me in receiving this award,” Leiting said.

Promoting Exports



Recently, representatives from AGP and leaders from various state soybean check-offs gathered with some of the Company’s international trade partners for several days in the Philippines. The meetings were an excellent opportunity to interact with overseas customers, provide updates on AGP’s products and services, and discuss ways to further increase exports to the Southeast Asian soybean meal market. The trip ended with the 2022 Soybean Industry Christmas Party where Mark Sandeen (pictured), AGP Chief Marketing Officer, and Craig Pietig, AGP Vice President of Ag Products, addressed the crowd.

AGP Attends SDSA AgOutlook

The South Dakota Soybean Association held the 18th annual AgOutlook Trade Show and Conference in Sioux Falls in early December. AGP was a sponsor and had a display booth at the event. AgOutlook was created to allow networking for the state’s farmers and ag industry leaders. Roughly 600 people attend the show to hear the latest updates in marketing, weather, and technology. Pictured left to right are: Adrian Sealine, AGP Senior Merchandiser, Sergeant Bluff, IA; Dillon Freudenthal, AGP Merchandiser, Aberdeen, SD; and Jon Wager, AGP Merchandising Manager, Dawson, MN.





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