

# **AGP** NEWS

*Serving Cooperatives and Agricultural Producers*

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# **A COMMITMENT TO SUCCESS**





## IN THIS ISSUE

- 3 Our People
- 4 2023 Annual Meeting Wrap-up
- 6 2023 Annual Meeting Photos
- 8 Meet Your New Director
- 9 AGP in Action
- 10 Research & Education
- 12 Washington Watch
- 14 Member News

On the cover: Students and professors from Iowa State University's Agricultural Economics program visit AGP's Eagle Grove facility during a recent tour of Company operations. Story on page 10.



It was great to see so many of you at our 40th Annual Meeting.

If you were unable to attend, which seems unlikely based on the attendance numbers, you missed the recognition of two very key people to the success of AGP, Director Bruce Granquist and our Chief Marketing Officer, Mark Sandeen. There is a nice write-up about their careers on the following page, but on a personal note I wanted to make a couple comments on each.

I have always appreciated and enjoyed my interactions with Bruce throughout his tenure on the AGP Board, but since becoming CEO, it has meant even more. Bruce was always willing to share his knowledge and experience in the boardroom and provide his honest opinion on the best course of action for the Company. Bruce has been a tremendous advocate and supporter of AGP and he was committed to acting in the best interests of the Company and members. Bruce's honesty, humility, and humor will be greatly missed. On behalf of everyone at AGP, we wish you and Janet all the best.

It has been my good fortune to work with Mark Sandeen since I started my career at AGP in 1994. Our work together really "began" in 2011 when Mark was promoted to lead our soy processing marketing group in Omaha. Though it was apparent early on our styles were quite different, it was also apparent our goals for the Company were very similar. Even though Mark is leaving us, many of his great attributes will carry on through the many employees he hired and trained over the years. Mark, thanks for your leadership and contributions to AGP. Your efforts have been a big reason the Company is positioned so well for the future. Congratulations on a remarkable career and I wish you and Carole many hits on your fishing poles.

Have a safe and successful planting season.

Chris Schaffer  
Chief Executive Officer

## Granquist Retires from AGP Board



**Bruce Granquist**  
Director/Producer  
Milbank, SD

We bid a fond farewell to Bruce Granquist who retired from AGP's Board of Directors. Bruce was a valued member of the Board since his election in 2003. In that time, Bruce served on the Audit Committee and helped approve numerous major capital projects. Outside of his service to AGP's Board, Bruce farms 3,500 acres near Milbank, SD with his wife, Janet, and son, Nathan. Bruce served on the Board of LaBolt Farmers Grain Company in LaBolt, SD for 28 years, eight years as Secretary and 20 years as Chairman. Bruce also held roles with the Grant-Roberts Rural Water District and the South Dakota Association of Rural Water.

"It has been a remarkable career as a Director-Producer representing Area 2," Granquist said. "I witnessed the expansion of the Company's processing platform and worked with a talented Management Team that was always focused on building a better AGP. I want to thank my past and current Directors for their fellowship and support, the membership for showing confidence in electing me to the Board, and all the great people of AGP for their dedication and hard work. But more than anything, a thank you to my wife, Janet, and my family for the strong support they have shown me throughout my career. It has been a great 21 years that went by so fast."

## Sandeen Retires After 34 Year Career at AGP



**Mark Sandeen**  
Group Vice President and  
Chief Marketing Officer

Mark Sandeen, Group Vice President and Chief Marketing Officer, retired in March after more than three decades with AGP. Mark started his career at AGP in 1990 as a Merchandising Trainee. The following year, he was promoted to Merchandiser at Manning, IA and became the facility's Merchandising Manager in 1994. In 2001, Mark accepted the Merchandising Manager position at AGP's Hastings, NE facility. Mark was promoted to Senior Director of Marketing at the corporate office in Omaha, NE in 2011. The following year, Mark was promoted to Vice President of Processing Marketing, and in 2017 he was promoted to Senior Vice President of Soybean Processing. In 2021, Mark was promoted to Group Vice President and Chief Marketing Officer and led AGP's efforts in this area until his retirement. We are very appreciative to Mark for his years of service and valuable contributions to AGP and the cooperative system.





