

# SUCCESS STARTS WITH A PLAN

## WHY HAVE A GRAIN MARKETING PLAN?

- A plan that's mapped out ahead of time can allow you to confidently execute decisions when the market allows.
- Expenses, break-even, profit expectations, and other components that may affect your operation are already broken out.
- Have a set dollar figure for expected/projected profit, not just as much as possible.
- Provide clarity and eliminate the noise when marketing grain.

## FOB

Key Cooperative is now offering a Freight-On-Board (FOB) Program. This grain marketing option is designed to help you increase your truck power and capture markets you previously may not have had access to. The Key Cooperative FOB Program quotes you a competitive custom bid for grain picked up at the farm-gate by Key Cooperative, and delivered to the most competitive end-user within the local market. The bid will reflect the best value based on the relevant end-users within your trade area.

*Your quoted net price includes delivery charges.*

Ensuring we have the right grain bid structure in place to serve all growers and all their grain. We see the importance of having both a competitive FOB and Direct Ship program to help you capture more from your grain stored on-farm.

## CONDO STORAGE

Condo Storage provides members with a powerful set of storage advantages including: guaranteed, low cost storage space; elimination of grain storage quality risk; access to all marketing contract alternatives; multiple location delivery; tax benefits; and high value retention on re-sale.

As an investor in the LLC, you may deliver your storage bushels to any Key Cooperative grain location. Condo Storage provides members with a powerful set of storage advantages including:

- guaranteed, low cost storage space
- elimination of grain storage quality risk
- access to all marketing contract alternatives
- multiple location delivery
- allows for intermingling of owner's corn and beans
- tax benefits
- high value retention on re-sale

## AVERAGE PRICE CONTRACTS

Average price contracts are a great pricing strategy that give you a lot of utility by allowing you to capture the carry, determine a price-floor and also leave the upside open to future higher markets.

You determine a set amount of grain to be delivered at a future date at a specific desired price or better. This pre-determined set quantity of bushels will then be divided evenly, and sold at a "specific price" or better on every Wednesday over a predetermined set number of weeks. If the price on Wednesday of any given week is not at the desired price level set by the producer, no grain will be sold. However, the "No Sale" weeks will be kept track of and "banked", and then sold "if and when" the cash price rises to or above the pre-determined price-floor at a future week. There is no guarantee that any or all of the bushels will be sold over the life of the contract.

The producer does have the option to sell a set amount of bushels on the same day every week over a set number of weeks with "No" price-floor established, therefore guaranteeing a weekly sale.

Fees: There are no fees to write this contract through Key Cooperative.

*For more information contact one of our grain marketing professionals:*



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