

The Reporter

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April 2011

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Announcements

Thank You

“Thank you Minn-Dak Board for the great trip to Tucson, Arizona! The meetings were informational, and the hotel and events were wonderful. Again, thanks for the opportunity. We met some wonderful people.”

■ Bryan and Tena Wilts (the Wilts attended the ASGA annual meeting in February)

2011 Scholarship Winners

The \$1,000 Shareholder/Grower Scholarship was awarded to Laura Radig, daughter of Thomas and Kathryn Radig. Laura plans to attend Concordia College or University of North Dakota in the fall.

The \$500 Shareholder/Grower Scholarship was awarded to Austin Kutzer, son of Kyle and Carolyn Kutzer. Austin plans to attend North Dakota State University in the fall.

The \$1,000 MDFC/MDYC Employee Scholarship was awarded to Alicia Miranowski, daughter of Bob and Mary Miranowski. Alicia plans to attend North Dakota State College of Science in the fall.

The \$500 MDFC/MDYC Employee Scholarship was awarded to Nicole Mauch, daughter of Ted and Shelley Mauch. Nicole plans to attend Valley City State University in the fall.

Congratulations to these outstanding students.



The month of April has been designated Sexual Assault Awareness Month (SAAM) in the United States. The goal of SAAM is to raise public awareness about sexual violence and to educate communities and individuals on how to prevent sexual violence.

By working together and pooling our resources during the month of April, we can highlight sexual violence as a major public health, human rights and social justice issue and reinforce the need for prevention efforts.

If you know someone who is a victim of domestic violence or sexual abuse, or if you've experienced personal violence, please contact Three Rivers Crisis Center (Richland County) at 701-642-2115 or Someplace Safe (Wilkin County) at 218-643-3109 for assistance.



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Minn-Dak Makes a Difference -

New Identity Looks to Solidify Minn-Dak's Giving Image

*By Chris DeVries
Communications Manager*

When a person in need visits a local food pantry, they'll likely find Minn-Dak Farmers Cooperative (MDFC) sugar on a shelf. That sugar is donated by the co-op to help its local communities.

When your graduate attends the Rothsay post prom party (or a number of others), MDFC will be listed as one of the sponsors.

If you stop by St. Francis Healthcare Campus to visit an ailing friend, you may notice the MDFC name listed on the wall of giving.

And when you're watching a baseball game in Fairmount, you may see the MDFC logo on the fence.

MDFC has a history of giving to its local communities. Some of these facts are known, and some are not, even to its growers and employees.

MDFC receives many donation requests every year. Each donation request is considered, but the co-op is limited in the number that can be granted each year. There are policies in place when making donations.

In addition to monetary donations, and donations of gift baskets for fundraisers, the co-op has a scholarship program which awards four college or college-bound students financial assistance for their education based on application criteria.

Annual programs such as the United Way drive and Christmas

Giving Program are both well received and benefit many of the less fortunate in our area.

All of these gifts are made possible because of the generosity of MDFC growers, the board of directors, and employees.

A New Identity

Personally, I know that advertising and marketing work on me. Call me what you will, but I've certainly tried a product, and at times stuck with a product, because of the image it conveys. That's not the case in all the products I use, but for some it is.

Now, MDFC is not out looking for a figurative pat on the shoulder for being a good neighbor. That's not why we do the things we do. We do, however, hope that people will see the MDFC name and connect a positive image with the company.

As Advertising mogul David Ogilvy states, "Image means personality." We'd like the image of MDFC to convey a giving, caring personality.

He also says that, "Advertising (or branding, in our case) should convey the same image year after year." To that end, MDFC is looking to give our corporate giving a name, and therefore an image.

"Minn-Dak Makes a Difference" is the moniker we've chosen to give the surrounding communities a name that can connect our company north of Wahpeton with a spirit of giving.

From Campbell schools...

To Milnor parks...

To NDSCS...

And all places in between.
In many ways, and in many areas... Minn-Dak Makes a Difference. ■



Planter Test Stands Growers Take Advantage of Helpful Service

By Chris DeVries
Communications Manager

Every spring Minn-Dak Farmers Cooperative (MDFC) offers a service to its growers as a way to help them prepare for the spring planting season.

Planter test stands from North Dakota State University (NDSU) are brought to MDFC and placed in the Tare Lab.

