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Our Mission

The Kansas Cooperative Council exists to promote, support and advance the interests, business success and understanding of agricultural, utility, credit and consumer cooperatives and their members through legislation and regulatory efforts, education and public relations.

Co-op News is published four times a year by the Kansas Cooperative Council for its members and constituents.

Kansas Cooperative Council
 816 S.W. Tyler St., Ste. 300
 Topeka, KS 66612
 888.603.2667
 Fax: 785.233.1038
 www.kansasco-op.coop

You Make the Difference.....

Legislative Action Day—January 27, 2010



Make plans now to attend Legislative Action Day on January 27, 2010. Cooperative members from across the state will use this event to meet with legislators and help educate policy makers about our industry segments. All KCC members are encouraged to attend and take part in this annual event.

We hope you will make a particular effort to meet personally with your Senator and Representative during your visit to Topeka. All legislators will be invited to the evening reception/dinner, but we ask that you also extend a personal invitation for him/her to join you at a table for dinner. In addition, when making this invitation, we encourage you to see if your legislator has a fellow colleague from a more urban area that they would like to include in your group. This would be an excellent

way to reach out to decision-makers that need to know about cooperatives and the businesses they engage in.

We will be co-hosting Legislative Action Day with two other associations: the Kansas Grain & Feed Association and the Kansas Agribusiness Retailers Association. Registrations will be handled from the Topeka association offices. For more information, including an agenda and registration information, go to www.kansasag.org and click on “Legislative Action Day”. There is no cost for attending this event, but pre-registration is necessary. If you have additional questions, contact Leslie Kaufman, KCC Executive Director, at leslie@kansasco-op.coop or 785-220-4068.

**KANSAS COOPERATIVE COUNCIL
BOARD OF DIRECTORS**

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Dodge City, Kansas

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Alan Jaax
Farm Credit of the Heartland
Wichita, Kansas

Stuart Lowry
Kansas Electric Co-ops, Inc.
Topeka, Kansas

Notes from the Chairman

Member-Advanced Policy Recommendations Chart Direction



**By Steve
Magette**

Your coop council is preparing for the next legislative session.

Prior to every legislative session, Leslie briefs us on issues and/or legislation that will be “on the front burner”, both in Topeka and in Washington, DC. The Kansas Co-op Council’s (KCC) Legislative Action Committee has recommended policy language to the board that will position the council to support, oppose or remain neutral on a variety of issues. It is with this advice that the KCC Board of Directors creates a policy statement regarding issues that could be brought before the legislature and states our position on these items.

Some of the issues that we have directed Leslie to watch vigilantly this year include: US Department of Justice’s (DOJ) examination of anti-trust issues (Capper-Volstead); emissions tax on animal agriculture; “Cap and Trade” and climate change legislation; protecting the Kansas Ag Remediation Fund; Kansas Department of Ag funding and proposed statutory changes; and financial cooperative oversight issues. There are other items that we have asked Leslie to watch and the biggest issue is, of course, the state budget. With the budget shortfall facing the state, we think that many tax exemptions and incentives will be under the “magnifying glass”. Agriculture (both farmers and business) cannot afford to lose tax exemptions on equipment purchases and repairs.

We remain vigilant about protecting cooperative business structure, encouraging sound policies for competitive business environment, and issues concerning environmental stewardship. Leslie will be updating us every week from Topeka on these issues and any others that potentially could affect our businesses and our farmer owners. Please be proactive and be in contact with your legislators during this coming session.

Thank you to everyone who attended the recent DDP education programs held in Wichita.



Leslie Kaufman speaks to DDP attendees.

Unfortunately, we did not have enough attendees registered for the Hays location, so that program had to be cancelled. A great big THANK YOU to those instructors who gave of their time and expertise to make these programs a huge success. As I have said in the past, we are no longer operating our grandfathers’ co-ops, and director’s responsibilities have become much more complex.

As I write this, we have winter weather moving into Kansas, creating hazardous holiday travel. I hope that everyone will have had a wonderful and safe holiday season and that your New Year is prosperous.

Co-op Leaders from Across the State Attend DDP

Local cooperative directors and general managers met December 14-15, 2009 for the KCC's annual Director Development Program (DDP). DDP is a 4-part course designed to provide local co-op board leaders with an increased understanding of the various roles a director plays, the legal duties and obligations placed upon a director and how those duties intersect with management's functions. Each of the four courses is a one-day class focusing on a particular aspect of the director's role.

This year classes were offered in Wichita. It was a cold two days, but with no snow or ice, we had great attendance with 31 cooperatives represented. A total of 155 classes were attended by 96 participants. Twenty-five co-op leaders were able to complete the program this year.

