
“20 Years of Driving Change”

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Dakotaland Feeds, LLC - Huron SD

■ Joint Venture

- ❑ Land O Lakes Purina Feeds
- ❑ South Dakota Wheat Growers
- ❑ North Central Farmers Elevator



Independently Operated

**Combining the Strengths of
Our Corporate Owners**

Dakotaland Feeds, LLC - Huron SD

■ Primary Business

□ Full Service Feed Manufacturer

- Dry Feeds
- Liquid Feeds

□ 5 Full Time 4 Part Time Sales Staff



Marketing Partner with Heartland Grain Fuels



- Dakotaland Feeds is the marketing arm for Heartland Grain Fuels Aberdeen and Huron
 - Make local sales to producers and dealers
 - We emphasize marketing complete nutritional programs
 - We emphasize sales of wet products
 - Unique Business Model

**Old Guard Feed Folks Thought We Were
NUTS**

Our Relationship Has Been a Cover Story



Local Sales Challenges

- **Accounts Receivables**
- **Tough to Nail Down Contract Quantities**
- **Scheduling Problems**
- **Labor Intensive**

Why Work on Local Sales?

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- Better Net Backs
 - DDGs Prices Will be Delivered Values Less Frt.
 - Where Ethanol Plants Exist Corn Basis Is Higher

“Back in the Day”

- Feed Companies used to sell protein supplements
- Make 75 ton of WDG and work all week to sell it balance mostly left on steel wheels
- Give a free load if folks would pay for a load
- Feed rations used to be calculated based on minimum protein requirements
- DDGs was priced as a competitor to Proteins

“Back in the Day”

- Some competitors used to resist distillers co-products
- We actually had to convince folks that cattle would eat distillers grains
- Talked about benefits:
 - Palatability
 - Cash flow
 - Less Acidosis

“The Feed Business Today”

■ We look at:

- Distillers as an energy source
 - Fat and Digestible Fiber
 - Low Starch
- Source of Phosphorus
- Bunk conditioner

“The Feed Business Today”

- ❑ What is the maximum distillers we can feed in the diet..
 - Inclusion Maxed when hit Maximum:
 - ❑ Sulfur
 - ❑ Fat
 - ❑ Phosphorus
 - ❑ Iron
 - ❑ Amino Acid Balance

Distillers Price Expectations

- Maximum value will be equal to corn and other energy sources
- Minimum value will be equal too:
 - Export point less freight to the interior
 - What it is worth as a fossil replacement

**“At The End of the Day
Whatever it takes to make it
GONE!”**

You Are In The Feed Business

- Of the things that limit consumption Sulfur is the only thing that we can manage
 - ❑ Cattle generally get by well up to .4% total diet
 - ❑ Without added Sulfur Co-product will be .35%
 - ❑ Sulfur induced polio
 - ❑ Mineral antagonist
- Think about stripping components
 - ❑ Reduced fat means reduced energy
- Need to think about consistency

Distillers Grains are Certainly Here And a Big Deal

- Numbers:
- March 114 Operating 82 Under Construction
- May 119 Operating 86 Under Construction
- Today 124 Operating 83 Under Construction

There are no small plants coming on line!!

We Attempt to “Create Demand”

- **Need to leave no demand unused**
- **Wet Stock Piles**
 - With rough forages
 - Cattle business seasonal
- **Work with small producers 13 ton loads**
- **Make pelleted DDGs products**
 - Cubes with field peas
 - Increase inclusion rates of CDS in liquid feed

Here is a Thought

- **If a producer has too much sulfur in their water**
- **If they can save \$30 per ton feeding DDGs v.s. corn**
- **Changing the water source so that 3 pounds more DDGs per day can be fed, the producer could pay 4.5 cents per head per day for water with the savings.**

Thanks 4 Your Attention



QUESTIONS??
