

# CALAMCO PROGRESS

FALL 2009 ▶ A PUBLICATION OF CALAMCO

## MESSAGE TO SHAREHOLDERS



**W**e are now in the fourth and final quarter of our fiscal year, which ends October 31.

Once again, 2009 is shaping up to be another strong financial year for your cooperative. Our year began with slow

sales due to a decline in commodity prices, while fertilizer prices remained at their peak. Fortunately, as we approached spring, ammonia pricing had adjusted to more typical levels. We did experience some additional weakening in prices during the slower summer months, however, as we approach fall, the world market is firming as suppliers anticipate greater demand.

Overall sales of anhydrous ammonia were down this past year. The biggest factor was a lack of water for farmers, especially those farming in the Southern San Joaquin Valley; specifically those farmers that depend on the Westlands Water District for their water supply. The majority of growers located in the northern part of the state did end up having an ample water supply, and we were able to maintain both aqua and AN20 sales comparable to our 2008 fiscal year.

On a final note, it will soon be time for year-end reporting of your fertilizer use. We will be mailing Use Report Forms out to all members the beginning of November. Please watch your mail, and let our office know, if for some reason, you do not receive yours. Please remember that the **deadline for reporting will be December 15, 2009**, and that deadline will be strictly enforced.

*BOB BROWN, PRESIDENT/CEO*

ONCE AGAIN,  
2009 IS SHAPING  
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STRONG FINANCIAL  
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*PRESIDENT AND  
CHIEF EXECUTIVE OFFICER*  
**Bob Brown**

*EXECUTIVE VICE PRESIDENT*  
**Barry Powell**

*VICE PRESIDENT OPERATIONS*  
**Lee Gardiner**

*DIRECTOR OF MARKETING*  
**Alice Inderbitzin**

*SALES REPRESENTATIVES*  
**Natalie Johnson**

*DIRECTOR OF REGULATORY AFFAIRS*  
**Martin Jeppeson**

## BOARD OF DIRECTORS

*CHAIRMAN OF THE BOARD*  
**Mark Grewal**

*VICE-CHAIRMAN*  
**Brad Baltzer**

**Sig Christerson**

**Greg Dexter**

**Alan Freese**

**Jeff Roesler**

**Case Van Steyn**

# Shareholder Fertilizer Use Reporting Information

Please refer to the enclosed Rebatable Product List for qualifying products. This information is also available on our website at [www.calamco.com](http://www.calamco.com). If for some reason you do not receive your Product Use Report, or it is somehow misplaced, you will be able to download a PDF version of this form from our website, which will be available after original forms are mailed out. Please note that this is a blank form, therefore **you must fill in your relevant shareholder information**, including shareholder name, shareholder number, and a contact phone number in order for us to correctly determine to whom purchases apply.

Please remember that **the deadline for reporting will be December 15, 2009. Once again, this deadline will be strictly enforced.** We will be mailing a reminder post card in early December to all members whose reports have **not yet been received.** **If you receive a postcard reminder and have mailed in your report, please contact our office at 800-624-4200 to verify receipt.**

Ensuring your usage report is mailed to our office is **your responsibility.** Most fertilizer retailers are willing to provide CALAMCO members with their fertilizer purchase information. We would encourage you to keep a copy for your records, and mail the report yourself. This way you can be certain that the report has been mailed in a timely manner.