Over 900 attendees braved the ice, snow, and extremely cold temperatures to attend AGP’s Annual Meeting on January 18th and 19th. This year’s event, held at the La Vista Convention Center in La Vista, NE, was especially noteworthy because the Company was celebrating its 40th anniversary. And what a celebration it was, as guests were pleased to learn that AGP achieved record or near-record earnings across all its business units in fiscal 2023. The result was AGP’s most profitable year ever, but those numbers only tell part of the story.

“The success story of our cooperative is not only measured by its financial achievements,” said Lowell Wilson, AGP Board Chairman. “The foundation of AGP, like any successful cooperative, is built on maintaining a strong partnership with you, our member-owners. The relationship with our members is what truly sets us apart. We don’t simply buy and sell soybeans. We share a commitment to the land, to our communities, and to the success of your farmer owners.”

In his report to stockholders, CEO Chris Schaffer thanked AGP staff members for their teamwork and highlighted how their efforts contributed to the Company’s remarkable year. He also provided details on several major capital projects, and explained how AGP’s upcoming David City, NE facility is being constructed to meet the needs of a changing marketplace.

“At David City, location is the key. Our ability to arbitrage trains between Aberdeen, Hastings, Sergeant Bluff, St. Joe, and now David City will provide us with the ability to compete in the Pacific Rim market with anyone in the industry,” Schaffer said. “If you take one thing away from my comments today, it is that in the near future, soybean meal basis will be determined by global market values



retiring Director Bruce Granquist and his wife, Janet



Lowell Wilson, AGP Board Chairman

instead of domestic availability. The world has gotten smaller for protein trades.”

CFO Kyle Droescher invited the audience to think back to AGP’s first year in operation and remember how the Company’s current success is a product of what the founders set into motion decades ago.

“AGP’s financial position has never been stronger. The strength of our balance sheet, which has been built over the last 40 years, allows AGP the flexibility to capitalize on market opportunities or growth investments today and well into the future,” Droescher said.

“The foundation of AGP, like any successful cooperative, is built on maintaining a strong partnership with you, our member-owners.”

CMO Mark Sandeen, presenting at his final Annual Meeting before his retirement, reviewed how AGP has evolved over the years to remain a major player in a changing industry.

“You have heard us say many times that margins and returns are not likely to stay where they are now,” Sandeen said. “But I will venture to guess that opportunities presented in the future may be even more

attractive than those in the past. We have a great Board of Directors and experienced business leaders eager to grow AGP’s business in these unique times.”

“This commitment to operational and marketing excellence drives AGP to deliver our products to the world, meeting our customers’ expectations, the first time, every time,” added COO Lou Rickers.

Additional management presentations included Adam Piper, Craig Pietig, and Courtney Lawrenson. Each highlighted the successes of the past year and discussed future opportunities within their business units.

Following the business meeting, keynote speaker and retired U.S. Army Command Sergeant Major Gretchen Evans shared compelling stories from her military career and offered advice on persevering through hard times. The event was capped off by country music sensation Scotty McCreery playing some of his hits.

Mark your calendars for AGP’s 2024 Annual Meeting which will take place on January 16th and 17th, 2025 at the La Vista Convention Center in La Vista, NE.

### Board of Director Elections



Rob Jacobs  
Ocheyedan, IA



Tim Nagler  
Holloway, MN



Larry Oltjen  
Seneca, KS

The meeting also included member-owners casting their ballots for candidates to serve on AGP’s Board of Directors. Rob Jacobs, General Manager of Cooperative Farmers Elevator in Ocheyedan, IA, and Larry Oltjen, producer from Seneca, KS, were re-elected to new three-year terms. Tim Nagler, producer from Holloway, MN, was elected to replace the retiring Bruce Granquist.



### 2024 Annual Meeting January 16 & 17, 2025

Embassy Suites  
(402) 331-7400

Courtyard  
(402) 339-4900

Hampton Inn  
(402) 895-2900

Refer to the AGP Annual Meeting to receive the negotiated rate









Tim Nagler had always thought to himself that if the chance ever presented itself, he would like to serve on the AGP Board of Directors. Now, after being elected to the Board at AGP’s 2023 Annual Meeting to represent Area 2, he has that opportunity.

