

Is it the sound of thunder from a late summer afternoon storm cascading out from the hills or the constant rumbling sound of the annual migration that befalls the Sturgis and Black Hills every year, famously known as the Sturgis Bike Rally? There is a good chance that the answer is both. Neither event seems to occur without the other one's consent. It is almost a guarantee that it will be hot, noisy and busy in our little part of the world.

I would like to thank the staff for their tremendous efforts, patience and fortitude when handling the variety and volume of business that graces our doors. The rally is winding down and a feeling of calmness and anticipation of fall events are soon to follow. Again thank you to our staff, you all did a tremendous job!

Reports from the country have been positive with the tonnage of the alfalfa per acre, condition of the winter wheat and the higher commodity prices. As we have seen recently, the markets have been very volatile. I would expect to see continued choppiness in the markets for a period of time.

Contracting Refined Fuels

CBH offers hedging programs that provide some protection from the volatile energy markets. It is our effort to try and provide you with security and provide you "piece of mind". Contracting is like an insurance program. It doesn't mean you purchase at the lowest price, it gives you a cost that fits your operation. I would suggest that as a producer or commercial operator, you take the opportunity to sit down and discuss a hedging program that fits your needs. This means that you need to analyze your operation and identify what the volume needs are and assess your risk tolerance. Communicating with our CBH staff during the fall and winter months could be very beneficial for the profitability of your business. Planning and education takes the uncertainty and nervousness out of contracting. A good plan for most of our producers has been to fill the tanks in the winter and supplement with a contract for summer planting and harvest. Let us help you sleep at night and try to add value to your operation.

Contracting Winter Propane

CBH is extending the opportunity to contract winter propane. The propane values have remained very strong and relative to the value of crude oil. The contract will be available now through September 30, 2011 if you choose to contract. Please call your local CBH dealer for more details.

Customer Appreciation Event

On a fun note, the Sturgis convenience store held a customer appreciation event offering full service at the pumps for part of a day in July. CBH staff pumped gas and washed windshields for four hours and the customers thought it was great. Some customers reminisced about the "old days" when it was an everyday expectation. I can tell you that the bugs on some of the windshields were clinging on for dear life. We had some fun and so did the customers.

The CBH staff has been working very hard this summer to keep up with the heavy demands from our customers. We appreciate your patience and the opportunity to earn your business.

Thanks and enjoy the rest of August.

Jeff Dragseth