



The **Reporter**  
www.mdf.coop  
February 2011

**Strong Demand  
Drives Marketplace**

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# Announcements

## Birth Announcements

Sadie Kaye Lacey was born October 10, 2010 and was 7 lbs, 7 oz. and 20.5 inches long.

Parents are Steve and Jaylene Lacey, Wendell, MN.

Grandparents are Brian and Debbie Lacey, Wendell, and Bill and Darlene Volker, Herman, MN.

Sadie joins sister Natasha, 3, at home.

The Lacey's are shareholders.

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Josiah Luke Wiertzema was born on January 19, 2011. He weighed 8 lbs, 11 oz. and was 20 inches long.

Parents are Luke and Maggie Wiertzema, Campbell, MN. The Wiertzemas are shareholders.

Grandparents are Howard Schoenheit and Diane Schoenheit, Fargo, ND, and Larry and Julie Wiertzema, Breckenridge, MN.

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Zach Michael Miller was born on January 27, 2011. He weighed 7 lbs, 4 oz. and was 20 inches long.

Parents are Cody and Heather Miller, Wahpeton, ND. The Millers are shareholders.

Grandparents are Larry and Jeanette Miller, Wahpeton, and Mike and Barb Hoffert, Wyndmere, ND. The Millers and Hofferts are also shareholders.

## MDFC Store

Though not a store in the traditional sense, we want to make it easier for growers and employees to get bags of Minn-Dak sugar as well as apparel with the Minn-Dak logo.

Five-pound bags of Minn-Dak sugar can now be purchased at the co-op office for \$2 per bag (limit of 10 bags).

We also have catalogs from Creative Stitches in Breckenridge. If there is an item you would like to buy with the Minn-Dak logo we will make the order for you. You only have to pay the cost of the item plus tax.

Please stop by the front desk in the main office if you would like to make a purchase.



## The Reporter

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# ND House Bill 1349

By Chris DeVries  
Communications Manager

There is a bill that has been proposed to the North Dakota House of Representatives that will have implications for many, if not all, farmers in North Dakota.

House Bill No. 1349, introduced by Representative John Wall of Wahpeton, is expected to be out of committee in February.

This proposed bill states as follows:

- 1) Notwithstanding any other provision of law, a driver with a class D license who for hire operates a truck or truck-tractor to transport agricultural products shall sign, before being hired, a form in which the driver certifies that the driver is at least eighteen years of age; has not had more than one violation of section 39-08-01, or equivalent ordinance in the last three years and does not have a pending action for violation of that section; has not had a revocation, suspension, or cancellation of driving privileges within the last three years and does not have a pending action that will result in a revocation, suspension, or cancellation of driving privileges; and has not had a drug-related offense within the last three years and does not have a pending action the subject of which is a drug-related offense.
- 2) A person that hires a driver who uses a class D license to operate a truck or truck-tractor to transport agricultural products shall provide to the driver and receive from the driver a signed form as required by this section, obtain the driving record abstract of the driver from the department, and verify the information provided by the driver on the form with the driving record abstract before hiring the driver.
- 3) The department shall develop the form with appropriate questions that may be answered in the affirmative or negative. The form must contain a statement of potential penalties that could result from violating this section.
- 4) This section does not apply to a driver or a person hiring a driver if the driver is hired by a grandparent, aunt, uncle, or immediate family member.
- 5) A person knowingly hiring a driver in violation of this section is guilty of a class B misdemeanor. A driver who knowingly violates this section is guilty of a class A misdemeanor.

The Fargo Forum is certainly behind the bill. In the Opinion section, the paper backed the bill by stating the following:

“Wall’s bill would require more scrutiny of men and women who get behind the wheels of the big farm vehicles and take them out on the public highways. As it stands right now, any adult can drive such vehicles within 150 miles of the farm. That is, no special licensing or training is required, as is required for non-farm truckers. The state has seen several tragic farm truck accidents in recent years, yet farm lobbyists and some farm-country legislators are reluctant to put safety ahead of convenience. Wall’s bill puts the spotlight on a major loophole in North Dakota’s driving laws.”

