

# Skyland Grain

## *Positive changes* Future Looks Bright for Your Cooperative

As we prepare for the 87th annual meeting of Johnson Cooperative (dba Skyland Co-op), we want to give you a preview of the new meeting format. This year, more than ever, it's important that you attend your annual meeting so you can learn all the good things happening at your coop.



By David Cron  
CEO  
Skyland Grain, LLC



By Steve Arnold  
Chairman  
Skyland Grain, LLC  
and Skyland Co-op

### CAIRO/JOHNSON MERGER COMPLETE

Both merged coops—Cairo Co-op Equity Exchange and Johnson Cooperative Grain—were strong companies on their own. It took some real forward thinking by the boards of both organizations to propose this merger with a few specific goals in mind:

- Protect your equity.
- Build a stronger balance sheet.
- Position your coop for the future.

Now, as one coop, we're accomplishing those goals. It helps that both coops had similar mindsets in the boardrooms. We're all on the same page.

It also helps that the merger vote passed by 91%, and that's almost unheard of in the coop world. We appreciate your support as we continue in the positive direction we're going.

### A NEW FORMAT FOR YOUR ANNUAL MEETING

This year, we'll have a joint annual meeting in both the Eastern District and Western District of our operating area. This will make it easy for everyone to attend. (See details about the meeting on the back cover.)

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**MAKE PLANS TO  
ATTEND YOUR  
ANNUAL MEETING**

**EASTERN DISTRICT**  
Friday, May 19, 6 p.m.  
Cunningham High School

**WESTERN DISTRICT**  
Tuesday, May 23, 6 p.m.  
Johnson Senior Center

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304 East Highland Ave  
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# Future Looks Bright...

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*Meeting overview:* The meeting will open in Cunningham on May 19, including normal business, voting for the board of director candidates and then dinner. We'll then recess and reconvene in Johnson on May 23 with the same schedule of business, voting and dinner. At that meeting, we'll tally the votes and announce winners of the board election.

This is a unique approach to the annual meeting, and we think it will work very well. Please mark your calendar and make plans to attend.

## MAKE YOUR VOICE HEARD BY VOTING

In early April, you received a letter from the nominating committee chaired by Jason Ochs. There are two available positions on the board of directors. Both positions are in the Western District, which includes territory west of U.S. Highway 183. However, these board members will represent ALL members in both districts.

As you'll see in the candidate profiles on pages 3 and 4, the nominees are highly qualified individuals who are passionate about serving their cooperative and representing fellow farmers.



## SHAPE THE FUTURE OF SKYLAND CO-OP

*Please attend your annual meeting and cast your vote. This is one of your most important opportunities as a cooperative member.*

## PROPOSED NAME CHANGE WILL UNIFY ALL MEMBERS

Your board of directors is currently working on two proposed amendments to the articles of incorporation. The first amendment includes officially changing your coop's name from The Johnson Cooperative Grain Company, Inc. to Skyland Co-op, Inc. This is a more universal name for the coops and their members that have merged, rather than a community-specific name. We believe this is an important change to reflect our complete coop community. Plus, this is generally the way we are recognized—and now the name will be official.

The name change will not affect day-to-day operations whatsoever. Skyland Co-op will continue to be the majority owner of Skyland Grain LLC—which functions as the operating realm of the company.

## PLANNING FOR THE FUTURE

We're also looking at a few additional changes to the articles of incorporation. These focus on the number of board members that can be on the board of directors, and the total stock that can be outstanding. While we don't have any specific future plans, it's wise to make these changes now so we can be in the position for opportunities in the ever-changing agriculture economy.

Speaking of the future, the recent beneficial rain has farmers feeling more positive for 2017. As for your coop, with the grain volumes we're carrying, we are well positioned for a strong year. Thanks to last year's expansion projects, we have the storage capacity and grain handling speed necessary to get your trucks in and out quickly during the upcoming wheat harvest—which we hope is a good one.

