



Minnesota Soybean Processors

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Minnesota Soybean Processors

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Feb. 5-8 in San Diego

Singer Willie Nelson to Headline National Biodiesel Conference

Musician and biodiesel advocate Willie Nelson has committed to join what promises to be the largest, most comprehensive event in the history of the biodiesel fuel industry. With more people using biodiesel than ever before, the number of plants doubling, and favorable legislation kick-starting the industry, the National Biodiesel Board (NBB) expects the 2006 National Biodiesel Conference & Expo, Feb. 5-8 in San Diego, to be the best conference yet.

This has been a landmark year for biodiesel, with production for 2005 expected to triple 2004 volumes. With sessions covering everything from fuel quality standards, federal and state legislation, and new marketing strategies, to production forecasts of biodiesel, this promises to be a critical year to attend. Major attractions of the conference include Nelson participating in a live broadcast of the Bill Mack truck show on XM Radio during the general session on Wednesday, Feb. 8. Nelson, legendary entertainer and biodiesel advocate, is a partner in the company Willie

Nelson's Biodiesel. Additionally, the conference will serve as a launching pad for *Biodiesel America*, an engaging new book by Josh Tickell about the past and present biodiesel industry and its role in breaking America's addiction to petroleum. With six tracks—technical, markets, regulatory, fuel distribution, OEM and user—and 40 sessions, attendees will have a rich variety of educational programs to choose from.

"The exciting activities at the 2006 conference is testament to the fact that the biodiesel industry is becoming a meaningful part of the U.S. energy economy," said Joe Jobe, chief executive officer of NBB.

Educational tracks and sessions, held at the San Diego Convention Center and Omni San Diego Hotel, include a new track for 2006: original equipment manufacturers (OEM). Focusing on their support and future plans for biodiesel, one session is "Selling Americans on the Diesel Engine." Other session highlights include "Inside the Federal Biodiesel Tax Credit," "Bioheat Opportunities and Challenges," and "Supply, Capacity and Pricing Trends of Biodiesel." The conference will also feature an expanded trade show with the field's latest products and services in approximately 125 exhibits. A tentative schedule with more seminar details is at www.biodieselconference.org.

To Sell Soybeans: 1-888-842-6677
To Buy Meal: 1-888-289-6325

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Piles of Gold Appear at the Brewster Plant

When driving by our Brewster plant you may notice some rather large piles around our facility. To everyone driving by they are piles of soybeans, but to us they are piles of gold which will be made into meal, oil, and biodiesel.

Harvest began rather slowly this year and was hampered by rain. Producers in the outlying areas were the first to get started and we began seeing new crop beans around Sept. 12. Once harvest started it did not take long for our bins to fill and eventually we had to begin piling outside. Beans started flowing out the conveyer on Oct. 1 and we continued piling until the pile touched the top of the conveyer on Oct. 12. The pile did receive some rain the beginning of Oct. and piling halted for approximately three days so the pile could dry before we piled dry beans on top of the wet layer. While dumping to the pile we were able to dump 10-15 loads per hour. The main pile topped out at approximately 1.6 million bushels.

Once the main pile was complete we set up a tractor/ auger and started a second pile south of the plant on an alfalfa field. The second pile gave us another dumping

site for beans as well as additional storage at the site for the beans to continue to flow in. The second pile received its first beans on Oct. 15. Beans that came in at 12% or less on moisture were sent to the second pile to save space for wetter beans in house. We were able to dump only five loads per hour on the smaller pile because the trucks and trailers had to get oriented as well as a slower unloading rate into the auger. Beans were dumped on the second pile until Oct. 21, and finished with approximately 184,000 bushels on it.

We began hauling the pile inside on Oct. 25 and are continuing to do so at this time. We plan on picking up the second pile in the next few weeks and moving that inside as well. The piles that have been here for the last month will soon be inside and that gold will become meal, oil, or biodiesel.

This fall we had better than expected yields and along with that came more bushels to handle as well as more stress. We realize that harvest is a stressful time of year and we want to thank everyone for their patience and courtesy with us during this busy season.

American Trucking Association Endorses B5 Fuel at Conference

The American Trucking Association's (ATA) board of directors has unanimously endorsed an energy resolution that includes promoting low blends of biodiesel as part of the organization's efforts to help shape a strong national energy plan.

The resolution, sanctioned by the board members at ATA's annual Management Conference and Exhibition in Boston, looks to increase the diesel fuel supply; improve the balance between environmental concerns and fuel efficiency; eliminate boutique diesel fuels, and "promote biodiesel use" of up to 5% (B5). The resolution says "biodiesel may be an effective means to extend the supply of diesel fuel."