Minn-Dak Farmers Cooperative’s President and CEO Dave Roche isn’t as sure.

“Minn-Dak and its shareholders have no higher goal than providing a safe work environment as well as conducting our operations in a safe manner,” he said. “We are interested in constantly improving safety performance but are not sure that adding an additional level of regulations at the state level will translate to an improved safety record.”

**“We are interested in constantly improving safety performance but are not sure that adding an additional level of regulations at the state level will translate to an improved safety record.”**

**■ Dave Roche  
MDFC President and CEO**

The Red River Valley Sugarbeet Growers Association agrees, in testimony to the House Transportation Committee: “Section 39-06 of the Century Code already addresses license revocation for repeat offenders and Section 39-08. We see no need for this separate criteria for farmers.”

According to Wall, drivers would have to disclose certain past offenses to a potential employer, and that employer would have to verify the information through an insurance agent or by calling the DOT directly. The cost in getting this information is around \$3.00.

## UPDATE

The bill has come out of committee with a “Do Not Pass” recommendation. At press time the vote had not yet been taken. ■

## All-Natural Sugar - Strong Demand Drives Competitive Sweeteners Marketplace



*By Andy Briscoe  
President & CEO  
The Sugar Association*

All-natural sugar continues to be in strong demand, making it the driver in the competitive U.S. sweetener market. We've set the benchmark as the gold standard of sweeteners, and our competition is anxious for a piece of our market share. We've got our work cut out for us this year.

Here are a few factors contributing to where we are and what's on the horizon.

### **Consumption Update...Looking at WASDE and FSA**

The January 13, 2011, World Agricultural Supply and Demand Estimates (WASDE) report indicates in ag year 2010, the sugar industry will deliver an estimated 10,869 strv of sugar for domestic food use. In 2011, it's projected to be 10,875 strv. Based on short-term USDA projections, sugar deliveries will be flat in 2011.

However, based on data from the Farm Service Agency (FSA), we had substantial growth in deliveries – up 4.8 percent – in the Oct. 2009 – Sept. 2010 ag year. FSA reports an 0.8% increase in deliveries for the first two months of the 2010 – 2011 ag year (these are actual deliveries). While the rate of growth in sugar deliveries at present does not seem to be as strong as last year, we have to be cautious and remember that deliveries could certainly increase more dramatically during the remaining 10 months. That said, ag year 2010 – 2011 delivery trends have not been established at this point.

Consumer demand is still driving food and beverage manufacturers to switch to sugar. Some switches to sugar are not publicly announced to protect manufacturers who still market products containing other caloric sweeteners.

### **Dietary Guidelines**

The 2010 Dietary Guidelines were announced in DC by USDA and Health and Human Services (HHS) on January 31. Cheryl Digges, VP of Public Policy at the Sugar

Association attended the launch which include presentations by Agriculture Secretary Tom Vilsack and HHS Secretary Kathleen Sebelius. We have reviewed the 112-page Guidelines policy document. The most important news is - the 2010 Dietary Guidelines do not include or establish an upper limit on sugar or added sugars intake! That was our number one goal. However, it is important to point out that throughout the text of the Guidelines, there is a call to reduce added sugars intake...which is not science-based. The Association response statement said, "America's sugar farmers and producers congratulate the U.S. Department of Agriculture and the Department of Health and Human Services on the release of the 2010 Dietary Guidelines for Americans and on their commitment to fighting obesity. 'The Sugar Association remains committed to working with the Federal Government to encourage Americans to consume all foods and beverages in moderation and to be more physically active....The Guidelines correctly identify caloric balance [calories in vs. calories out] as a key objective in helping Americans maintain a healthy weight.' All-natural sugar contains only 15 calories per teaspoon, and when consumed in moderation is part of a balanced diet and healthy lifestyle."