We appreciate your business, and look forward to serving you at all of our locations. ◦

## Ask Us to Deliver!

- All agronomic inputs including chemical, fertilizer, seed
- No-cost chemical delivery to your farm begins with a quick phone call to your local Skyland Grain facility today!

## OUR MISSION STATEMENT CONNECTING OUR PRODUCERS TO THE WORLD.

### WE BELIEVE:

- All our interactions will be conducted with integrity and responsiveness.
- The safety of our employees and communities is paramount.
- Environmental stewardship is our responsibility.
- Sustainable growth is essential to our future.
- The success of our producers contributes to our success.
- Our financial strength is crucial to our stakeholders.

Shaping the future

## YOUR PRIVILEGE AS A COOPERATIVE MEMBER: Voting for Board of Director Candidates

The ability to have your voice heard is one of the great strengths of the cooperative system. Each year, we come together as fellow farmers to participate in the decisions that will determine how our cooperative can best meet our needs as producers.

Your nominating committee is pleased to have knowledgeable, progressive producers who are willing to give of their time and talents in guiding our coop by serving on the board of directors. At our annual meeting, the most important duty we have is to elect from among our members those who are willing to assume the responsibilities of being a director.

### OPEN POSITIONS ON THE BOARD

The positions currently held by Wade Tucker and Kent Eddy expire this year. Both positions are in the Western District (all territory west of U.S. Highway 183), but all eligible voting members may cast a ballot. Wade Tucker received the nominating committee's approval to stand for re-election to his seat. After almost 28 years of dedicated service as a coop director, Kent Eddy has chosen not to stand for re-election. The nominees for that position are Mike Westeman and Mark Schwerdfeger.

Please take the time to review the slate of nominees shown at right. Nominations from the floor will not be accepted.

We look forward to seeing you at your area annual meeting—either Friday, May 19 in Cunningham or Tuesday, May 23 in Johnson.

### Nominating Committee

Jason Ochs, Chairman  
Aaron Cromer  
Dean Fitzsimmons

Carson Lucas  
Mike Maloney  
Jeremy Betzen

## Board Of

### WADE TUCKER

Running unopposed for re-election.

#### BACKGROUND

**Location:** Lives in Johnson. Grew up in Hutchinson, and graduated from Wichita State in 1990. Moved to Johnson area to farm with his late grandfather, Galen Lane.

**Crops:** Farms approximately 3,600 acres of wheat, corn and milo. Also has a small cow-calf operation and sells DEKALB® seed.

**Family:** Married to Tammy. Their family includes son Jalen, age 16, and daughter Jordyn, age 13.

**Coop board experience:** Served as an associate board member of Johnson Coop, and then was elected to that board in 2005. Currently serves as vice president of the Skyland Co-op board, and is also on the board of Skyland Grain LLC.

**Other volunteer service:** Currently on USD452 school board and Stanton County Development board. Previously served on Johnson City Council.

#### VIEWPOINTS

**Regarding board service:** "The biggest thing I've learned is that you can never sit still. You always have to look to improve, get more efficient and make our business better. You can't sit back and be complacent."

**Regarding the future of Skyland Co-op:** "We're going to have to stay open-minded about opportunities ahead. You need to be prepared...even though you don't know what the opportunities are going to be." ◦



# Director Candidates

## MIKE WESTEMAN

Running for position vacated by retiring board member, Kent Eddy.



### BACKGROUND

**Location:** Lives near Bear Creek Area in southwest Hamilton County, southwest of Syracuse.

**Crops:** Farms 6,900 acres, combination of dryland and irrigated corn, wheat and milo.

**Farm history:** One of the fourth generation of Westemans to farm in the area since his great-grandfather, Gunther, homesteaded here 130 years ago.

