

Rising to the challenges of 2020

When we rang in the New Year on January 1, could any of us have imagined that within a few short months we'd be in the midst of a global pandemic with schools, businesses, restaurants and shops closed, and millions of Americans out of work? But when this new reality set in, CHS Big Sky rose to meet the challenge.

Managing through COVID

Since agriculture doesn't stop — especially not in the spring — we quickly took steps to keep our staff and customers safe, while successfully serving your needs.

- In March, not knowing what the spread of the virus would be, we went to a rotating basis with our staff, keeping about half on call. Currently, all our staff are back 100%.
- We stepped up to offer curbside pick-up for products. Customers appreciated this service, which was in place for about a month. Once the incidence rate started going down, we reopened our doors with a new set of policies, appropriate distancing and cleaning schedules.
- When we ran into a labor shortage this spring, the CHS Transportation team stepped in to fill the gaps.

But we haven't let down our guard. We're still following a daily sanitizing schedule for our offices and vehicles. We're following guidance at our locations to ensure that traffic flow allows for social distancing. And there's plenty of hand sanitizer for staff and customers to use. We do ask that if you don't feel well that you stay home — this applies to both staff and customers. We're more than happy to work with you to make sure you get the products and services you need.

Making hard decisions

However, COVID-19 is just one of the challenges we're addressing in 2020. We've taken needed steps to restructure our grain business, which unfortunately has

meant closing some grain elevators. These locations have played a role in the growth and legacy of our cooperative, and the decision to close them wasn't taken lightly. We know this has caused added frustration at a time when the business of farming is already strained. If you've been affected by these closures, we want to assure you that we can still serve you. It may look different, but we'll find the solutions that work for you.

To ensure the long-term survival of your cooperative, in recent years we've invested millions in high-speed, efficient facilities that are designed to meet the needs of how you farm today. By focusing on maximizing these facilities, we've helped keep your cooperative viable and relevant into the future.



We're all in this together

I can't thank our employees enough for the way they've managed through the changes thrown at them since March. I'm proud of our team as they continue to put our customers first and make whatever adjustments are needed to serve your needs.

I also want to thank all of you for your patience, consideration and continued business as we've worked through these challenges. You're essential to keeping our cooperative strong.

There are still four months to go in 2020, but I know that we will weather whatever lies ahead. We truly are all in this together — and that's what cooperatives are all about. ■

— Keith Schumacher, general manager, CHS Big Sky

We're here for you

I know I'm stating the obvious, but it's been a really odd year. Between the markets and the pandemic, it seems like we're breaking new ground every day. As your newly elected board chair, I had just one in-person meeting with the board before all our meetings went to conference calls.

But despite having to rely on technology to connect, the board is trying our best to make the right decisions to evolve the co-op while protecting owner equity. This is no longer the co-op of 30 — or even 10 — years ago.

"As agricultural practices, our customers and even our communities have changed, we've had to evolve" – Courtney Herzog, CHS Big Sky board chair

Some of the decisions we've made recently have been very difficult, as we let go of a piece of our co-op history. These decisions had nothing to do with the effects of the pandemic, but everything to do with finding efficiencies so the co-op will be here to serve your needs.

You have a good, diverse board made up of intelligent businesspeople who grasp the situation and understand any decision we make from a customer's, as well as an owners', perspective. Know that your board and management are striving to do what's best for the co-op.

As the co-op evolves, your products and services may come a different way or from a different direction. To lessen the impact, control what you can — your plans, inputs and even your attitude. Be proactive.

If you're facing an obstacle, talk with your board and management at CHS Big Sky so we can try to find a solution. We're here for you. ■

– Courtney Herzog, CHS Big Sky board chair

Donation keeps sparks flying at school's welding program

Chinook High School's metal fabrication courses have never been so popular. The school has seen a 300% increase in participation over the past five years, as the demand for skilled welders and metal workers has grown in the area. But its 1980s-era welders were no longer serving students' needs.

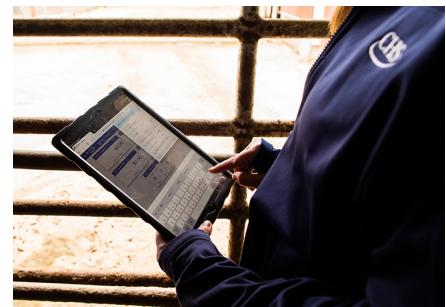
Enter CHS Big Sky and CHS Seeds for Stewardship matching grant program. Robin Allen, the FFA advisor and vo-ag instructor, applied for a CHS grant to buy updated equipment. In the application, she pointed out that in the next few years, the U.S. is going to be short 400,000 welders. Also, the high school courses prepare students for the diesel technology program at Montana State University-Northern in Havre, allowing them to earn four dual credits.

That request resulted in a \$5,000 donation to keep the sparks flying at the high school's welding program. Robin already has selected the new equipment: Miller Multimatic 215 three-in-one processors with TIG attachments. "I'd really like to thank Justin Simenson and Nick Ramberg for working with me to get the grant," says Robin. "This is going to be a real benefit to our students."

"It was great that CHS and CHS Big Sky could help the program," says Nick, Chinook location manager. "We're all about rural America. These kids are our future customers, and we need to help keep them up to date on the latest technology and trends in the industry. This in turn will help provide an easier transition into our local industries' workforce." ■



Riley Elliot, FFA member, makes a vertical gas weld during a welding contest in Powell, Wyoming.



MyCHS app puts information at your fingertips

Whether you're in front of a computer in your farm office, on a tablet in the barn or on your phone in the cab of your tractor, CHS transactions are now just a touch away.

