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Banzhaf Farms keeps it all in the family

❑ Father, wife, son and daughter all pitch in to help run 3,000-acre operation

By Gary Brower, Editor

Somewhere in a barn on LaVern Banzhaf's farm north of Cambridge, Neb., is a dirty, dusty, beat up John Deere 720 tractor.

Now more than 50 years old, the antique tractor is no longer operable and is in need of restoration, but stands as a reminder of why LaVern got into farming in the first place.

"I started driving that tractor when I was 6," LaVern said. "I just love to farm. I think that's a lot of it."



Photo courtesy of Kayla Banzhaf

FAMILY FARM: LaVern Banzhaf, of Cambridge, Neb., farms about 3,000 acres and runs a feeder cattle operation with the help of, from left, his daughter, Kayla, wife, Rhonda and son, Krayton.

Farming has been a part of LaVern's life for as long as he can remember. He has lived in the Cambridge area his entire life, all of which has been spent on one farm or another.

While growing up, LaVern and his brothers Virgil and Kevin helped work the family farm with their father, Ronald. Virgil went on to start a farm of his own, and still farms part of the Banzhaf homestead, which has been in the family for more than a century. Kevin left the farm and now works at Pinpoint Communications in Cambridge. LaVern jokingly calls him the smart one.

LaVern was barely 20 years old when he started his own operation in the early '90s. The farm has grown steadily for the past two decades, and today he

LaVern Banzhaf Farms

Owner: LaVern Banzhaf

Location: Cambridge, Neb.

Type of farm: Grower of corn, soybeans and small grains; Producer of yearling feed cattle

Employees: One full-time

NCP customer since: 2010

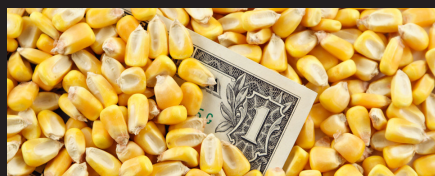
grows corn, soybeans, wheat and alfalfa on about 3,000 acres in southwest Nebraska. He also runs a feeder cattle operation with a herd of about 300 cow-calf pairs.

"My farm has evolved over the last 20 years," LaVern said. "I started farming

See BANZHAF, Page 3

In This Issue

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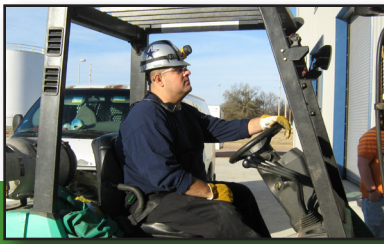


Open orders a valuable tool in corn marketing. **See Page 2**

SHUTDOWN SHORTAGE



Wet cake supply trailing demand. **See Page 4**



Tradition

Establishing tradition is wrapped into everything we at NCP do. From buying corn, to selling wetcake, to providing freight services, the employees of NCP strive to provide superior customer service and quality products that will endure for generations to come.

Open orders a valuable tool in uncertain corn market

By Keith Brooks, Grain Merchandiser

Over the last couple weeks, we have seen some major changes in the price of corn based on the USDA report, with the March 1 quarterly stocks report coming in 400 million bushels higher than expected. Corn prices plummeted nearly a dollar and shocked many people. The prospected plantings came in at 97.3 million acres, up a little bit from 2012.

Many might wonder where they found another 400 million bushels of corn. Well, it's not that an extra 400 million bushels were found as much as it is we didn't use 400 million bushels the USDA thought we would.

Several factors contributed to that. A number of feeders made the switch to wheat because they were able to buy it at a sharp discount to corn, while at the same time several ethanol plants either slowed down or shut down.

But don't lose hope. I don't know if corn prices will rally back to the previous levels, but with the severity of the drought, there is no doubt that we are in a weather market. In a weather market, seldom do we go without seeing some type of a scare.

Also, I anticipate the demand for corn will increase. Wheat is no longer a suitable substitute for corn to feeders, and the margins have improved for the ethanol plants, so I look for them to fire back up trying to capture that. If exports were

Corn update

to pick up, that extra 400 million bushels isn't going to go very far.

After the USDA Supply and Demand Report was released on April 10, corn rose 22 cents to \$6.66 based on stocks being tight, but then tumbled back to \$6.34 based on the world stocks. That would have been a good day to have open orders in to catch that bounce, as it was very short lived. In the coming months, open orders are going to be a valuable tool to use in an effort to capture such moves in the market. Please know where you are willing to sell old crop bushels, and have your orders in place so you don't miss opportunities like this in the future.

Looking at new crop corn, there is no doubt there are going to be a lot of acres going in. However, we saw the same type of big acres planted last year. As we found out in 2012, you can put all the acres in the ground you want, but you still have to raise it. That is where the weather comes into play. If the weather is good and we raise that type of a crop, the country is going to be flooded with corn. It may be very dry in this area, but southwest Nebraska is only a small piece of the pie.

This would be a good opportunity to use open orders as well. Determine the lowest price at which you are willing

to sell corn and the average price you would like to receive when it's all said and done. Then place your orders, scaling them from your bottom number to the top so you can achieve your average.