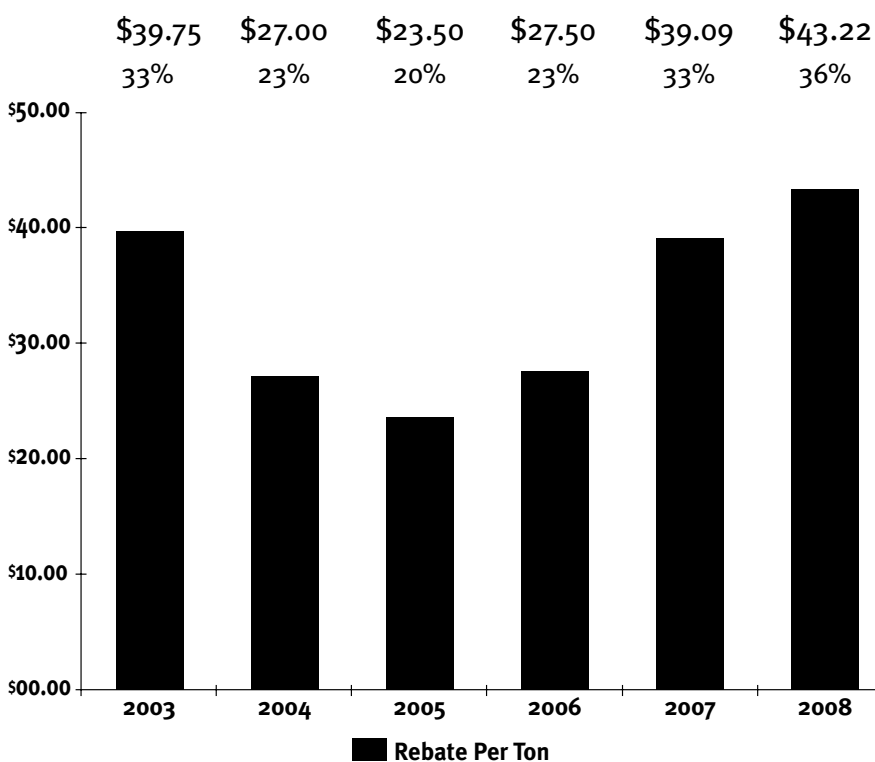
## REBATABLE PRODUCTS

| PRODUCT                                | NPK      | NH <sub>3</sub> |
|----------------------------------------|----------|-----------------|
| Anhydrous Ammonia                      | 82-00-00 | 00%             |
| Aqua Ammonia                           | 20-00-00 | 24%             |
| Ammonium Nitrate 20% (AN20)            | 20-00-00 | 24%             |
| Ammonium Sulfate                       | 21-00-00 | 26%             |
| Calcium Ammonium Nitrate (CAN 17)      | 17-00-00 | 21%             |
| Mono-Ammonium Phosphate                | 16-20-00 | 20%             |
| Complete Fertilizer (turf supreme)     | 16-06-08 | 20%             |
| Urea-Ammonium Nitrate Solution (UAN32) | 32-00-00 | 19%             |
| Triple 15 Complete Fertilizer          | 15-15-15 | 18%             |
| Complete Fertilizer                    | 12-08-16 | 15%             |
| Triple 12 Complete Fertilizer          | 12-12-12 | 15%             |
| Ammonium Phosphate Solution            | 10-34-00 | 12%             |
| Complete Fertilizer XB                 | 06-24-24 | 7%              |

If you are using a special blend that you do not see on this list, it is best to check with your fertilizer dealer to see if a rebatable product was used in producing the blend. Some dealers are already set up to cover a portion of the nitrogen in those blends that contain rebatable products. However, just because a product contains nitrogen, does not automatically mean it qualifies.

## Average Return = 28%

Percentages = Return on Investment  
Based on \$18 per Share Purchase Price



## Elections to be Held in District 4

Elections for the director to serve on CALAMCO's board will be held this coming year in District 4, which encompasses the Coast and Imperial Valley.

Your current director in District 4 is Sig Christerson of Salinas. Sig was appointed by the board in May of this year, filling the vacant seat left by Alan Freese, who is now serving as a director representing District 1. Proxies will be mailed in mid-January and are due back in our office prior to our Annual Meeting, which will be held on February 17, 2010.

