

## THE CHECK IS IN THE MAIL

I'm happy to report that on Feb. 20 PLCC mailed its second-annual rebate check to its credit customers who paid interest during the 2023 calendar year.

I'm thankful PLCC's senior management and board of directors continue to see the value in giving back to our credit customers. Please know that we will continue to value the business you do with us.

The board has set guidelines and goals for us again in 2024 and, as long as we continue to meet these goals, I am hopeful that next year at this time another check will be in the mail.

As of early March, we are still experiencing strong loan



**By Bart Thoreson**  
Senior Vice President, credit division  
Producers Livestock Marketing Association

demand and have had several requests for increases in total loan commitments.

I'd like to give you a little insight on how we consider those requests.

When you send us your updated annual financial statement, we first determine whether you increased your overall equity position. Hopefully you did but if you didn't,

we want to be able to pinpoint what transpired throughout the annual operating cycle to explain why the equity position slipped.

Typically, when we look at a borrower's working capital position (current assets/current liabilities) we better understand if the problem is in the operating part of the business.

From our perspective, as

lenders, working capital is a strong indicator of whether the operation can handle increased debt/leverage.

In cases where working capital has decreased and total equity has decreased, we really dive into the analysis of whether we feel comfortable with an increase in our total commitment.

Thankfully, most of our borrowers have strong balance sheets where overall equity positions look strong, asset values are stable and our customers have good overall trends.

I would say, in general, working capital has slipped in a majority of the balance sheets we are seeing, but most can be attributed to a decrease

in grain values and generally higher interest rates for the higher-leveraged credits we review.

PLCC also had its balance sheet and loan request with CoBank reviewed at the end of February. I am confident that CoBank's findings are accurate and the loans they reviewed were acceptable. This will allow us to increase our loan commitment with them if needed, resulting in PLCC being able to do the same for you as your input lender for your livestock operation.

We like to refer to January and February as "audit season" and—now that we are

■ SEE REBATE ON PAGE 4

## UPCOMING BOARD OPENINGS

Would you or someone you know be interested in becoming part of the board of directors for Producers Livestock?

We are currently accepting calls from anyone interested in this opportunity. Elections for directors of the Producers Livestock Board are held annually in February.

- Directors are elected for a three-year term.
- To run for director, a person must be an active member/customer of Producers Livestock Marketing Association.
- Regions up for election/re-election in 2025 are South Dakota and southern Iowa.

If you, or someone you know, are interested in running or need more information about sitting on the board, please contact either Tim Meyer or Deb Engler at 402-597-9189.

## PLMA WEBSITE:



[www.producers-livestock.com](http://www.producers-livestock.com)

## MARCH MADNESS - PLMA STYLE

Greetings from Omaha, where the first and second rounds of the Men's NCAA Basketball tournament will be played later this month.

The atmosphere surrounding this tournament is hard to compare to any other event I have ever attended. The tournament games create excitement, anticipation and surprising outcomes that almost always include a few upsets that no one could have predicted.

At Producers Livestock we have our own version of March Madness that begins shortly after the first of the year. We call it "audit season." These audits create excitement, anticipation, and hopefully no surprising outcomes!

Our entire staff is focused on providing our customers with not only the best products and services in the livestock marketing industry, but also on building the financial strength of our organization.

Our auditors verify income and expenses, asset valuations and other financial data to provide accurate and reconciled financial statements to our board of directors for their approval.

The credit division is also subject to an audit of its asset quality (loan portfolio) with our partners at CoBank in Omaha and Denver.

These audits are necessary to provide transparency and clarity to our board as they provide confirmation from



**By Tim Meyer**  
President, CEO  
Producers Livestock Marketing Association

third parties that our financial reports are true and accurate and that our loan portfolio is safe and sound.

I am happy to report that we had another successful year in 2023 with solid earnings and continued equity growth.

### Board Updates

Our seven-member board will meet on March 20 for our annual meeting and quarterly board meeting.

We are blessed to have an outstanding group on our board who take time away from their own operations to provide valuable leadership to our organization.

I want to thank each of our board members for their commitment of time and talent to Producers Livestock.

I would also like to congratulate two outgoing board members who are completing their terms in March of 2024.

Dave Lamb, who has served as our Western Nebraska, Wyoming and Colorado representative, is completing his twelfth year on the board. Dave has served as our board chairman the past four years providing valuable guidance and

Producers Association) board for the past four years.