### **Corn Refiners Petition**

On September 14, 2010, the Corn Refiners Association



(CRA) filed a petition with the Food and Drug Administration (FDA) asking for approval to change the name of high fructose corn syrup to “corn sugar.” The Sugar Association initially responded with a statement titled, “Sugar Only Comes from Sugar Beets and Sugar Cane.” The statement says, “Consumers know, and the FDA’s definition accurately reflects, that sugar only comes from sugar cane and sugar beets. At just 15 calories a teaspoon, all-natural sugar has been the world’s sweetener of choice for more than 2,000 years. Sugar remains the predominate sweetener in every country except the United States, where in recent decades man-made sweetening agents have been created and mass produced. American consumers are now clamoring for a change and demanding the trusted taste and goodness of sugar, which exists naturally in sugar beets and sugar cane, instead of man-made sweeteners. We are thrilled that food and beverage manufacturers are switching back to natural sugar in droves and are confident that this positive trend will continue.” The Sugar Association continues to review the CRA petition and consider our options.

has certainly benefited from this movement.

### **The Michelle Obama and Wal-Mart Initiative**

You may have heard of the recent announcement involving Michelle Obama’s Let’s Move campaign and Wal-Mart. One aspect of the joint announcement was the Wal-Mart commitment to reduce the sugar content in their brand products by 10 percent. The Sugar Association is anxious to review the results of the announcement as science has shown, reducing sugar in products does not guarantee reduced caloric intake. Our public response states, “America’s sugar farmers and producers remain committed to helping Americans maintain a balanced diet and healthy lifestyle. We applaud the First Lady and Wal-Mart for combining their resources and reach in the fight against obesity. All-natural sugar contains just 15 calories per teaspoon and has been a healthy part of diets for more than 2,000 years.”

### **School Nutrition Standards**

USDA issued a 78-page document proposing revisions to school nutrition standards on January 13, 2011. The proposed revisions do not set specific sugars intake criteria but do set caloric intake limits, which USDA believes will control (reduce) the intake of calories from sugars and fats. The proposed nutrition standards require increased intakes of some foods and establish strict calorie limits, which would leave very few calories, if any, for not only such sugar-containing foods such as ice cream, puddings and cookies, but also such nutrient-rich foods as frozen, canned and dried fruit, flavored milk and grain-fruit products. The proposed school nutrition standards are based on the Food Guide Pyramid’s mathematical discretionary calorie concept. Over the next couple of months, the Sugar Association will be reviewing the proposed rule in detail and formulating our comments, due by April 13, 2011.

In summary, there are numerous activities in the U.S. marketplace and in DC concerning food and nutrition policy. Focus on sugar as a culprit continues. Competition remains strong. As an industry, we must respond to disparagement, and we must always be prepared to promote sugar. Your help in spreading the word on sugar being all-natural, only 15 calories per teaspoon - a sweetener consumers can recognize, and a sweetener safely used in foods and beverages for over 2,000 years does make a difference.

And many thanks for your support of the Sugar Association and the programs we implement to support sugar consumption! ■

*Andrew C. Briscoe III, CAE - is President & CEO of the Sugar Association. Comments or thoughts can be submitted to [briscoe@sugar.org](mailto:briscoe@sugar.org).*

**“We are thrilled that food and beverage manufacturers are switching back to natural sugar in droves and are confident that this positive trend will continue.”**

■ *Statement from The Sugar Association*

### **Competition Continues to Advertise Hoping to Gain Sweetener Marketshare**

As the demand for all-natural sugar remains strong, competing sweeteners attempting to gain market share from sugar is a real concern. New sweeteners and sweetener blends are entering the U.S. market at record paces. The newest competitors are stevia-based Truvia and Purevia. These two products are spending nearly \$40 M per year to influence consumers. Initial indications show they’re mainly influencing the low-calorie or artificial sweetener markets, but have the potential to gain in non-diet markets as more is spent on advertising to targeted audiences.