“Norm Cattanach from the NDSU Sugarbeet Research Extension

Staff is responsible for Planter Testing including the test stand machines and schedules,” said Andy Finkral, MDFC Agriculturist. “The test stand machines are designed to visually demonstrate how well each individual planter unit is functioning. If the planter unit has defective parts such as a poor seal or warped plate it will not drop the seed with consistent seed spacing. Usually these parts can be replaced on site, and then the units are run again to confirm that they are dropping seed at the desired spacing.”

These “clinics” are held over a period of three days, and then the machines move to another location. Growers are required to contact their respective agriculturist to reserve a time slot.

The process is pretty basic: the planters are placed in the machine (see picture above) and seed is placed in the planters. When the machine is turned on, the planters drop seeds as they would in the field. As they land on a conveyor belt



MDFC Agriculturist Andy Finkral readies a planter for testing.

covered with oil (to keep the seeds from rolling off), the agriculturists are able to see at what distance the planter is placing the seeds. Four and a half inches is a good width.

Currently, about 80 growers take advantage of this service. The ag staff would like to see that number go even higher.

“The testing can help to ensure accurate seed spacing which in turn can lead to higher sugar per acre,” Finkral said.

Some growers take advantage of clinics held in Fargo and Sabin.

If you would like to take part in this clinic next season, watch for alerts from the ag department next spring on the MDFC website and via text messaging. ■

Seeds moving along a tester.



America Needs Farm Policy



By Phillip Hayes
Communications Director
American Sugar Alliance

Most of us learned about the four basic necessities in grade school—the things that all humans need to stay alive: food, clothing, shelter, and water.

Everything else, no matter how important, or how comfortable or happy they make us feel, falls into the category of “wants” instead of “needs.”

When you consider that two of those needs come from farms, you begin to see just how out of whack the current budget debate in Washington really is.

The safety net our farms depend on to function represents just one-quarter of one percent of federal spending. Put another way, half of the things we need to survive is but a blip on Uncle Sam’s balance sheet.

Yet agriculture always seems to be the first target when budget hawks’ long knives are unsheathed and editorial boards start preaching that elimination of subsidies and free trade will deliver America to the promised land.

During the 2008 Farm Bill, for example, farmers were asked to do their part to curb federal spending. They answered the bell and took a \$6.4 billion reduction in the farm safety net.

Two years later, the government came calling again. This time, farmers were asked to set a good example for other industries, do their part for the country, and accept a one-time hit in the name of deficit reduction. So the crop insurance infrastructure was trimmed by another \$6 billion.

Of course, it wasn’t a one-time hit. Spending cuts are still a hot topic in Washington, and guess who is being asked to

sacrifice again. This time, farmers are asked to give up \$30 billion—a debate that will unfold during the 2012 Farm Bill.

Add all these together and you’re talking about \$42.4 billion in possible cuts in less time than a single term for a United States Senator.

The truth is, there isn’t much left of the farm safety net to cut.

Former House Agriculture Committee Chairman Larry Combest said in a recent letter to the New York Times in defense of agriculture: “Against all the misrepresentations about farm policy, I have some sobering news: if the bottom falls out on agriculture, existing farm policy is already too weakened to prevent a crisis.”

And don’t think for a second that sugar is safe from the wrath of DC’s hatchet job. No fewer than three bills have been introduced this year to eliminate no-cost sugar policy, and “fiscal responsibility” and “kick-starting the economy” are buzzwords being used by the bills’ authors to drum up support for gutting sugar’s sliver of the safety net.

Sugar should be proud, though, of the role it’s playing in defense of all of agriculture. The commodity—despite being smaller in size than most other row crops—is helping lead the way in bringing agriculture together to defend itself.

Even though its policy doesn’t cost taxpayers a dime, sugar has been active in mobilizing opposition to unneeded cuts to the overall safety net.

“Agriculture always seems to be the first target when budget hawks’ long knives are unsheathed and editorial boards start preaching that elimination of subsidies and free trade will deliver America to the promised land.”

■ Phillip Hayes
American Sugar Alliance

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Standards of Business Conduct

By Chris DeVries
Communications Manager

A Standards of Business Conduct policy (revised from a previous draft) was recently approved by the Minn-Dak Farmers Cooperative (MDFC) Board of Directors.

The policy applies to directors, officers, employees, and other representatives of MDFC.