Dave and his wife Donalee will be greatly missed at our Producers Livestock and NLPA gatherings going forward.

Thank you for your service, Dave!

Gregg Bartak, who has served as our eastern Nebraska representative, is completing

■ SEE MADNESS ON PAGE 2

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## EARN 6.0%

WITH A PAYMENT PLUS ACCOUNT

Invest in PLCC's payment plus account and give your money a raise!

### CRITERIA:

- Must be an active customer of Producers Livestock
- Variable rate based on National Prime (-2.5%)
- Interest paid quarterly

## PRODUCERS LIVESTOCK CREDIT CORPORATION

Contact Brittnee Hytrek, Tina Fettes or Gaye Nusz at (800) 950-7522 to get started today!

Or visit the website to download an enrollment form: <https://bit.ly/4ORRy8r>

## Producers Services Directory

### General Office

Delivery address: 4809 S 114th St, Omaha, NE 68137-2308  
Mailing address: PO Box 45978, Omaha, NE 68145-0978  
Office: (402) 597-9189 Fax (402) 597-9505

Email: plma1@plmcoop.com www.producers-livestock.com

Contact	Extension
Tim Meyer, President	1115
Mike Sifa, Senior VP	1106
Dave Nickelson, Treasurer	1104
Deb Engler, Secretary	1100

#### Support staff:

Aric Ellinghuysen, IT Director	1111
Brittnee Hytrek, Financial Operations Specialist	1114
Mick Jackson, Marketing Settlements	1105
Becky Jensen, Marketing Settlements	1109

### PLCC Financial Services

Financing for Livestock - Operating  
Office: (402) 597-9189 Fax: (402) 597-9505

Contact	Mobile	Extension
Bart Thoreson, Senior VP	(712) 790-9995	1112
Darrell Ziola	(402) 657-0598	1117
Ryan Power	(402) 507-7790	1110
Keith Meiergerd	(402) 432-8292	1108
Tyler Calfee	(402) 676-2302	1107
Brady Read	(515) 574-9367	1113
Tina Fettes		1101
Emily Manthei		1116
Gaye Nusz		1118
Mike Sievers, Field Insp.	(712) 260-4239	2200

### Commodity Services

Brokerage Services and Consulting on  
Hedging - Options - Hedge Contract Programs - LRP  
Producers Commodities LLC  
Office: (712) 274-0539

Contact	Mobile	Extension
Shawn Smith, President	(712) 870-4202	1127
Verna Bennett		1129
Kyle Krager	(712) 251-9477	1125
Zachary Tindall	(712) 541-9992	1126
John Tweed	(701) 789-1940	1128

### Producers Livestock Services

#### Producers Beef Programs

Country Direct Feeder Cattle Sales  
Feeder Cattle Buying - Fed Cattle Sales  
Office: (402) 597-9189

Nebraska	City	Mobile
Emmet Caldwell	Lincoln	(402) 224-0205
Ed Heusinkvelt	Lexington	(308) 325-0227
Steve Maloley	Kearney	(308) 325-0165
Vance Whitehill	Stapleton	(308) 636-8114
Matt Wilken	Bertrand	(308) 991-5944

South Dakota	City	Mobile
Claude Forbes	Woonsocket	(605) 350-0366
Jake Hopwood	Neligh, NE	(308) 627-4828
Mark Johnson	Centerville	(605) 212-2387
Ron Kassellder	Sioux Falls	(605) 310-5733

Minnesota	City	Mobile
Mike V Million	Marshall	(507) 829-1394

Iowa	City	Mobile
John Crawley	Burwell, NE	(308) 215-8131
David Herbold	Lawton	(712) 899-9560
Scott Hodne	Manning	(712) 299-7696
Joe Hoffmann	Dunlap	(712) 647-8361
Bob Pallardy	Williamsburg	(319) 330-1315
Jake Rouse	Curlew	(712) 488-0881

Missouri	City	Mobile
Dave Bryan	Windsor	(660) 815-0815
Mike Million	Oregon	(308) 325-5274
Roger Parker	Mexico	(573) 473-9598

Wyoming	City	Mobile
Slim Cook	Cody	(307) 272-2024

California	City	Mobile
Luke Stevens	Marshall	(707) 953-4879

#### Producers Pork Programs

Premium - Based Marketing - Supply Agreements  
Office: (712) 274-0536

Contact	Mobile
Noland Johnson, Senior VP	(641) 990-0467
Connie Sponder, settlements	office: (712) 274-0536
Tim DeLance	(712) 660-1199
Jason Goodwin	(712) 389-0228
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### PRODUCERS

(USPS445-860; ISSN0887-2767)

PRODUCERS LIVESTOCK NEWS is published bi-monthly by

Producers Livestock Marketing Association.  
Dave Lamb, CHAIRMAN. Jay Bakken, VICE CHAIRMAN. Tim Meyer,  
PRESIDENT. Dave Nickelson, TREASURER. Deb Engler, SECRETARY.  
Periodical's postage paid at Omaha, NE and additional entry office.