**Family:** Married to Stephanie. Their family includes one daughter, Mandy, and her husband, Clint.

**Coop board experience:** Was on the Syracuse Coop Board for 15 years, having taken his dad's place on the board in 2002. Currently is an associate director on the Skyland board. Has taken all the Director Development courses and Advances classes.

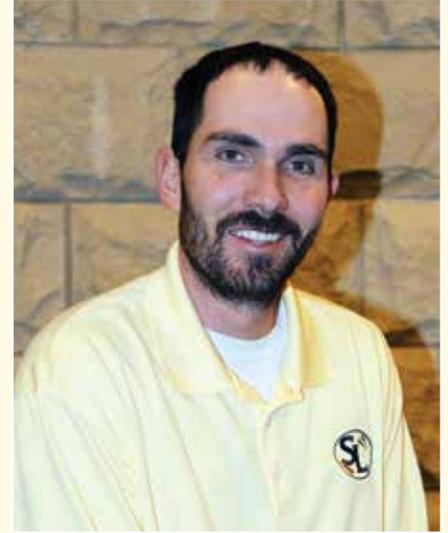
### VIEWPOINTS

**Regarding board service:** "A good director needs to be able to be at all meetings and be proactive at other meetings dealing in the cooperative world. I believe the success in Skyland will be in having a strong balance sheet to let the company expand to meet the needs of our farmers today and in the future."

**Regarding Skyland Co-op:** "These are challenging times for everyone involved in farming. I am glad Skyland is there to help us through with marketing, input financing and the meetings they put on throughout the year. I would be honored to be part of that by serving on your Skyland board." ◦

## MARK SCHWERDFEGER

Running for position vacated by retiring board member, Kent Eddy.



### BACKGROUND

**Location:** Lives in Syracuse. Grew up on a farm south of Coolidge.

**Crops:** Manages the operation of the Schwerdfeger family farm, and also has a small operation of his own. Totals approximately 10,000 acres, predominantly dryland wheat, with small amounts of milo and corn, plus 500 acres of irrigated alfalfa.

**Farm History:** Mark is the fourth generation of Schwerdfegers to work the land farmstead by his great-grandfather.

**Family:** Married to Sarah. Their family includes son J.B., age 18 months, son Wyatt, age 16, and son Skyler, age 20.

**Coop board experience:** Was on the Syracuse Coop board for four years before it merged with Johnson Coop.

### VIEWPOINTS

**Regarding board service:** "I would like to bring my neck of the wood's input to the board to help service this area better. As Skyland continues to grow, input from the territories is of utmost importance. That way, Skyland's senior staff can get a feel for how their performance is out in the field."

**Regarding Skyland Co-op:** "Skyland's board has put together some amazing things, and it's been great to watch it all come together. I don't think Skyland is going to stop growing. The business that they run and operate definitely has room to grow and improve." ◦

# Time Flies During 28 Years on Coop Board

After almost 28 years of dedicated service as a coop director, Kent Eddy is ready to “pass the baton.” Skyland Co-op members will vote on his successor at the upcoming annual meetings.

Kent joined the Syracuse Coop board in the summer of 1990, and the years have flown by since then. “Sometimes in farming, the days are long, but the years pass quickly,” says Kent. “It’s been an honor for me to serve on the board, and I think that I certainly got more out of it than I put into it.”



*Kent Eddy, retiring board member of Skyland Co-op*

Over those years, Kent has seen plenty of changes, including when Syracuse Coop invested in Skyland Grain LLC in 2010. “Syracuse was a small coop, and investing in Skyland Grain LLC allowed us to participate with a market company and have the benefits of working with Johnson Coop and ADM through Skyland,”

explained Kent. “It allowed us to do things that we couldn’t do on our own.”

In 2016, Syracuse Coop merged into Johnson Cooperative Grain (dba Skyland Co-op)—allowing Syracuse to be part of a bigger, stronger, financially sound company. Kent reports that he has seen some efficiencies and cost savings because of this merger.

