Golden Growers Cooperative

Memberandum

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GGC Approves Distribution of $0.20/bushel

On June 16th, the Golden Growers Board of Directors approved a distribution of $3,098,056 to members of record as of June 1, 2016. This distribution, to be issued in the last week of June, will consist entirely of retirement of 2015 allocated income. Combined with the February distribution, 90% of 2015 allocated income will be retired. The remaining equity balance is $693,847 or $0.045/bushel delivered in 2015.

With this payment, Golden Growers will have issued payments to members totaling $86,407,052. This represents 160% of members' original equity investment in the ProGold plant.

Member Survey Coming in July

Please watch your mail for an important member survey and make a commitment to promptly complete and return it. This survey is an integral part of the Board's strategic planning process designed to protect and improve your investment in Golden Growers Cooperative.

This confidential survey was designed to be fairly simple, yet provide the kind of information that will be useful as we think about the future. We will be asking you to:

* Update member information;
* Provide your thoughts on investing;
* Relay corn delivery information, and; and
* Share your interest in alternative and niche markets.

For the past three years, your Board has been deeply involved in a strategic planning process focused on protecting and improving your investment in Golden Growers Cooperative and the ProGold corn milling plant.

As part of that planning process, Golden Growers engaged in a marketing research project funded with contributions from the ND Corn Utilization Council, the ND Agricultural Products Utilization Commission, and USDA's Rural Development Agency. Research has focused on trends of the corn sweetener market, emerging products that could use corn starch or sweeteners as a feedstock, and market niches that could benefit our members and the region.

Your timely response to the survey is the most important thing you can do to guide your Cooperative.

This is the first time, Golden Growers members have been surveyed in twenty two years.

When survey responses are received, we will begin tabulating and evaluating them. We plan to share those results with you.

FDA Overhauls Food Label

On May 20th the FDA issued new rules on how dietary information on foods will be labeled. Citing a growing number of Americans battling obesity, diabetes, and heart disease, label changes will adjust serving sizes to reflect how much people actually eat, increase the visibility of total calories, and, for the first time, list the percent of sugars added to food products.

It is uncertain on how much of an impact these changes will have on consumer behavior. When it comes to carbonated soft drinks, Darren Seifer with the NPD marketing research group said, "Carbonated soft drinks have been on the decline before any of this happened. It might not make it exponentially greater, but it may help sustain it."

Food manufactures have until July of 2018 to comply with new labeling requirements.

Current Label

Nutrition Facts
Serving Size 2/3 cup (55g)
Servings Per Container About 8

Amount Per Serving	
Calories 230	Calories from Fat 72
	% Daily Value*
Total Fat 8g	12%
Saturated Fat 1g	5%
Trans Fat 0g	
Cholesterol 0mg	0%
Sodium 160mg	7%
Total Carbohydrate 37g	12%
Dietary Fiber 4g	16%
Sugars 1g	
Protein 3g	
Vitamin A	10%
Vitamin C	8%
Calcium	20%
Iron	45%

* Percent Daily Values are based on a 2,000 calorie diet. Your daily value may be higher or lower depending on your calorie needs.

	Calories:	2,000	2,500
Total Fat	Less than	65g	80g
Sat Fat	Less than	20g	25g
Cholesterol	Less than	300mg	300mg
Sodium	Less than	2,400mg	2,400mg
Total Carbohydrate		300g	375g
Dietary Fiber		25g	30g

Proposed Label

Nutrition Facts
8 servings per container
Serving size 2/3 cup (55g)

Amount per 2/3 cup
Calories **230**

% DV*	
12%	**Total Fat** 8g
5%	**Saturated Fat** 1g
	***Trans* Fat** 0g
0%	**Cholesterol** 0mg
7%	**Sodium** 160mg
12%	**Total Carbs** 37g
14%	**Dietary Fiber** 4g
	Sugars 1g
	Added Sugars 0g
	Protein 3g
10%	**Vitamin D** 2mcg
20%	**Calcium** 260mg
45%	**Iron** 8mg
5%	**Potassium** 235mg

* Footnote on Daily Values (DV) and calories reference to be inserted here.

Corn Refiners Drop Effort to 'reform' Sugar Program

Saying that they didn't see a way they could win, John Bode, President of the Corn Refiners Association, discussed the group's decision to discontinue pursuing reforms to the sugar program. Instead, Bode indicated the CRA would focus on issues such as the labeling of 'added sugars and GMOs', areas where the CRA's interest align with the Sugar Association.

Late in 2015, a long legal battle between the two organizations was settled out of court and likely played into a truce over the sugar program.

Electronic Payments on the Horizon

Agvance, our member management and financial software system, is in the process of adding a module to their system which will allow payments to be deposited directly to your bank account by ACH transfer. We will be watching closely as they 'test' this system with other users. If all goes well, we do hope to make this feature available to Golden Growers members. One question on your member survey asks if you are interested in ACH deposits. If this is your desire, this is one more reason to return your questionnaire in July.

June, 2016 Memberandum Newsletter

Golden Growers Cooperative
1002 Main Ave. W. Suite 5
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Keep Your Membership Records Up to Date

Your cooperative regularly communicates with you by sending annual reports, newsletters, distributions, tax information, delivery notices, and an annual pool election opportunity.

You can help us make sure you are receiving information by informing Golden Growers whenever you change your mailing address. All you need to do is call the office at 701-281-0468 or email us at lorib@goldengrowers.com with current information and we will update your membership record.

Important Dates:

July 10 – Member Survey Mailed
July 30 – Deadline to return Member Survey
September 5 – Transfer Request Deadline
September 15 – Board of Directors Meeting
October 15 – Annual Delivery Pool Election Letter Issued
December 9 – Board of Directors Meeting
December 15 – Deadline for Delivery Pool Election Responses

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