POSTMASTER - Send address changes to:  
PRODUCERS LIVESTOCK MARKETING NEWS  
4809 S. 114th St., Omaha, NE 68137-2308

## PLMA FOCUSED ON FINANCIAL SECURITY

**M**aking sure our customers are paid in a timely and efficient manner is a top priority at Producers.

With fraud on the rise, and lagging mailing services, it is no surprise that more customers are requesting funds through the convenience of electronic transfers such as wire and ACHs. These payment methods can offer peace of mind that your money will arrive quickly and keep your business operating without interruption.

Here at Producers, we take your financial security seriously. With a focus to protect our customers from fraud, we are constantly striving to improve our wiring and ACH processes to ensure your money is going to the correct financial institution and account.

You, as a customer of Producers, play a key role in assisting us in keeping your banking information updated. If at any time you switch banking institutions or would like funds deposited to a different account number, it is crucial that you relay the new information to us as soon as possible.

As part of our ACH process, we require a form to be filled out and signed by the customer and mailed in with a voided check. The ACH funds are available in your account two business days after the date of

# PRODUCERS

settlement.

Wires transfer funds are available same-day and require wiring instructions from the financial institution you are wanting the funds sent to. We confirm these instructions before initiating the wire, especially if there has been a change from any past wiring instructions.

Due to internal dual control of all these transactions, there are several staff members involved in making sure your money gets to where it needs to be.

To best serve our customers, and have these processes completed on our end, we are requiring all wire and ACH requests to be submitted to us no later than 2 p.m., central time each business day.

If you have any questions regarding our processing of these transactions or would like to set up ACH or request a wire transfer, please do not hesitate to reach out to us to get the process started.

## INTRODUCING: NEXT GEN NETWORK

**P**roducers Livestock is excited to announce the launch of a new program designed for our next generation of livestock producers.

The first annual Next Gen Network is a community of 23 young livestock producers and their spouses who were nominated by Producers Livestock staff. They were selected to be a part of this program based on their passion, expertise and drive to move our industry forward.

This group of forward-thinking individuals kicked off 2024 with a virtual meet and greet event ahead of our first in person event in February.

This program will provide these producers with networking opportunities to connect with like-minded individuals, exclusive access to Producers Livestock's industry experts,



insights into the latest trends, best practices and solutions in livestock production, professional development through access to exclusive events and resources, as well as a place to forge meaningful relationships while providing the support needed for their operations to thrive.

As part of this network, mem-

bers will receive regular communication from our team throughout the year, with access to in-person events including tours, speakers, panels and round table discussions.

We are looking forward to working with the Next Gen Network to shape the future of livestock production.

# LRP

## LIVESTOCK RISK PROTECTION

Offered through our Commodity Office

### Benefits of using LRP:

- Fed Cattle, Feeder Cattle, Hogs
- Head and weight specific
- Variety of coverage lengths
- Premium is due at the end of the policy
- Downside price protection with top side open
- Settled against the cash markets

## PRODUCERS LIVESTOCK MARKETING ASSOCIATION

Give us a call today to learn more  
or receive a quote to protect  
your livestock.

Commodity Division: (712) 274-0539  
Zach Tindall Cell: (712) 541-9992  
Email: ztindall@plmcoop.com

## MADNESS

■ FROM PAGE 1

his sixth year on our board and will also be stepping down.

Gregg and his wife Kathy have been rock solid in their support of Producers Livestock over the past six years and Gregg's leadership and input will be greatly missed. Thank you for your service, Gregg!

I am happy to report that we have four outstanding candidates for the two open board positions in Nebraska and I look forward to introducing the newly elected board members to all of you in our May newsletter.

Thank you for your continued support of Producers Livestock, and as we approach spring calving, planting and another growing season I want to encourage all of you to stay safe out there and please let us know if there is anything we can do to assist you with your livestock operation!



