



DECEMBER 2009 NEWSLETTER



SQP Co-operative Update

As I look back on my first year as SQP Co-operative Executive Officer I am pleased to see a number of projects starting to come to fruition. I have really enjoyed my first year and am looking forward to further exciting developments for the growth of your co-operative throughout 2010. It is timely for me to provide an update on a number of co-operative projects:

Share register and share subscription: Recently members were invited to subscribe for a pool of shares that had come about due to members leaving the co-operative, most through sale of their land or moving interstate. This meant we had a little over 60000 shares available to members for re-issue. I am pleased to say that this offer was oversubscribed by greater than 20%. The board has decided not to scale back the subscriptions but instead to issue more shares to those who applied. These shares will be invoiced in December with the annual subscription. Those members that have left the co-operative will be notified of their payout figure in early 2010.

CPAP: the information regarding the Co-operative Professional and Personal Assistance Program was dispatched last week to all members. This service, announced at the AGM, is available to all members and their families. It is a free and confidential service that is of immense value to members if the need arises. I encourage you all to put the magnets in a prevalent position and use this service if required. The service includes:

- Free professional and confidential counseling service:
 - o Phone **1300 366 789** to make an appointment or discuss any issues
 - o Up to eight free face-to-face counseling sessions to resolve any short-term issue, that is eight sessions for each issue
- Free internet library so you can research any issues affecting you:
 - o <http://www.webeap.com/LogOn.aspx>
 - o Username and Password: SQPCO-OP
- Free 24/7 emergency helpline: **1800 451 138**

GrainSearch: Recently members were invited to attend the GrainSearch open day. Many members took up this invitation and all left satisfied that high yielding quality seed will be available next year. Both Beaufort and Revenue wheat looked a treat and there was much excitement about the Westminster Barley (available in 2011). For me, it was pleasing to see farmers, agronomists and end users all in one place. This cemented, for me, the power and value of our investment in GrainSearch. This being said, members will need to support our investment in the coming years through purchase and trial of our new varieties. Both Beaufort and Revenue will be available in 2010 through your agronomist or orders can be placed directly with the co-operative.

Members and guests listening to Col Hacking at the GrainSearch Open day:



Storage: Many members and guests recently attended briefings regarding the planned SQP Storage Site in the Golden Plains Shire. This is an exciting project with potential to link the supply chain and enhance profitability for members. For this project to go ahead two things need to happen, firstly investment from the area needs to be assured and secondly members will need to support a change to our Model Rules allowing the Board to issue a second class of share for this investment. More information will be provided closer to the time, however if you have questions then please feel free to give me a call.

Investor booklets for those that requested them should be dispatched in the very near future.

Insurance

After our fantastic uptake of the after harvest crop insurance with AgriRisk we decided to look further afield to see if there was any other way the co-op could assist its members in the insurance field.

Now, after some extensive investigation, we are pleased to announce an alliance between SQP Co-operative and WFI. This relationship will allow members, if they choose, to join the SQP Co-operative/WFI Alliance. It is a simple process and costs no more to do than what you are currently paying. The only difference is a percentage of your premium paid then flows to the Co-operative and by default back to you. It is literally something for nothing.

If you are already insured with WFI then all you need to do is instruct WFI in writing that you want to change over or if your WFI agent is visiting then request to sign the relevant paperwork requesting the transfer. Also, if you let the staff in the SQP office know then we can ensure this takes place on your behalf.

If you are not insured with WFI and would like a quote then simply ring one of the numbers below, be sure to mention that you're a SQP Co-op member and want to be part of the SQP Co-op/WFI Alliance. If you change across then the co-op will benefit from this decision.

WFI Offices:

- **1300 934 934**, or
- **Golden Plains Shire**
Adam Wray – 0412 117 458
- **Ballarat**
Brett McKinnis – 0409 331 749
- **Ararat**
Graeme Bates – 0428 501 342
Sarah Anderson – 0429 109 116
- **Horsham**
Lucretia Moroney – 0417 578 526



Fertiliser Update

Whilst the exchange rate is favorable, we have been working hard to secure an early order price for fertiliser. Before going into the price and terms it is probably best to provide an update on the overall fertiliser market.

In October 09, Paul Deane (ANZ Economist) released his fertiliser update; he commented that 'normality is returning to the global fertiliser market, as evidenced by the stabilisation in prices of some fertiliser types'. This point of view is supported by Campbell Brumby from ABB Fertiliser who thinks we've seen the bottom last month. In October indicative East Coast of Australia MAP/DAP price was AUD\$540/mt with Urea at AUD\$485. This is given a FOB price of US\$300 and US\$260 respectively. Since then these prices have rallied for both with DAP trading at US\$320 FOB Tampa for new sales (FMB Update 25th Nov 09). In turn, this has led to a small rise in the local market to AUD\$565/mt.

With this in mind SQP Co-operative has negotiated a fertiliser deal, which is substantially below the current market price. The deal is (All prices ex-GST):

MAP/DAP - \$510/mt

Urea - \$440/mt

Other blends and Zinc application prices available on request.

Limited tonnes available

Collection – Anytime from 1st Dec 09 to 29th Jan 10

Payment – On pickup or 30-days post pickup with approved credit.

Offer expires – 18th Dec 09

Please contact the office to order: 5331 4943

Finally, I wish you all a very merry Christmas and a happy new year. I also hope your harvest is progressing well and that recent rain was of more benefit than not.

Kind Regards,

Michael Porter
Mobile: 0437096015

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