“Minn-Dak is an ethical company,” said Steve Caspers, MDFC Executive Vice President and Chief Financial Officer. “We will operate in a lawful manner and maintain our records in an accurate and systematic fashion and maintain a sound system of internal controls.”

Some highlights of the policy include:

- Compliance with local, state, and federal laws – as the policy states, “the best guidelines are individual integrity, common sense, and compliance with law. These standards provide a basic guide to assist our management, employees, directors, and others acting on our behalf in understanding their responsibilities.”
- Conflicts of interest – this could include owning an interest in a competing business, accepting gifts, favors, compensation, loans, etc., from a competitor or other company that does business with MDFC, and using or revealing any confidential product or financial information.
- The handling of confidential information
- Fair competition and compliance with anti-trust laws
- Political contributions
- Proper accounting and financial record keeping

“Minn-Dak is an ethical company. We will operate in a lawful manner and maintain our records in an accurate and systematic fashion and maintain a sound system of internal controls.”

■ Steve Caspers
MDFC Exec. VP & CFO

Caspers gave this example of a conflict of interest: “If someone, employee or shareholder, has a majority stake in a beet lifter company, the audit committee needs to know. If

we do business with that company, it might be a conflict of interest. The audit committee would review that relationship and determine if it’s a matter that needs to be addressed.”

Sarbanes-Oxley

“The Securities and Exchange Commission requires us to maintain adequate internal controls,” said Caspers. “That stems from the Sarbanes-Oxley Act. We spend a lot of time in that area. The auditors review it and bring issues to our attention.”

The Sarbanes–Oxley Act of 2002 is a federal law which set new or enhanced standards for all U.S. public company boards, management, and public accounting firms. The bill was enacted as a reaction to a number of major corporate and accounting scandals.

The MDFC Standards of Business Conduct Policy spells out what to do if someone has a concern about questionable accounting or auditing practices.

“This can be done with anonymity through a third party,” Caspers said. “Those who call in can get feedback to see how a case is progressing.”

There are two ways to report a concern: call 877-376-3931 or visit the website <http://MDFC.alertline.com>.

Employees are protected when reporting violations. Under federal law, MDFC may not discharge, demote, suspend, threaten, harass, or in any other manner discriminate against an employee in the terms and conditions of employment because of any lawful report regarding a violation of any rule or regulation of the Securities or Exchange Commission, including those relating to auditing or financial disclosures, or any federal law relating to fraud against shareholders of MDFC.

In addition, MDFC will not take any retaliatory action against any person who in good faith assists or participates in an investigation, proceeding, or hearing relating to a report under these Standards, or who files, causes to be filed, testifies, or otherwise assists in such a proceeding against the co-op.

This is something we take very seriously here,” said Caspers. “We encourage people to read these policies from time to time and fully comply with them.” ■



The June issue of *The Reporter* will feature graduating seniors. Please complete this form and return it to: Chris DeVries, Minn-Dak Farmers Cooperative, 7525 Red River Road, Wahpeton, ND 58075. Photographs will be used, so please include a **head-and-shoulders**, wallet-size photo of your graduating senior. All photographs will be returned. Please write a return address on the back of the photo.

Graduating senior _____

Graduating from (school name, city, and state)

____ High school ____ College/University ____ Master's ____ Ph.D.

If student is college level, please list field of study

Mother and father's names and city

Employee, shareholder, or grower (employees please also list job title)

The deadline for receiving picture and information is May 27, 2011



Sugar: All natural...15 calories per teaspoon

(Continued from page 5)

The industry's trade counsel serves as a trusted confidant to other farm groups trying to gain a better understanding of how possible trade deals fit into the equation.

And sugar is a leading voice in Farm Policy Facts and The Hand That Feeds U.S., two diverse coalitions designed to help agriculture speak with a more unified voice.

The Hand That Feeds U.S. recently launched a new program called "Hold the Thin Green Line." This campaign is meant to show reporters and lawmakers alike just how few farmers are left to feed a growing population, and the precarious position in which continued attacks on agriculture leaves our nation.

This effort has even attracted some star power with retired Army General Wesley Clark and the reigning Miss America coming to agriculture's defense.

Whether or not Congress will heed the call to hold the thin green line is not yet known. But what we do know is that there's a whole lot riding on the outcome, such as the food on Americans' tables and the clothes on our backs.

Even a grade school student knows that's a big deal. ■