With the MyCHS portal and app, producers use one simple sign-on to see their CHS business activity all in one place, even if they have multiple accounts. Contracts, bookings, prepays, scale tickets, payment history and more for agronomy, energy, grain and seed business can be viewed, sorted and even downloaded, from anywhere, anytime. The biggest advantage — saving time.

Mike Ladenburg, CHS Big Sky board member, downloaded the MyCHS app to his mobile device. His review? "I love it! By the end of the day, any purchases I've made show up, and it's especially great for grain contracts," he says. "It's easy to see what I have outstanding, what needs to price, what I've hauled in."

On his wish list: paying invoices and linking to CHS Capital. "They're always working on it and are very receptive to ideas for improving," he adds.

MyCHS is free and available to all farmers and ranchers doing business with CHS. You can register for it and download the app on the CHS Big Sky website, www.chsbigsky.com. ■



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Meet board member Mike Ladenburg

To help you get better acquainted with your CHS Big Sky board, we're talking with a director each issue of the newsletter. For this issue, we called Mike Ladenburg.

Q: Tell us about your farming operation and family.

A: My great-grandfather started farming north of Havre, making me the fourth generation to work this land. When I was 10, I spent the summer on the farm with my grandfather, Russell Rismon. We started farming together, and by 2006, I was pretty much running the operation. He retired in 2011, and I took over. In 2006, I started moving us into a chem-fallow operation. Since then, I've updated our technology, use of precision agriculture and changed the cropping rotation. We grow wheat, peas and canolina.

My dad, who works for the Montana DOT as a maintenance chief, helps with harvest. My wife, Cassie, and I have two kids: Cooper, who's three, and Jace, who's six.

Q: How did you decide to run for the board?

A: I was approached by Fritz Keller, who asked if I'd be interested. They were looking to bring younger producers onto the board to ensure the co-op stays relevant with fresh ideas and different perspectives. I felt it was my duty to step up, and I was elected in 2016.

Q: What has been your focus on the board?

A: It's an online world, so my push has been to increase technology, especially apps where we can see everything and do all our transactions, anytime, anywhere. I see CHS as a leader in technology and precision ag. We have opportunities we can capitalize on through tech.

But we also have to remember our roots and retain our local co-op feel. While it can be hard to put a value on the co-op, the real value is the business model. We're the owners, it's our company, and when we retire, we'll have built up equity. Yes, we have to make hard decisions, like closing facilities, but they're made to ensure the co-op is here to serve owners into the future and to protect their equity.

For me, the co-op is a real asset. It helps my operation, and I don't know what I'd do without it. ■

Employee Spotlight: Gary Friesen

Working with farmers and cooperatives has been a major focus of Gary Friesen's career. "There's nothing like working with the grower, especially one-on-one," he says. So when the manager position at CHS Big Sky's Denton location opened up, Gary jumped at the opportunity. He's been in this new role since May 2019, managing Denton, but also overseeing the Moccasin, Winifred and Lewistown locations.

"My job is to help everyone get their job done so we can best serve our customers," Gary says. To maximize staff and equipment, he's exploring how resources can be shared and pooled between locations.

He's also looking at new products to meet customer needs and is working to bring new Allegiant® spring and winter wheat seed, a brand of CHS, to CHS Big Sky growers. "It's really cool stuff," he says. "These innovative seed products deliver strong performance and value, and there are varieties designed for any operation."

Underlying Gary's management approach is a strong focus on increasing personal connections between employees and customers.

"Our customers are looking for knowledge and commitment from the co-op," Gary says. "They're spending a lot of money with us and want to know they can trust us, our products and services."

"You gain that trust through commitment, consistency and getting to know each other better. A conversation about one issue can lead to a solution for another. We've got the right people who can build these connections to better serve our customers." ■



Gary Friesen



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CHS Transportation drivers, including Brian Skinner out of Oilmont, Montana, helped CHS Country Operations and CHS Agronomy locations this spring, including CHS Big Sky.

Same job, different roads

The strength and collaboration of CHS was evident as drivers from CHS Transportation filled a critical need in Country Operations and CHS Agronomy during the busy spring season — including at CHS Big Sky.

During the onset of COVID-19, energy demand decreased as many people stayed home. This meant CHS Transportation drivers were making fewer trips. But just as that demand dropped off, spring ramped up, which had farmers and cooperatives looking for crop protection and crop nutrient products. Country Operations and CHS Agronomy deliver those products to farmers and cooperatives, and they're constantly looking for qualified

drivers, especially during spring.

What began as a conversation of "what if" became a fully formed plan with CHS Transportation drivers stepping in at Country Operations locations to fill the unmet need of getting agronomy products to farmers' fields.

CHS Transportation drivers from Oilmont, Montana, lent their expertise to CHS Big Sky and continue helping there, as needed.

"All the drivers were truly lifesavers for us this year," says Keith Schumacher, general manager, CHS Big Sky. "I've had numerous compliments from employees and customers. They were all first-class workers! We

can't thank them enough for the hard work and commitment they gave us."

"If there is any silver lining in this new normal, given the severe fall off in demand for refined fuels and as workloads shrank, we had the capacity to help out in other parts of the company where they were looking for part-time drivers," says Doug Swanger, director of operations for CHS Transportation. "It's worked really well."

Work is picking up across CHS Transportation, so most drivers have returned to their regular jobs, but in a few pockets of the company, drivers will continue to help in Country Operations and CHS Agronomy on an as-needed basis. ■