# WHAT DOES HERD SIZE TELL US ABOUT BEEF PRICES?

As we work through 2024 with decreased cattle numbers and beef production, how will consumer demand and international exports react?

We began 2024 with 37.6 million head of cows and heifers that have calved, 2% less than Jan. 1, 2023. The reduction in cattle numbers has the USDA estimating a 3% drop in commercial beef production; estimated at 26.19 billion pounds for 2024.

Outside of a couple rough weeks in January, cattle feeding conditions have been pretty good.

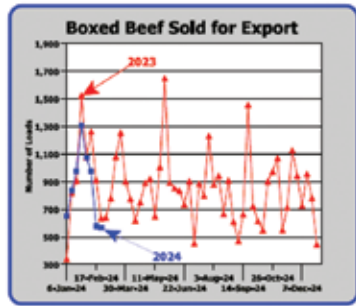
These conditions, with cheaper cost of gains, will lead to heavier carcass weights and increased beef production.

For the week ending on Feb. 23, the average comprehensive carcass was 876 pounds, up 8 pounds over last year. As cost of gains continue to get lower, carcass weights will get heavier, until packers threaten discounts.

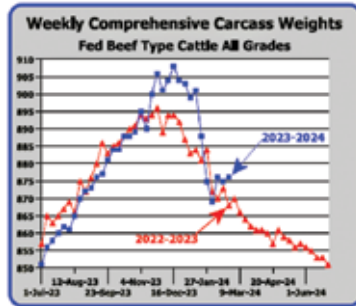
Weekly beef production will continue to be effected by the packers slowing chain speed, and reducing weekly slaughter hours to manage fed cattle inventory.



**By Mike Sila**  
Senior Vice President, beef division  
Producers Livestock Marketing Association



Data Source: USDA



Data Source: USDA

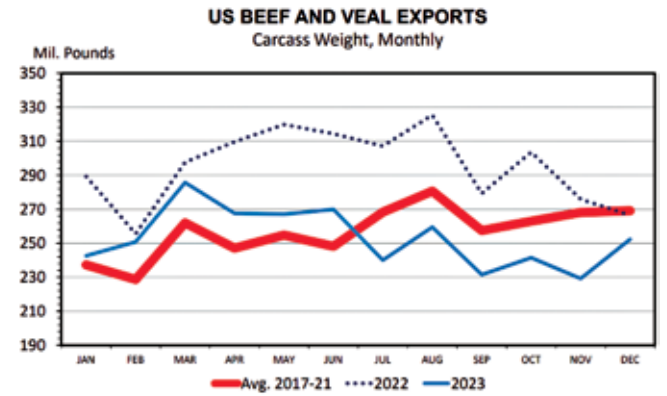
The estimated weekly slaughter for the last week in February was 590,000-595,000 head.

There is talk that the weekly slaughters may even be lower in March. This decreased production will increase boxed beef prices.

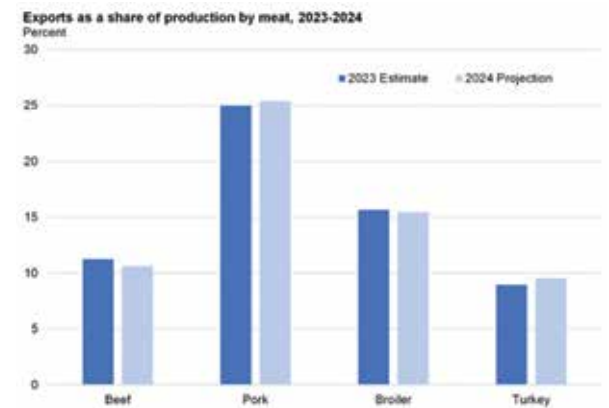
We all know that consumers love beef! But, at what price level will we see demand back off? The USDA predicts per capita disappearance at 56.1 pounds for 2024.

This would be a 2.7% decrease from 2023 which was down 2% from 2022. With stresses the consumer is feeling from interest rates, inflation, and debt; their demand may shift towards cheaper proteins.

Global exports will be pressured from the decrease in production and the strong domestic demand in the U.S. Increased beef production in Australia and Brazil will allow them to increase their export opportunities. It's estimat-



Data Source: USDA-ERS & USDA-FAS  
Livestock Marketing Information Center



Source: USDA, Economic Research Service calculations using data from the U.S. Department of Commerce, Bureau of the Census, USDA, National Agricultural Statistics Service, and USDA, World Agricultural Supply and Demand Estimates.

ed that exports will decrease by 7.62% in 2024 after a 14% decline in 2023.