## MORE MERGERS AHEAD?

“I can’t predict the future, but just looking at the trends, there probably will be further mergers,” says Kent. Though there’s nothing on the horizon as

far as Skyland Co-op is concerned, Kent believes coops always need to be open to opportunities that will help them provide the services members need.

“Always in the coop world, we have to be looking not only to next harvest, but

to the next year and the next generation, so we can serve our members now and well into the future.”

## OPTIMISTIC OUTLOOK FOR SKYLAND CO-OP

It’s easier to move on when you know everything is in good hands. That’s how Kent feels about Skyland Co-op’s future. “Going forward, we have an excellent board,” says Kent. “And it’s the best management team I’ve ever worked with.” He also commends the great employees, as well as another important factor that plays a role in the coop’s success: the members who make the coop work.

“We have a great bunch of members from southeast Colorado, through southwest Kansas and now all the way to central Kansas,” states Kent. “I just want to thank those members for their current business and encourage them to continue to support their coop.” ◦

## KENT EDDY: FARM AND FAMILY

**Home:** Lives in Syracuse and farms north of town

**Crops:** Approximately 5,000 acres of dryland wheat and milo

**Wife:** Melanie, married 39 years this July

### Children:

**Sarah** Manhattan, Kansas. Married, 2 sons.

**Rachel** Monmouth, Illinois, where she works for Monsanto. Married, son and daughter.

**Jared** Syracuse. Works in the Eddy farming operation.

**Thomas** Salt Lake City, Utah, where he is a podiatrist. Married, wife is deployed as a Navy chaplain.

### Farm history:

In 1907, Kent’s grandfather moved from southeast Kansas and homesteaded some of the land Kent now farms.

### Family legacy:

Kent took over the farm from his father and is now working with his son, Jared, who will be the fourth-generation Eddy to farm in southwest Kansas.



*Kent and Melanie Eddy love spending time with their grandchildren. This photo taken last Thanksgiving includes, left to right, Kent holding Coolidge (Rachel’s son) and Joshua (Sarah’s son), and Melanie holding Matthew (Sarah’s son) and Ila (Rachel’s daughter).*



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**304 East Highland Ave**  
**Johnson, KS 67855**

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**SKYLAND GRAIN  
 SUPPORTS AREA  
 STUDENTS**

Scholarship winners from your area will be introduced at annual meetings in Cunningham and Johnson.



[www.skylandgrain.com](http://www.skylandgrain.com)

**ANNUAL MEETINGS SCHEDULED  
 FOR A LOCATION NEAR YOU**

For your convenience, and to encourage attendance, the Johnson Cooperative Grain Company, Inc. (dba Skyland Co-op) annual meeting will take place in two locations. The meeting will start in Cunningham, and reconvene four days later in Johnson. If you have any questions about the meeting, please call David Rodriguez at 620-492-6210, or email [david.rodriguez@skylandgrain.com](mailto:david.rodriguez@skylandgrain.com).

**EASTERN DISTRICT MEETING**

**Friday, May 19, 6 p.m.**  
**Cunningham High School**

**WESTERN DISTRICT MEETING**

**Tuesday, May 23, 6 p.m.**  
**Johnson Senior Center**

**AGENDA**

- Financial Reports**
- Recommended Changes to Articles of Incorporation**
- Management Report**
- Board of Directors Report**
- Election of Directors\***
- Skyland Relationship Perspective**
- Recognition of Scholarship Winners**

Dinner will be served.

*\*New director election results will be announced following vote at the Western District meeting on May 23.*



**REASONS TO ATTEND  
 YOUR ANNUAL MEETING:**

- 1. Vote for board of director candidates—the people who will act on your behalf to shape the future of Skyland Co-op.**
- 2. Stay up-to-date on the performance, direction and financial stability of your coop.**
- 3. Be a part of your Skyland Co-op community—socialize, enjoy dinner and have a nice evening!**