Service on the CALAMCO Board of Directors does require a certain amount of time and commitment from Directors who are expected to attend all meetings. The meetings are held on the third Thursday of the months of June, August, October, December, and the third Wednesday in February, which is the annual meeting. If you are a shareholder that resides in this district and are interested in more information or in submitting your name to our nominating committee, please contact our corporate office at 800-624-4200 by December 11, 2009

## Stock Sales

Sales Representatives are actively calling on growers in an effort to put inactive stock on the stock for sale list, as well as meeting with growers who are interested in purchasing additional stock to cover their annual fertilizer use.

If you are still interested in purchasing additional stock, it is not too late, but please contact your CALAMCO Sales Representative as soon as possible! Stock must be purchased prior to our year-end of October 31, 2009 in order to qualify for fertilizer purchases made during this fiscal year.

In addition, if you know of a grower who is not yet benefiting from being a member of CALAMCO, please have them contact us for more information. As a satisfied member, your testimony is the best advertisement we could ask for!

## Board of Directors and Advisory Committee Tour CSU, Fresno



CALAMCO held an off-site Board of Directors meeting in Fresno, California on Monday, August 24th. We were joined by our newly appointed Advisory Committee at Fresno State where we were given an in-depth presentation of the California water situation; specifically, how it affects the Westland Water District and the outlook for water availability for growers that farm in this district in the coming year. The presentation was given by Tom Glover, Deputy General Manager-Resources, of the Westlands Water District. It was a very insightful presentation; the water challenges facing California are extremely complex and it does not look like there is an easy fix to the dire water situation facing farmers, especially in this part of the state.

The meeting was attended by CALAMCO's management team, our Board of Directors, and our newly appointed Advisory Committee

which consists of: Blake Harlan of Woodland, representing District 1; Ron Oneto of Elk Grove, representing District 2; Jeremy Freitas of Hanford, representing District 3; and Allan Clark of Salinas, representing District 4. In addition, Jay Yost of IAP (Independent Ag Professionals) in Fresno, representing our Class "B" Retailers; as well as Dave Dufault of the J.R. Simplot Company of Boise, Idaho. Dean

Charles Boyer spoke to the group about the diverse Ag programs the University offers, and the efforts they continue to make to attract students interested in pursuing a career in Agriculture.

The group was then given a tour of the University's 1000 acre farm which is not only diverse in the crops they grow, they are completely self-sustaining. They grow a wide variety of crops which they harvest and market. In addition, they produce their own olive oil and wine (in fact, they are the only university in California that is actually licensed to sell their wine). They have won many awards for a variety of the wines they produce and have also won awards for their extra virgin olive oil. They have a 150 head dairy farm, and in addition to milk, they produce their own cheese, ice cream, butter, etc. All products are sold to the public at Fresno State's Rue & Gwen Gibson Farm Market.



## All About H1N1 Flu

Flu is a serious, contagious disease that kills some 36,000 Americans every year. But now there is a new flu virus spreading worldwide known as H1N1 Flu or “Swine Flu” and there are some things you can do to protect yourself and others.

**Vaccinate** – seasonal flu vaccine is available from your health care provider as well as community flu clinics and some drug stores. If you are in Sacramento County visit [www.SCPH.com](http://www.SCPH.com) for clinic locations. When H1N1 vaccine is available get vaccinated.

**Symptoms** – dry cough or sore throat, extreme tiredness, runny or stuffy nose, muscle aches, high fever, vomiting, diarrhea, headache.

**If you do get sick** – stay at home for at least 24 hours after fever is gone; take antiviral drugs if prescribed by your doctor.

**Stay informed** – stay in touch with radio, television and newspaper coverage about



H1N1 flu developments that could affect you; visit the website listed above for more information.

**Prevention** – wash hands frequently with soap and warm water; cover your mouth and nose with tissue when you cough or sneeze; avoid close contact with others who are sick; stay away from school or work if you are sick.

This information was obtained from Sacramento County Department of Health and Human Services; if you are located in a different county, check with your local officials for further information.

QUESTIONS OR COMMENTS CAN  
BE FORWARDED TO CALAMCO  
AT (800) 624-4200  
[WWW.CALAMCO.COM](http://WWW.CALAMCO.COM)

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