“The entire organization, the Board of Directors, Management, and employees are an extraordinary example of the cooperative system,” Tim said. “I enjoy working with people to accomplish a common goal and I am excited for this new challenge.”

Working together to achieve a shared objective is something Tim is used to doing – whether it is on the farm or in the boardroom. He farms 1,800 acres near Danvers, MN where he raises corn and soybeans and runs a small cow/calf operation. Tim also brings board experience from his time serving on the Western Consolidated Cooperative Board of Directors in Holloway, MN for 12 years. He stepped down last year once his term limits were reached. As for the AGP Board, Tim is ready to lean on his fellow Directors’ years of experience and hit the ground running.

“My main goal for my first term is to become more familiar with the internal workings of AGP to ensure that I am prepared to do my part to continue the great success of the Company. I am very grateful and humbled for this new responsibility and would like to thank the Board, Management Team, and employees for all their help and words of encouragement. Most importantly, though, I want to thank the member-owners for their support to represent them,” Tim added.

Tim earned his B.S. degree in General Agriculture with minors in Agronomy, Ag Business, and Ag Marketing from South Dakota State University. In his community, Tim serves as Chief of Danvers Fire and EMS, Chairman of Six Mile Grove Township, President of the Benson FFA Alumni Board, and as a member of the finance committee for the Church of the Visitation. He and his wife, Erin, have three children: Grace (15), Aubrey (12), and Graham (8). In his free time, Tim enjoys hunting, lake activities, and helping his kids with their various projects.

Supporting Our Communities



From left to right: Aaron Beemer, MCFD Deputy Chief of Fire Operations; Jon Cahoon, AGP Mason City Compliance Coordinator; Erik Bullinger, MCFD Fire Chief; Derek Marth, AGP Mason City Operations Manager; Jon Price, AGP Mason City Plant Superintendent; Jamey Medlin, MCFD Deputy Fire Marshal; and Randy Elsbernd, MCFD Assistant Deputy Chief of Training.

AGP recently presented a \$25,000 donation to the Mason City Fire Department in Mason City, IA in support and recognition of the outstanding service provided by the team there.

“We are planning on using this generous donation for fire prevention, site pre-planning, and investigation equipment,” said Erik Bullinger, MCFD Fire Chief. “More specifically, this will include the newest technology in high-definition 3D laser scanning technology as well as other tools that will help us to create detailed pre-incident plans for large or complex structures.”

The MCFD fire protection area covers approximately 30 square miles within the city limits and an additional 30 square miles of rural territory. Additionally, MCFD provides ambulance services in north central Iowa within a service territory of approximately 548 square miles.



AGP was a sponsor and participant at the recent Butler County Home & Ag Expo in David City, NE. The event was organized by the Butler County Chamber of Commerce and brought out several hundred attendees to hear presentations from area Extension agents and the opportunity to speak with local companies in the agricultural sector. AGP’s presence in Butler County has increased in recent months as construction of AGP’s state-of-the-art processing and degumming facility in David City continues. The project is on track to be complete by harvest of 2025.



# ISU Students Tour AGP Operations



There are some things that just cannot be learned in the classroom, and for a group of Iowa State University students, a recent visit to some AGP facilities was a truly eye-opening experience. Eleven students, all ISU Ag Economics or Ag Business majors, toured AGP operations at three locations to learn more about the intersection between soybean cooperatives and the supply chain.

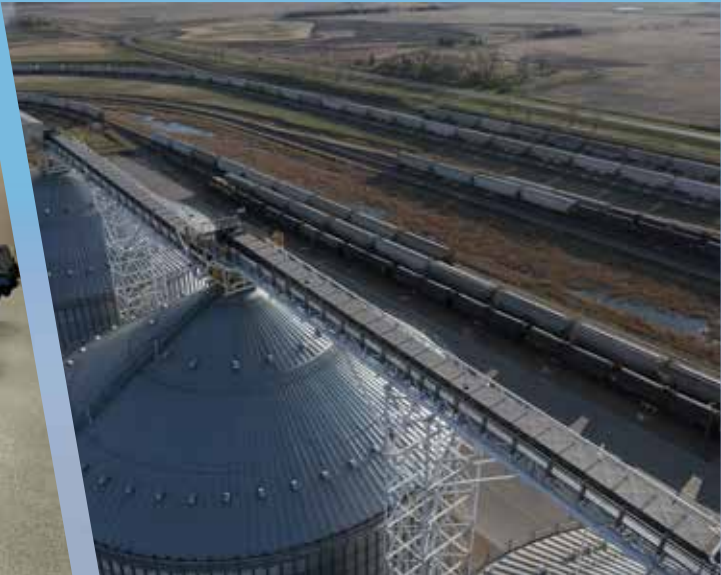
“This class seeks to help students better understand the importance of soybeans, both domestically and globally, and the complexities and opportunities for soybean use,” said Dr. Bobby Martens, Iowa Institute for Cooperatives Endowed Professor of Economics and Associate Professor of Economics in the Iowa State University Department of Economics. “Technological advancements, low carbon solutions, and policy are making the soybean supply chain extra exciting and dynamic.”