### **Consumer Trends**

There are a few key drivers in consumer trends as it relates to sweeteners. First, we can profess that sugar is all natural and consumers are seeking natural products across the board. Research indicates more and more products are simplifying their ingredients (usually 5 or less) and sugar is a sweetener consumers know and trust. One such product that has taken full advantage of this specific trend is Sierra Mist Natural. Products that consumers recognize and know that are safe will also play well with moms. There is still some movement away from HFCS by food and beverage manufacturers - so sugar

# Minn-Dak a Leader in Employment

*By Chris DeVries  
Communications Manager*

Certainly a low unemployment rate of 5.0% (as of last fall) for the City of Wahpeton is a good thing. It means that more people are in the workforce, earning a living and paying taxes that keep the city running, buying products that keep stores open. In Richland County, the number is even lower at 4.2% as of December 2010. And in the state, the number is 3.9%. All of those numbers are certainly better than the nation's 9.4%.



So is there a drawback? Well, when you look at it from a certain perspective there can be one: the challenge of employers to find people to fill open positions.

It can also be rough on college students looking to make a little money. According to sources at the Wahpeton office of Job Service of North Dakota, there are not a lot of evening/weekend jobs in town.

Minn-Dak Farmers Cooperative (MDFC), the second-largest employer in Wahpeton, can take some pride in the fact that, outside of a few technical positions that most employers find

hard to fill, the co-op has a good reputation and a good track record of filling positions when needed.

MDFC's Human Resources department uses a variety of media to search for applicants for open positions. In addition to the mainstays of newspaper and Internet, they regularly attend job fairs at area colleges to find workers with specific skill sets. Many of those students are looking for co-op, or intern, work. This can be especially important in the fact that some of the co-op employees become permanent employees.

"They get experience in their field and we get the chance to see what their skill levels are," said Greg Schmalz, MDFC Director of Human Resources.

So what's the major draw for students to look at MDFC?

"They get to do the things they're trained for," said Schmalz.

And some, according to Schmalz, are from the area and want to stay in North Dakota.

The small-town atmosphere can be a drawback, however, with some students wanting to run directly to the big city to start their careers.

And even though North Dakota has a reputation around the country as the place out-of-work people can go to find a job, MDFC has, so far, not been in need of that service.

"The state of North Dakota gets a lot of out-of-state applications on a regular basis," said Schmalz, "but they're typically not for the kind of openings we have."

Whether they're from Oklahoma or Oakes, North Dakota, MDFC is the place to be to step up in your career. ■

## ASGA Annual Meeting Tucson, Arizona



Bryan and Tena Wilts, shareholders, won the ASGA drawing at the 2010 MDFC Annual Meeting. The Wilts' attended the ASGA meeting in Tucson and are shown here after the meeting gala event.

Thank you to Diana Freese for taking the photo.

## Spring Growers Meetings

The Spring Growers Meetings have been set for Tuesday, March 22 at the following times and locations:

Campbell Community Center: 8:00 am

Wahpeton Eagles Club - 10:00 am

## Scholarships 2011

Minn-Dak Farmers Cooperative will be awarding four scholarships in two categories again this year: Shareholder/Grower and Employee.

The top vote-getter in each category will receive \$1,000, and the runner-ups will receive \$500.

Applicants for the Shareholder/Grower Scholarships must be the son or daughter of a Minn-Dak Farmers Cooperative shareholder or grower, and be a high school senior or college student possessing a 2.5 or higher GPA. The scholarship is open to all majors, and the payment must be used for the 2011-2012 school year. Past recipients are not eligible.

Applicants for the Employee Scholarships must be the son or daughter of a Minn-Dak Farmers Cooperative or Minn-Dak Yeast employee. The employee must be either a regular rated or a campaign employee who has worked for five consecutive campaigns, and they must be on the active payroll. The student must be a high school senior or college student possessing a 2.5 or higher GPA. This scholarship is open to all majors, and the payment must be used for the 2011-2012 school year. Past recipients are not eligible.

If you would like either of these two application forms or if you have any questions, please call 701-671-1349 or email [cdevries@mdf.coop](mailto:cdevries@mdf.coop).

All scholarship applications must be postmarked by March 18, 2011. The winners will be announced in April. ■





*Sugar: All natural...15 calories per teaspoon*