



**UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT**

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USDA RURAL DEVELOPMENT ASSISTS RURAL NEBRASKA COOPERATIVE

Newman Grove, Neb., February 11 – The United States Department of Agriculture (USDA) Rural Development presented the Farmers Coop Oil Company with a \$22,300 Value-Added Agricultural Product Market Development Grant symbolic funding check today. These funds will investigate the economic and market feasibility of locally grown and processed soybeans for oil and meal.

“Expansion and diversification of profit earning opportunities have been the nucleus of Farmers Co-op for over 78 years,” stated Randy Benson, general manager of Farmers Coop Oil Company.

The Coop will utilize the USDA Rural Development grant funds to investigate the economic and market feasibility of a producer owned value-added enterprise that will process locally grown soybeans to provide value-added soybean meal to local livestock producers and soybean oil to area processors.

Farmers Coop Oil Company of Newman Grove, Nebraska was established in 1924 and incorporated in 1926 as a petroleum marketing cooperative exclusively. Service items such as tires and batteries were added in the decades of the 1930's and 40's. Shop facilities were added in 1959 to service autos and trucks. With increased farm use of commercial fertilizers, the co-op expanded operations to include bulk and bagged fertilizers in 1958. The fertilizer business continued to expand into the 1960's with a new bulk blend plant and an anhydrous ammonia storage facility. In 1963, the co-op purchased the Newman Grove Grain Company and began the expansion into the grain merchandising business. In the late 1960's, the co-op once again expanded by selling and providing services in the crop chemical business. Feed sales were also expanding with increasing livestock numbers in the service area. A propane facility was added in 1966 to complete the petroleum department. In the 1970's and 80's, grain storage was expanded tremendously as grain yields and acreages increased due to center pivot irrigation in the surrounding area. Today, the cooperative represents approximately 360 farmers in the Newman Grove area and is a 100 percent producer-owned marketing and service cooperative.

"This grant will allow the cooperative to take the necessary steps in order to make an informed decision regarding the viability and economic feasibility of their value-added soybean project," stated Teresa Olander, community development technician for USDA Rural Development. "USDA Rural Development is pleased to be a part of the cooperative's proactive efforts to explore options that will increase the income of their agricultural producer-members."



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