The trip began in Eagle Grove, IA where Jodie Johnson, Marketing Facility Manager, and Pat Russell, Eagle Grove Soy Operations Manager, discussed the soybean crush process and gave a tour of facility operations. From Eagle Grove, the group drove to Algona, IA where they spent time with Justin Charbonneau, Algona Plant Manager, and his team. Carmen Mogensen, Director of Renewables, and Colton Zumpfe, Refined Oil Sales Manager, were there to answer questions about the biodiesel industry as well. The students then flew to Aberdeen, WA to tour the Port of Grays Harbor and see how ships are loaded with soybean meal. By the end of the trip, the group was able to gain an appreciation for the soybean supply chain, understand the importance of the cooperative business model, and broaden their perspectives on local agriculture.



**Bobby Martens, PhD**  
Associate Professor  
of Economics,  
Iowa State University

“AGP is a wonderful cooperative working in the heart of the whole soybean space, and has always been supportive of Iowa State University. AGP’s business model allowed us to explore a major portion of the domestic soybean supply chain, from receiving to crushing, meal to oil, refining oil to shipping biodiesel, and transporting meal – including exporting it,” Martens said.





## Finding Common Ground in Farm Bill Negotiations



by Michael Dolch  
Director of  
Government Affairs

### Reconnecting Agriculture with the Farm Bill

As the days lengthen and anticipation builds for the next growing season, I am pleased to share a timely policy update. Having recently assumed the role of Director of Government Affairs at AGP, I join the team with a background deeply rooted in agriculture. I bring more than 10 years of farm policy experience to the position. I was raised on a diversified farming operation near Villisca, IA, and served a stint on Capitol Hill before spending the past five years with the Iowa Soybean Association. I am eager to connect with you on the most pressing policy issues for the benefit of AGP’s members.

### Navigating Challenges Ahead

While the typical rhythm of spring returns to farm country, one critical aspect of agriculture is falling behind—the farm bill. Every five years, the federal government reviews the agricultural landscape to renew this comprehensive legislation, which shapes and funds various food and agriculture programs.

Beyond providing a safety net for farmers and helping ensure a consistent supply of soybeans for AGP, the omnibus bill supports trade, rural development, research, and energy programs. Unfortunately, Congress reached an impasse last fall and the multiyear law expired, leading to a one-year extension through September 2024. Today, the path to passage remains uncertain as policymakers express deep divides, grappling with political complexities and budget constraints.

Funding has emerged as the primary point of contention in negotiations so far, especially given the projected, unprecedented price tag of \$1.5 trillion over 10 years. Significant divisions regarding nutrition and climate only muddy the road ahead. Senate Agriculture Chair Debbie Stabenow (D-MI) is saddled with challenges to secure additional funding for topline Democratic priorities while House Agriculture Chair GT Thompson (R-PA) is struggling to jumpstart Republican motivation to tackle a new bill before the November elections. While the allocation of funds from the USDA’s Commodity Credit Corporation (CCC) presents a potential avenue for additional resources, bridging the funding gap and reconciling competing priorities will require innovative solutions.

### Prioritizing Policymaker Education

Meanwhile, policymaker education and bipartisan cooperation remain paramount for advancing the farm bill. I emphasize the need for ongoing education, as nearly one-third of those currently serving in Congress have never voted on a farm bill, and fewer than two dozen members have a direct connection to agriculture. This dynamic, pinning a complex bill on inexperienced policymakers, may lengthen the process.

