

New SQP Co-operative Chairman



The SQP Board met in December 2008 and elected Doug Laidlaw as the new Chairman of SQP Co-operative. Doug has served on the SQP Co-operative Board since 2004, he brings a myriad of farming and business experiences to the role. On behalf of the members, we congratulate Doug on his appointment and wish him well throughout his tenure in the role.

Victorian Bushfire Appeal

The SQP Co-operative response to the recent Victorian bushfires was fantastic. Many of you elected to give fodder, time, fuel and transport to help those in need. As a group the co-operative donated twelve loads through the VFF, with another five ready to go when the VFF ceased its fodder drive.

Photo: Smokey Sunrise – Cargnham Rd (17 Feb 09)



SQP purchases a share in GrainSearch

One of the focus points in the last newsletter was SQP's exciting new seed venture, being **SQP Revenue Dual Purpose Red Wheat**. This type, which performed well in trials again, will be bulked up this year and will be available for commercial sale next year. Members, will of course, have an early order option and discount to retail purchase price.

Photo: SQP revenue 2008.



Since that article, SQP has announced its intention to merge with GrainSearch (GS). This merger will give SQP a broader portfolio of varieties to work with and much greater access to markets in which seed can be sold. GS utilises the services of Denis McGrath who has a vast number of experiences within the seed industry. Col Hacking will also continue to be involved in the project.

In addition to the extra seed industry experience, SQP Members can now also access Red Wheat and Barley varieties for this sowing season. This includes Beaufort Red Wheat and 1234 Malt Barley. The fact sheets for both are included with this newsletter. Please call the office to order: 5331 4943

Finally, the commercial bulk up of 'SQP Revenue' Dual Purpose Wheat is taking place this year. We'll have seed available for sale next year; however, demand will be high so orders or expressions of interest can be taken from anytime forward. In addition, we're looking for members wishing to grow some on farm demonstration strips of this variety this year. A letter with contact details for this project is attached to the newsletter.

SQP Pty Ltd Update

Firstly, we appreciate and value your strong support in what was (and continues to be) a very challenging season. The challenge is not over with ongoing dry conditions and softer commodity prices, however unlike many other sectors the future of the grains industry across Western Victoria remains positive.

On that note, we believe you all should be considering your 2009/10 marketing options with the outlook for new season pricing to come under further pressure due to large stocks of grain and waning global demand. Please consider the SQP Early Order Premium (EOP) pools, along with your other forward marketing alternatives.

Thanks to everyone who was able to attend this week's SQP grower meetings. For those of you unable to attend the workshops, some highlights from the 2008/09 season included:

- Strong growth in SQP's Western District market share (from 17% to 24% of total production);
- Successful opening of Wimmera office in Horsham;
- An increase in our customer base from 180 to 300;
- The release of the Early Order Premium pool program;
- Despite the credit squeeze the negotiation of the \$25M NAB finance facility.

SQP Pty Ltd recently held its business planning session. The major priorities for the coming season include:

- A focus on improving customer service levels;
- A culture of product innovation;
- Maximising stakeholder synergies;
- A focus on providing year-round competitive grain outlets for our grower customers;
- Addressing the regional logistical constraints.

Please ensure you keep us in mind as you approach the 2009/10 season, and we encourage you to contact me or Andrew at anytime to discuss your grain marketing or related requirements.

On behalf of the SQP Team, I wish you all the best for the coming season.

Regards,

Ben Fleay

Message from Doug Laidlaw: SQP Co-operative Chairman

I was honoured to be elected as Chairman of the SQP Co-op Board in December. At this point, I would like to acknowledge Rod Laidlaw's efforts and skills as past Chairman. His leadership has enabled a smooth transition from a business focused on grain trading, to one that can now consider other services and income streams that will also be relevant to our members. I hope to be able to continue his good work in conjunction with your board.

We have been fortunate to attract someone of Michael Porter's expertise to the Co-op as Executive Officer. His skill set has already been of great benefit to us as we have worked through various issues since he commenced in early December. Michael, along with Col Hacking, have been driving forces in our initial seed project and then combining this with GrainSearch. We believe the joint entities will give us a solid start in the seed's industry, adding value to our members.

Management now has more focus on member services and communication of Co-operative operations as they occur. You should now be receiving more information through both this newsletter and Michael's emails. Should you require further clarification on any matters arising, or have any input, then please contact either Michael Porter or any of the Co-op Directors. The Board encourages any constructive feedback from members as we continue to build your business.

The strength of the Co-operative model demands that we maintain shareholder relevance, activity and value. I look forward to your continued support as we move forward.

Recent Grower Meetings

Thanks to all those who attended the recent grower meetings. It was good to meet with you all; I enjoyed listening to feedback on our current performance, and future plans. If there are any questions arising from the meetings then please feel free to contact me at any time.

Finally, I wish you all well as we once again approach the sowing season and fingers crossed for some overdue rain in the near future.

Kind Regards,

Michael Porter
Mobile: 0437096015



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