The KCC is grateful to the many instructors that

make this program such a success. This year's instructors were: Dr. David Barton (Arthur Capper Co-op Center); Dennis Landis (Landis Ag); Steve Eck (CHS); Scott DeWeese (ProValue); Dennis Blick, Brad Stephens and Vern May (CoBank); and Terry Bertholf and Leslie Kaufman (KCC). Wichita meeting facilities were provided by CoBank. The support we receive from these entities and individuals plays a major role in the success of the DDP program and is greatly appreciated.

Attendees listen to presenter Vern May during Session 3.



2009 Director Development Program Completions

Congratulations to the following people who received a certificate for completing all four courses in KCC's Director Development Program in December 2009.

Kent Crews
Elkhart Co-op Equity Exchange
Elkhart

Randy Ellwood
MKC, Moundridge

Max Fesler
Farmers Cooperative Grain Co.
Abbyville

Kerry Froetschner
Pawnee County Co-op, Larned

Jason Gaeddert
MKC, Moundridge

Scott Greenwood
Danville Co-op Assn., Danville

Clint Hamilton
Dodge City Co-op, Dodge City

Mike Hays
Elkhart Co-op Equity Exchange
Elkhart

Cris Helm
Cairo Co-op, Cunningham

Steve Inslee
Farmers Cooperative Grain Co.
Abbyville

Ron Johnson
Farmers Cooperative Grain Co.
Abbyville

Curtis McKain
Delphos Co-op Assn., Delphos

Harry Minns
Elkhart Co-op Equity Exchange
Elkhart

Darcy Nickel
MKC, Moundridge

Bruce Otte
Cooperative Grain & Supply, Hillsboro

Dean Panter
Central Plains Co-op, Smith Center

David Polifka
Frontier Ag, Inc., Oakley

Dennis Rettele
Farmers Co-op Elevator, Sabetha

Steve Riegel
Dodge City Co-op, Dodge City

Joe Slechta
Farmers Co-op Grain
Conway Springs

Jerry Sommerfeld
Farmers Coop Elevator, Halstead

Dave Studebaker
Delphos Co-op Assn., Delphos

Eldo Sylvester
Farmers Co-op Elevator, Sabetha

Dennis Tenclave
Farmers Co-op Grain, Wellington

David Urban
Farmers Co-op Grain, Wellington

Legislative Action Day

Topeka, Kansas

Tentative Agenda for January 27, 2010

10:30 a.m.	Registration Opens	2:00 p.m.	Personal Legislator Visits Kansas State Capitol 300 SW 10th Street
11:30 a.m.	Welcome and Lunch Topeka Country Club 2700 SW Buchanan	3:30 p.m.	Committee Hearings
11:45 a.m.	2010 Legislative Session Preview	4:00 p.m.- 5:00 p.m.	Open House Tom R. Tunnell Association Building 816 SW Tyler
1:00 p.m.	Issues Update KCC, KGFA, KARA Staff	5:30 p.m.*	Reception Topeka Country Club 2700 SW Buchanan

**** Please make sure you are at the reception before 5:30 p.m.
to greet legislators and guests.***

Co-op Month Winners Announced

The Kansas Cooperative Council is pleased to announce the winners of this year's annual Co-op Month Contest. The award honors cooperatives that excel in sharing the co-op message through events held during the annual October National Co-op Month commemoration. The KCC presents one award in each of three co-op categories: farm supply, financial, and utility.

This year's winners are:

**SUBLETTE COOPERATIVE, INC—SUBLETTE (farm supply)
FARMWAY CREDIT UNION—BELOIT (financial)
BUTLER RURAL ELECTRIC—EL DORADO (utility)**

This year's winners hosted many different co-op appreciation and promotional events including: community lunches, visits to local schools, student coloring contests, donations for soldiers and customer appreciation events.

The KCC congratulates all of our members that made special efforts to tell the co-op story in October and throughout the year.



Co-op Model Under Scrutiny...

DOJ Competition Workshops Illustrate Need to Advance Understanding of Cooperatives



Beginning early next year, the Department of Justice (DOJ) will hold a series of five “workshops” across the country focusing on different aspects of “competition” within the agricultural industry. For months, statements from senior DOJ staffers have alerted the

cooperative community that the agency has concerns with anti-trust exemptions, including those extended to co-ops. Earlier this fall, Assistant Attorney General Christine Varney spoke at a Senate Judiciary Committee field hearing and questioned whether co-ops had outgrown the need for Capper-Volstead and other anti-trust exemptions.