Despite the remarkable challenges ahead, we remain cautiously optimistic about the momentum around the farm bill as congressional leaders continue to stress the importance of finding common ground. Bipartisanship not only strengthens the legislative process, but also ensures vital support for commodity programs, nutrition initiatives, and conservation efforts.

### Hope Amid Uncertainty

While many predict a new bill may not materialize until 2025, there remains a window of opportunity this year, provided substantial progress is made by May to adhere to procedural timelines. This urgency is further underscored by the recent USDA report, which forecasts a staggering 25% decline in net farm income for 2024, marking the most significant year-to-year decrease on record.

As discussions reverberate through the halls of Congress, the farm bill’s road to the White House will be difficult. Yet, the power of today’s food and farm coalition and the recognition of shared priorities offer a glimmer of hope. The resilience of American farmers, coupled with a commitment to bipartisan collaboration, will yield a farm bill that meets the needs of our industry. As we await further developments, rest assured that AGP remains steadfast in our advocacy efforts and support of the agricultural community.

## Sustainability: Adding Value Every Step of the Way



by Allison Willis  
Director of Sustainability

Sustainability has been a hot topic lately, with rapid and noteworthy developments taking center stage. Let’s dive into some of the latest happenings in this always evolving field. In October of last year, California Governor Gavin Newsom signed two new laws, requiring both private and public entities doing business in the state that exceed certain revenue thresholds, to disclose their carbon emissions and climate-related financial risks starting in 2026 on calendar year 2025 data. A federal lawsuit was filed jointly in January 2024 by several parties including the U.S. and California Chambers of Commerce and the American Farm Bureau Federation challenging the new laws. However, unless the lawsuit is successful or the laws are significantly revised, AGP will be subject to both of these rules. Right now, we are developing our company-wide greenhouse gas inventory and identifying climate-related financial risks to meet our compliance obligations right from the start and for the long run.

Staying on the policy front, last December, the California Air Resources Board (CARB) made public its proposed amendments to their low carbon fuels standard. The good news is that these draft amendments do not currently set a volume cap on crop-based feedstocks, however, they do necessitate tracking them back to their point of origin to confirm that feedstocks are not sourced from lands designated as forests after January 1, 2008. The 45-day public comment period generated significant feedback, including comments aimed at this traceability requirement. In response, CARB plans to host a workshop this spring to explore potential refinements to the proposed amendments. On a related note, the newly enacted EU Deforestation Rule applies to products entering the EU within six commodities, including soy. AGP will need to provide assurances that soy entering the EU did not originate from land deforested after December 31, 2020. Several entities, including the United States Soybean Export Council (USSEC), are actively engaged in obtaining clear guidance on what qualifies as compliant assurances. These developments certainly have the potential to introduce more stringent documentation requirements for AGP’s feedstocks, and it is a matter we will be closely monitoring.

On the federal level, the Treasury Department recently released guidance allowing a revised version of the Greenhouse Gases, Regulated Emissions, and Energy Use in Transportation (GREET) model to be used for determining the Inflation Reduction Act’s 40B tax credit for Sustainable Aviation Fuel (SAF). The revised model could potentially encompass all aspects of feedstock production and allow carbon intensity reductions for climate smart agriculture practices such as cover cropping and no till. More importantly, after the conclusion of the 40B SAF credit on January 1, 2025, it will be replaced by the 45Z clean fuel production tax credit, and the revised GREET model may be used to determine the tax credit value for AGP’s biodiesel. The new 45Z tax credit will be inversely related to carbon intensity scores and will increase as carbon intensity scores decrease. AGP is constantly exploring methods to reduce the carbon intensity of our biodiesel and other products. Staying up to date on sustainability-focused policies and actively participating in collaborations, such as Clean Fuels Alliance America’s Carbon Intensity Task Force, is key to staying proactive in these efforts.

Bringing it closer to home, AGP is exploring several sustainability related opportunities, including conservation projects, regenerative agriculture monitoring, reporting and verification collaborations, and decarbonization initiatives. Without a doubt, sustainability is becoming increasingly vital in today’s business space and AGP is actively developing approaches that enhance strategic relationships, make sense and, above all, add value.



