

Sauk County Marketing Club
Tuesday, February 8, 2005

Meeting was called to order at 11:10.

Attendance: Galen Alwin, Phil Gruendemann, Vern Meinholz, Duane Lins, Edwin Green, Mike Goetsch, Kevin Knuth, Ric Accola, Warren Traeger, Harley Wiese, Dave Julius, Ron Schultz, Mel Zech, Paul Dietmann.

Minutes of the January meeting were approved on an Alwin/Goetsch motion.

Club marketing plan for 2005: Our simulated farm this year will have 214 acres of corn with a yield of 140 bushels/acre, 375 acres of soybeans with a yield of 40 bushels/acre, and a dairy operation consisting of 150 cows producing 67 pounds of milk/head/day. We will be marketing 30,000 bushels of corn and 15,000 bushels of soybeans during the year, and marketing 300,000 pounds of milk per month.

Corn and soybean marketing plans: See attached plans.

Milk marketing plan: Goal is to set a floor price for 100,000 pounds of milk (1/3 of monthly production) each month using put options with a \$13 strike price at an average premium of 40 cents.

Market update: Corn carryout could be increased in tomorrow's USDA report. Corn acreage is projected to increase in the upcoming growing season. The market is grinding lower but has been essentially lifeless, with corn trading in an extremely narrow range. Soybean market is waiting for direction from South American crop. Asian rust could cause volatility in the US market this summer.

Club dues for 2005: Motion made by Lins, seconded by Goetsch, to set dues for continuing members at \$5 and new members at \$100, which is the amount that all members paid to join. Motion carried.

Possible speakers for upcoming meetings: March-Jon Hermann, Equity Livestock; April-either Kent Beadle from Country Hedging or Alan Jewell, marketing consultant from Dodgeville.

Meeting was adjourned for lunch prepared by Galen Alwin and dessert provided by Harley Wiese, whose birthday was February 8.

Respectfully submitted,

Paul Dietmann, Secretary