Anti-trust legislation was designed to prevent too much market concentration in too few companies, thus allowing greater competition in the marketplace. Exemptions given to farmer cooperatives under the Clayton Act and the Capper-Volstead Act express Congress’ intentions that farmers be allowed to organize to obtain better prices for commodities and services/inputs. So, in all practicality, it is this “exemption” that allows farmers to be a competitive force in the marketplace and bring some balance to “the playing field” when it comes to securing products/inputs for members or marketing crops or livestock.

The National Council of Farmer Cooperatives has prepared extensive comments in support of cooperatives and in defense of the Capper-Volstead Act’s limited antitrust immunity for farmer co-ops. Your Kansas Cooperative Council has also submitted comments. NCFC and the KCC will continue to monitor the workshops as they occur, but there is work you can do as well

All of us in the cooperative family need to understand the importance of co-ops in the marketplace — our history, our differences from other business structures and how these unique attributes create advantages for our members. Then, we need to educate others. That may be co-op employees, other cooperative members, those in our communities and especially policy makers (at all levels of government). A great number of political leaders start out in local politics before moving on to state or national office, so it makes sense to remember community officials in our educational efforts.

This coming year, 2010, is an election year. As you visit with candidates throughout the coming months, find out what they know, and what they need to know, about cooperatives. Electing decision makers that have an appreciation for the co-op business model is an important step in protecting the very legal structures that allow for establishing cooperative enterprises.

Co-op Info...

Resources Are Just A Click Away

Do you have questions about the co-op business model and what makes cooperatives uniquely special? A variety of co-op educational resources are just a few clicks away. The KCC website www.kansasco-op.coop can link you to a number of informational resources including USDA Rural Development material. If you do not have internet access or have additional questions, 5 call the KCC and we will be glad to assist you.



The screenshot shows the homepage of the Kansas Cooperative Council website. At the top left is the KCC logo. To its right is the 'OUR MISSION' statement: 'The Kansas Cooperative Council exists to promote, support and advance the interests, business success and understanding of agricultural, utility, credit and consumer cooperatives and their members through legislation and regulatory efforts, education and public relations'. Below the mission is a navigation menu with links for Home, About Us, Program Services, News, Calendar, Links, and Contact. On the right side, there is a login form with fields for Name, Password, and a Login button. Below the navigation menu is a vertical sidebar with links: Kansas Cooperative Council, Call to Action, Legislative Update, Why Join?, and Educational Links. The main content area features three large images: 'Financial Cooperatives' (a hand holding a small house), 'Farm Cooperatives' (a large grain elevator), and 'Rural Electric and Telephone Cooperatives' (workers on a utility truck). To the right of these images is a video player titled 'Video at the Statehouse' with a quote from Leslie Kauffman. At the bottom right, there is a section titled 'Who is my Kansas Legislator?' with input fields for 'enter e-mail address' and 'e-mail the page link'.



PO Box 1747
Hutchinson, KS 67504
Leslie Kaufman, Executive Director

New Cooperative Leaders' Meeting

The KCC's New Cooperative Leaders' Meeting will be held in conjunction with the CoBank Regional Customer Meeting on March 23, 2010, 10:00 a.m. to 4:30 p.m. at the Hyatt Regency Hotel in Wichita.

We encourage employees new to co-op management and managers new to the Kansas co-op family to attend. Retired, experienced and new cooperative general managers will be available in a panel discussion to share their lessons learned.

Registration information will be mailed mid-January. There is no cost for the event, but registration is required to insure we have adequate meals and seminar materials.

UPCOMING EVENTS

Jan. 2010

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| 17-19 | CHS Directors Conference - Orlando, FL |
| 20-22 | CHS CEO/General Managers Conference - Orlando, FL |
| 23-26 | Kansas Electric Cooperatives (KEC) Annual Meeting - Topeka, KS |
| 25 | KEC Legislative Reception - Topeka, KS |
| 27 | KCC/KGFA/KARA Legislative Day - Topeka, KS |

Feb.

- | | |
|-------|---|
| 3-5 | NCFC Annual Meeting - Santa Barbara, CA |
| 10 | Kansas Credit Union Day at the Capitol - Topeka, KS |
| 18-19 | Land O'Lakes Annual Meeting - Minneapolis, MN |

Mar.

- | | |
|-------|--|
| 15 | KCC Board of Directors Meeting - Wichita, KS |
| 16 | KCC Annual Meeting - Wichita, KS |
| 16 | KFSA Annual Meeting - Wichita, KS |
| 23 | New Cooperative Leaders' Meeting - Wichita, KS |
| 23-24 | CoBank Western Plains Customer Meeting - Wichita, KS |