You may not get that average at the end if the price doesn't get that high, but at least you'll have the orders in to try to take advantage of any volatility in the market. With a little luck, you'll at least be able to get something done on days when the markets are making fast moves. Remember, if the orders aren't already in, we may not be able to get them done quick enough to take advantage of the moves in the market. Please feel free to call if you have any questions we can help you with in working toward your goals.

It looks like NCP will be hosting our annual producer meetings on May 29 and 30. I have not pinned down the exact times of the meetings yet, but we will be sending out postcards to notify you once we do. Once you receive the invitation, please give us a call to let us know which one of the meetings you plan to attend.

See CORN, Page 4



The NCP Agrisource is published quarterly by NCP for customers and employees of NCP.

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All questions or suggestions for future articles should be directed to the marketing department at NCP.



Banzhaf: Family runs large grain and feeder operation

Continued from Page 1

with my dad ... and my portion has just grown. When I started, I ran four-row equipment and now I run 16-row equipment.”

It may be on a larger scale, but like the farm he grew up on, LaVern’s operation is all about the family. There are no outside employees and his 17-year-old son, Krayton is LaVern’s right-hand man. LaVern’s daughter, 19-year-old Kayla, who attends Central Community College in Hastings, helps out with the herd and the book work. His wife, Rhonda, who works full time at Mark’s Pharmacy in Cambridge, chips in when needed, especially during harvest each fall.

“It’s totally a family operation,” LaVern said. “Everything is real close to home. I don’t have to travel too far to the farm, so that helps a lot.

“We are self-employed, so if we want to go somewhere (on vacation) we just work harder before we go and after we get home.”

Krayton, like his father, took to farming early. LaVern remembers his son running a grain cart when he was just 5 years old, and like his father, is looking forward to a lifetime of farming after graduating from college. Krayton’s been training for it for years, and when he does join the farm full time, LaVern expects the operation will begin to expand again.



NCP photo by Keith Brooks

TIME TO RE-TIRE: LaVern Banzhaf (right) and his son, Krayton, prepare to change the rear tires on their John Deere 4455 tractor as they get ready for spring planting. The Banzhafs farm about 3,000 acres near Cambridge, Neb.

“He does just about everything except spray,” LaVern said. “He wants to farm, and I think we are done growing until Krayton is done with college ... then we will be looking to grow a little more.”

The majority of LaVern’s land – about 2,000 acres – is devoted to growing corn. He raises about 700 acres of soybeans, while the rest of his land is used for growing wheat and alfalfa, and for pasture area for the cow-calf operation.

LaVern has been bringing his corn to Nebraska Corn Processing since it reopened the Cambridge ethanol plant in 2010 and buys wet distillers grain from

NCP to help feed his herd. He said the ethanol plant has been a benefit for corn growers in the region.

“It’s another piece of competition for our grain,” LaVern said. “I like going down there. The place is always clean and you get in and out fast. I also like getting feed from there.”

LaVern said he likes using the wet-cake because it’s easy to wean the calves from their mother’s milk using the product.

“I know it works well, but I don’t know why. I’m not a nutritionist,” he said. “They like the taste and it’s convenient.”



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Plant shutdowns put temporary dent in wet cake supply

By Shannon Caudill, WDGS Merchandiser

Many of the ethanol plants in the region - including Nebraska Corn Processing - shut down for a week in April for routine maintenance and repairs, and with so many of the plants offline for a while the wet cake supply tightened considerably.

Wet Cake update

Most of the plants are back up and running, so supply will be catching up with demand throughout the rest of the spring and into the summer.

Timely orders are important, so plan

ahead and get your orders in early. At NCP, we have WDGS available for spot use and forward contracts. Please give us a call to see how we can meet your feed ration needs.

Wet Cake Merchandising

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NCP plant humming again after shutdown week

By Eric Meeuwssen, General Manager

We shut down the plant at NCP for a week in mid-April for our annual plant inspection and maintenance. Though the weather wasn't the best and it got pretty cold out in the plant, we did manage to inspect all of the equipment to ensure it is in good working order.

Plant update

maintenance items we had planned.

While things were shut down, we made a few upgrades to some areas to help the plant run a little more efficiently, and we took the first step in a small project that should help improve

ethanol loadout times.

As always, customer service is our top priority, and any of the changes we make are done with you, our valued customers, in mind. Moving forward, we will continue to look for ways to improve efficiency and speed things up in the wet cake loadout and corn receiving area.

We also performed all of the routine

Corn: Open orders a way to lock down profits

Continued from Page 2

We will be covering a number of topics in the meetings, including the contracts we have available at NCP, services we provide and current market conditions.

All producers are welcome, and we look forward to seeing as many of you as possible. If you have any questions at the meetings, please feel free to ask and we will do our very best to give the most accurate answer we can.

Summer is rapidly approaching, and NCP would like to wish good luck to all of the 4-H and FFA members on their summer projects. I will be attending as many of the fairs as possible, and I look forward to seeing all of you out there.

In closing, as always, we want to thank all of you for your continued support. We have had three great years here at NCP and not a single day of that would have been possible without

your help. We look forward to many successful years to come and continuing to build long-lasting relationships with all of you.

If you have any questions or concerns, feel free to contact me at the office (308) 697-3954 or on my cell at (308) 340-1208.

Corn Merchandising

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