Several AGP Omaha employees participated in February’s Clean Fuels Alliance America Conference held in Fort Worth, TX. The Clean Fuels Conference connects key players of the biodiesel, renewable diesel, and sustainable aviation fuel industry. Pictured left to right: Colton Zumpfe, Michael Dolch, Allison Willis, Carmen Mogensen, Courtney Lawrenson, and Nathan Nolte.



MERGERS & NEW MEMBERS

The members of Ceres Solutions Cooperative in Crawfordsville, IN and Co-Alliance Cooperative in Indianapolis, IN have approved a merger. The merged coop’s new name is Keystone Cooperative and is headquartered in Indianapolis. Kevin Still, who was CEO of Co-Alliance, is Keystone’s new CEO. Jeff Troike, former CEO of Ceres Solutions, is Executive Vice President.

Farmers Cooperative Elevator Co. in Hemingford, NE merged with Panhandle Coop System in Scottsbluff, NE (non-member). The cooperative’s new name is Legacy Cooperative. Charlie Wright, who was CEO of Panhandle Coop, will serve as Legacy Cooperative’s CEO. Bart Moseman, former CEO of Farmers Coop, will serve as Legacy Cooperative’s COO.

The AGP Board of Directors approved the membership of The Cooperative Grain and Supply in Hillsboro, KS. Jerry Fenske is the General Manager.

The AGP Board of Directors approved the membership of Clifford Farmers Cooperative Elevator Company in Clifford, ND. Steve Baldock is the General Manager.

The AGP Board of Directors approved the membership of Agri Trails Coop, Inc. in Hope, KS. Darel Anderson is the President/General Manager.

The AGP Board of Directors approved the membership of Farmers Cooperative Elevator Company in Halstead, KS. Jack Queen is the General Manager.

The AGP Board of Directors approved the membership of Sunrise Ag Cooperative in Buckman, MN. Jason Sadlovsky is the General Manager.

The AGP Board of Directors approved the membership of Country Visions Cooperative in Brillion, WI. Steve Zutz is the CEO.

NEW APPOINTMENTS

Alan Woodard was named General Manager/CEO at Kanza Cooperative in Iuka, KS, succeeding Bruce Krehbiel who retired in 2023.

Nick Willwerth was named General Manager at United Cooperative in Webster City, IA, succeeding Tim Scott who retired late last year. Nick has been with United Cooperative for four years and previously held the position of CFO.

Ryan Kaatz was named General Manager at Fullerton Farmers Elevator in Fullerton, ND, succeeding Andy Hager who retired.

John Enge is the new General Manager at Frederick Farmers Elevator in Frederick, SD.

Sam Liggett was named General Manager/CEO at Rockingham Cooperative in Harrisonburg, VA, succeeding Norman Wenger who retired in 2023. Sam previously held the position of COO and has worked for Rockingham Coop for over 38 years.

Angela Ries was named the General Manager at Hamlin County Farmers in Hayti, SD succeeding Jim Egeberg who will retire in May. Angela has been with the coop for eight years.



Anliker Retires After 20 Years with AGP

Kathy Anliker, AGP Member Relations Specialist, retired in April after more than 20 years of Company service. Most of AGP’s members know Kathy from her work at the AGP Annual Meeting and member communications. She was often the first voice you would hear when calling AGP’s Member Relations Department, and her experience will be sorely missed. We thank Kathy for her hard work and years of dedicated service to our farmer-owners and the cooperative system.



Earlier this year, members of the board and management team for Ag Valley Co-op visited the Port of Grays Harbor in Aberdeen, WA. AGP is the Port’s largest customer and is currently expanding export capacity there. AGP and POGH staff were on hand to give a presentation to the group and answer any questions. Ag Valley Co-op is based out of Edison, NE, and their General Manager is Jeff Krejdl.



In a separate visit, the Port also welcomed AGP member, Cooperative Producers, Inc. CPI is headquartered in Hastings, NE and has been an AGP member since 1988. Their CEO is Gary Brandt. The group learned about the connection between CPI and AGP’s Port of Grays Harbor export facility, as a large number of soybeans from CPI are processed at AGP’s Hastings facility. The soybean meal is then transported via rail to the POGH for export to overseas customers.







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