As risk management opportunities arise, please reach out

to the Producers Livestock Beef Agents or Commodity Brokers to assist you.

Thank you for the opportunity to be a part of your team.

## SPOTLIGHT ON: JAKE ROUSE & JOHN CRAWLEY

**By Aly Goos**  
Analyst, corporate division  
Producers Livestock  
Marketing Association

Jake Rouse and John Crawley are two new faces that have joined our beef marketing division in 2024.

Jake Rouse joined the Producers Livestock team at the end of February.

He comes to us from Emmetsburg, Iowa, where he currently farms and operates a feedyard with his dad.

Jake is an Iowa State University graduate and has worked for Elanco Animal Health and most recently has kept busy selling feed across Iowa and surrounding states when he's not working on the farm.

Jake loves the cattle industry and as a farmer feeder himself, he recognizes the challenges that producers are facing today.

It is Jake's passion to help family cattle operations across the corn belt to be able to pass their legacy and way of life on to the next generation.

In his opinion, there are no better people to work with than those in the beef industry, and he truly values the relationships he's able to build with his customers.



(left) John Crawley and family, and (right) Jake Rouse and family.



Jake and his wife, Chelsea have four children: Wyatt, 11; Evelyn, 9; Margo, 6; and Adair, 5. Jake will cover Northern Iowa for Producers.

John Crawley started with Producers in January and will be covering southern Iowa,

northern Missouri, and part of northeast Kansas.

John has been in the cattle buying business for the past 30 years in Iowa, Kansas, and Nebraska.

Most recently he was a buyer for WR Reserve, a small plant in Hastings, Nebraska.

**Staff Spotlight**

Like Jake, John is also passionate about helping cattle feeders stay in business and succeed. Determining how Producers Livestock can help benefit producers' operations is one of his favorite parts of the job.

It is important to John to talk with new customers and learn about their unique operations

and gain an understanding of how they operate.

John and his wife, Becky have three adult children: two sons in Lincoln, and a daughter in Burwell, Nebraska.

We are excited to have Jake and John on the Producers Livestock team and look forward to you getting the chance to meet them!



# FINDING CONSISTENCY IN A CHANGING INDUSTRY

For those of you who don't know me yet, my name is Noland Johnson, and I am the new Senior Vice President of our pork marketing division.



**By Noland Johnson**  
Senior Vice President, pork division  
Producers Livestock Marketing Association

I am stepping into this position after Richard Ellinghuysen retired earlier this year. I want to thank Richard for the hard work he has put into developing this hog division and the great care he has shown for our pork producers.

I am dedicated to maintaining the excellent service that our customers have come to know and expect from Producers Livestock. I want to reassure our producers that our team is always here and continues to be willing to help in any way possible.

That being said, we know the industry is constantly changing, but you can count on Producers Livestock to support our customers through the ups and downs.

The last 18 months have thrown hurdles at the hog industry, but my team has the experience and work ethic to help you overcome those challenges.

As a southern Iowa farm kid,

I grew up around hogs and built my career around hogs. My dad used to say, "A hog might drag you into a mud hole, but if you hang on to its tail, it will always drag you out."

Lately, it has felt like we have been circling that mud hole, but Producers Livestock is here to help pull you out.

We are looking at a promising summer and fall, so let's work together to make sure we aren't overlooking any profitable opportunities for your operation.

One of the opportunities to enhance your profitability is through risk protection. Our team offers risk protection to fit any size operation.

The Livestock Risk Protection (LRP) insurance program has been a great option to offer producers. This is a

custom plan made by experienced brokers that helps protect your bottom line. Plus, to keep you competitive in the pork industry, our team can combine other services like our hedge contract to ensure profitability.

As final numbers for 2023 roll in, from December into 2024, we have seen better exports, and we expect that trend to continue. We are reading reports and hearing from packers that consumption is also on the rise.

Product prices are significantly higher than last year, and we hope to see these trends maintained throughout the year.

We are seeing data about a decrease in sow herd size which is helping drive price, and mortality rates are lower than in previous years, as well.

## FAMILIAR NAME WITH A NEW TITLE

**By Aly Goos**  
Analyst, corporate division  
Producers Livestock  
Marketing Association

As of February, Noland Johnson, long time pork agent, took over as Senior Vice President of our hog division at Producers Livestock. Many of you may recognize Noland, as he has been with Producers for 14 years serving as the pork agent for Eastern Iowa. However, he may be a new face to a lot of you, so we wanted to give him a proper introduction.