"ATA is proud to endorse the use of biodiesel in blends of up to 5%," said Rich Moskowitz, ATA regulatory affairs counsel. "It fits in with our mission of ensuring an adequate diesel fuel supply—something important to the trucking industry. Promoting B5 is a step in the right direction."

Biodiesel is a cleaner burning fuel that can be made from any fat or vegetable oil, such as soybean oil, and

works in any diesel engine. Biodiesel can be blended with petroleum diesel at any level. The ATA resolution calls for only biodiesel that meets the national standard (ASTM D-6751) to be used.

The renewable fuel's momentum within the trucking industry is gaining strength as a growing number of truckers fill their rigs with biodiesel blends. With support from legendary musician and biodiesel advocate Willie Nelson, the trucking industry is turning to biodiesel as an American-made fuel with the added benefits of helping to support American farmers and protecting the environment.

"A federal biodiesel tax incentive is helping to make biodiesel more cost competitive, and each day we hear about new truckers who are interested in biodiesel's benefits," said Joe Jobe, chief executive officer of the National Biodiesel Board (NBB). "We always knew biodiesel would appeal to truckers, but in such a cost sensitive market we have been very pleased by the recent show of support, even when blends cost more. We look forward to working with ATA and independent truckers on being part of the solution to their fuel supply concerns."



Minnesota Soybean Processors' test plot north of Brewster was harvested recently with results detailed in the adjacent table and article.



Darol Schmitz of Brewster was MnSP's co-operator, and Tom Busch, Brewster Pioneer representative, furnished the weigh wagon. According to Travis Antonsen, MnSP commercial merchandiser, oil content "came in higher than we expected."

In MnSP Test Plot:

17 Varieties Qualify for Protein/Oil Premium

This year MnSP planted its first annual soybean test plot, showcasing yield, oil, and protein of varieties planted in the area. Eleven seed companies participated, with a total of 21 varieties with maturities ranging from 1.7 to 2.4.

The plot was planted on May 27 and harvested on Oct. 18. This was a Round-Up Ready™ plot and was treated for aphids.

The plot yield leader tipped the scales at 66.14 bushels/acre, and had a total oil and protein premium of \$0.12/bushel. The test plot had a yield range from 66.14 to 50.81, with the plot average at 59.41 bushels/acre. In our view this data collected is very representative of the yield reports found throughout the area.

Protein content has stayed fairly consistent with the previous crop year. New crop beans are averaging 35.4% protein versus 35.3% last year. Oil content has been the big surprise in the new crop beans received so far this year. The Brewster facility has averaged 19.2% oil content

on all the new crop beans received since Sept. 12, 2005, compared to 18.4% oil content last year. With higher oil content in the soybeans, we are able to extract more oil from each bushel processed, which goes directly to our bottom line. The quality of this year's crop has been outstanding and our premiums show it! The plot averaged \$0.05/bushel premium for protein and \$0.03/bushel premium for oil.

The plot data table is listed in order of the plot layout, from west to east. As you analyze the results, remember that the minimum of 18.5% oil AND 34.4% protein had to be met to qualify for any premium. This year only four varieties failed to meet the minimums.

The data is listed for you to analyze; MnSP makes no recommendations or suggestions on variety selection. Remember to select for yield first, and then choose similar yielding beans for oil and protein potential. Please call the Brewster facility at 888-842-6677 for more information.

VARIETY	YIELD /ACRE	MOISTURE	OIL	PROTEIN	OIL PREMIUM	PROTEIN PREMIUM	TOTAL PREMIUM /BU	TOTAL PREMIUM /ACRE
Dynagrow(check)	33X19	61.9	10.3	20.1	34.4	\$0.10	\$0.10	\$6.19
Pioneer	91M91	58.47	10.3	19.8	34.2	\$0.00	\$0.00	\$0.00
Wensman	W2175RR/N	56.08	10.5	19.4	35.4	\$0.00	\$0.05	\$2.80
Dynagrow	35N16	55.3	10.4	19.4	34.6	\$0.00	\$0.00	\$0.00
Garst	2012 RR/N	60.11	10.4	19.5	36.6	\$0.05	\$0.08	\$7.81
Stine	1832-4	60.87	10.4	20.1	34.1	\$0.00	\$0.00	\$0.00
Dekalb	DK2252	57.52	10.5	19.4	35.2	\$0.00	\$0.05	\$2.88
NK	S17-A1	57.58	10.4	18.9	36.1	\$0.00	\$0.07	\$4.03
Croplan	RC1799	55.12	10.6	19	36	\$0.00	\$0.07	\$3.86
Asgrow	AG2107	59.84	10.3	19.5	35.9	\$0.05	\$0.06	\$6.58
Gold Country	1718NRR	61.01	10.4	18.8	36.1	\$0.00	\$0.07	\$4.27
Mycogen	5B193RR	50.81	10.6	19.4	35.2	\$0.00	\$0.05	\$2.54
Pioneer	92M30	62.79	10.5	18.7	36.8	\$0.00	\$0.08	\$5.02
Wensman	W2195RR/N	62.24	10.5	19.8	35.2	\$0.08	\$0.05	\$8.09
Dynagrow(check)	33X19	64.15	10.5	19.8	35.4	\$0.08	\$0.05	\$8.34
Garst	2251 RR/N	62.45	10.6	19	36.8	\$0.00	\$0.08	\$5.00
Stine	2032-4	66.14	10.5	19.6	35.5	\$0.06	\$0.06	\$7.94
NK	S24-K4	57.1	10.2	18.4	36	\$0.00	\$0.00	\$0.00
Croplan	RC2020	63.67	10.6	19.7	35.4	\$0.07	\$0.05	\$7.64
Asgrow	AG2203	60.94	10.5	18.6	36.5	\$0.00	\$0.08	\$4.88
Gold Country	2420NRR	62.24	10.6	19.7	35.4	\$0.07	\$0.05	\$7.47
Mycogen	5N203RR	56.01	11	19.9	35	\$0.09	\$0.05	\$7.84
Dynagrow(check)	33X19	54.16	10.6	19.6	35.5	\$0.06	\$0.06	\$6.50
	AVERAGES	59.41		19.40	35.53	\$0.03	\$0.05	

MEMBERS ONLY MINNESOTA SOYBEAN PROCESSORS CLASS A PREFERRED SHARE SALES AND TRANSFER SYSTEM NOTICE OF CLASS A PREFERRED SHARES FOR SALE

Class A Preferred Shares of Minnesota Soybean Processors (MnSP) may only be bought and sold under the rules established under the Common Stock and Class A Preferred Shares Transfer System (System Rules) approved by MnSP's Board of Directors. A copy of the System Rules may be obtained from MnSP.

The most recent stock sale on Oct. 17, 2005 sold at \$2.25 per share. Bids received by members on their equity units are listed below. According to MnSP's Class A Preferred Share Sales and Transfer System, all member-shareholders ("Members") have a right to better the bids. You need not offer to purchase all preferred shares identified with a single contract, but you must offer to purchase in increments of 250 preferred shares. Any member who wishes to bid on the preferred shares advertised for sale this month should complete the "Offer to Purchase" form below. All bids must be received at the Volga office no later than Friday, Dec. 16, 2005.

Offer to Purchase should be mailed to the attention of:

Offer to Purchase
Minnesota Soybean Processors
P.O. Box 500
Volga, SD 57071-0500
507-842-6682

CLASS A PREFERRED SHARES OFFERED FOR SALE THIS MONTH

Contract#	Member Bid	Non-Member Bid	Contract#	Member Bid	Non-Member Bid
020		3,000 @ \$2.58	028		2,500 @ \$2.25
021		3,750 @ 2.58	029		5,000 @ 2.25
022		10,000 @ 2.58	030		2,500 @ 2.25
023		3,250 @ 2.58	031		2,500 @ 2.25
024		4,000 @ 2.58	032		2,500 @ 2.25
025	5,000 @ \$2.60		033		2,500 @ 2.25
026		2,500 @ 2.25	034		2,500 @ 2.25
027		10,000 @ 2.25	035		7,500 @ 2.25

OFFER TO PURCHASE

- I, _____, offer to purchase _____ Class A Preferred Shares of Minnesota Soybean Processors (MnSP) at \$ _____ per Preferred Share for a total price of \$ _____.
- This bid is for contract number(s) _____. (If you wish to bid on any of the above contracts please indicate by writing "any".)
- I am enclosing ten percent (10%) of the purchase price to be deposited in an escrow account, pending acceptance of my bid. If my bid is the high bid and MnSP's Board of Directors accepts any bid, I agree within ten (10) days following the mailing of such notice by MnSP to pay the remaining balance of the purchase price owed and sign a uniform marketing agreement for my soybean bushel commitment.
- I understand that this Offer to Purchase is subject to approval by MnSP's Board of Directors, and I agree to be bound and governed by the System Rules, Articles of Incorporation, By-Laws, contract and policies of MnSP all as adopted and amended from time to time by MnSP's Board of Directors.
- With the completion of this transaction, the seller is relieved of his delivery obligation under MnSP's Marketing Agreement for the Class A Preferred Shares sold. The buyer immediately assumes the delivery obligation for the Class A Preferred Shares, including the current marketing year ending Aug. 31, 2006.

Signed _____
Printed Name _____
Address _____
Phone _____
Social Security No. or Employee I.D. No. _____