Noland grew up on a farm in southern Iowa comprised of a cattle, grain, and farrow to finish operation. Noland is an Iowa State University graduate and ran buying stations in Brooklyn and Keota, Iowa prior to coming to Producers Livestock.

With more than 33 years in the swine industry, Noland's experience, organizational skills, and ability to work with people throughout all levels of the pork marketing process make him uniquely qualified to lead our pork division into the future.

We have experienced one of the largest hog market downturns in history over the last two years. Producers Livestock recognizes the risks taken and sacrifices made to get to this point.

We know it hasn't always been easy, but your hard work and commitment to the hog industry do not go unnoticed here at Producers Livestock.

Remember that I and my

team are always here to support you in any capacity we can. We welcome feedback on how to help you better, especially as I transition into my new title.

As I step into this role, and as the industry continues to shift, please know that Producers Livestock remains ready to help hog producers overcome challenges and capitalize on opportunities.

# MANAGING RISK IN THE BUSY SEASON

Only in the Midwest in the last week of February can you have 75 degrees one day, a low of 6 degrees the next night, and back to 70+ degrees within two days!

Spring is right around the corner and driving the country roads in Southwest Iowa, I've already seen a few guys out putting on spring fertilizer. It's only a matter of time until we see the planters being pulled out. With a lot of you getting geared up to get in the fields within the next 30 to 45 days, do not forget about your risk management plan. Remember that without execution, your plan won't do much good.

Spring is stressful enough with everything going on, don't allow the down-market days to add to that stress. At the very least, get a bottom put option on your commodity for



**By Shawn Smith**  
President  
Producers Commodities LLC

peace of mind while you concentrate on other stressors the spring season brings.

Unlike the livestock markets, grains have seen a struggle getting anything positive to go their way. While this has been a sign of relief for the livestock guys' break evens, the guys with unsold grain in the bins are hoping for any spark to ignite a rally.

The USDA will have their Prospective Planting survey results with the quarterly Grain Stocks report here at the end of March.

We saw a bearish cattle on feed report based upon the pre-report estimates. The January 2024 marketings were at 1.84 million head, the January 2024 placements at 1.79 million head, and the February on feed just under 11.8 million.

On Feb. 26, following the report, we saw both live cattle and feeder cattle open \$1 to \$2 lower. By the end of the trading session, we saw a nice recovery to the positive side on live cattle.

Lean hogs have seen a nice rally upward so far in the first

quarter. It's nice to see the markets giving producers profit potential unlike the majority of 2023.

Continue to monitor the fall and winter months for profit potential so all the summer profits don't get paid back during those later months.

Whether you use LRP,

futures, options or any combination of those tools, our commodities team is always ready to help you construct a risk management strategy tailored to your operation. Reach out to any of us in the Producers Commodities office to get your plan in place. Wishing you all a safe planting season.

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**Pork. Profits. Family. Security.**


Producing pork, acquiring capital, securing profits, protecting your assets and taking care of your family. It's what you do.

Producers has been helping Iowa farm families make money, access credit and protect their pork profits for over 80 years. It's what we do.


Let us help you secure your profit margins and save for tomorrow using our marketing, credit and commodities staff. It's what they do.

**Call us.**

- Bill Nielson – 605.310.4664
- Tim DeLance – 712.660.1199
- Jason Goodwin – 712.389.0228
- Noland Johnson – 641.990.0467
- Jeremy Schram – 712.259.0210



**PRODUCERS**  
Livestock  
Marketing • Credit • Commodities  
ProducersLivestock.Net



## REBATE

■ FROM PAGE 1

in March—I can confidently report that PLCC is well positioned for the future.

Cattle prices are back to record levels again after the slump we saw in late fall and during the holiday season.

I believe we are on solid ground in terms of where the cattle market appears to be heading. However, don't let that deter you from having some sort of downside price protection.

The last six months have shown us the impor-

tance of protecting your hard-earned equity in this volatile business.

In addition, the hog sector finally has some opportunities to be rewarded for its hard work.

Unfortunately, we are seeing several lenders exit the pork business, but that is not the direction PLCC wants to take. In the cattle or hog business, it's worth a quick reminder to ensure the risk you are taking is worth the reward.

The market currently has some reward it's willing to give you and it's time to take part of it. After all, waiting on the market is a lot like holding onto the check you just received from PLCC, rather than cashing it.