

PROGRESS

FALL 2011

A PUBLICATION OF CALAMCO

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Message to Shareholders

The new 30,000 ton capacity storage tank project for UAN32 at our Stockton facility is progressing on schedule. To date, permits were obtained and the groundwork for the foundation was completed in early August, which was followed by construction of the base ring walls. Actual tank construction began in mid-September and is scheduled to be complete by early December. Once construction is complete, we will be able to test the tank and paint the interior. By the beginning of February, construction will be completed and the tank will be fully operational for our 2012 spring season.

This has been a strong year for fertilizer sales, and we are pleased to be experiencing another impressive financial year. Unlike previous years where we tend to experience softening on the world market during off-peak demand, ammonia pricing throughout the year has remained fairly stable. As we approach fall, we hope pricing will continue to remain stable; however suppliers are predicting prices to strengthen as everyone anticipates strong demand for fall fertilizer use.

With our year-end rapidly approaching, it will soon be time to report your fertilizer usage. Use Report Forms will be mailed to all members the beginning of November. **The deadline for reporting will be December 1st and that deadline will be strictly enforced.** This year, there will be a special area designated for PAC contributions located on your Form. In an endeavor to support efforts that protect the interest of our members (growers and retailers), your cooperative and the Agriculture industry, CALAMCO is forming a Political Action Committee fund, with voluntary contributions received from our members. Additional information will be provided with the Fertilizer Use Report Form.

If you are interested in purchasing additional stock, there is still time, however please note that the deadline to purchase stock and qualify purchases for our 2011 fiscal year is October 25th. 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!



BOB BROWN, PRESIDENT/CEO

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A Partnership with Growers

Board of Directors and Management Tour D'Arrigo Brothers and Company Produce Fields in Salinas

An off-site Board of Directors meeting was held in Salinas, California in August. In conjunction with the meeting, CALAMCO management and directors were given a tour of D'Arrigo Bros. farming operations in the Salinas Valley, led by Stephen de Lorimier, Vice President Northern Operations. The D'Arrigo's have been CALAMCO members since 1964. The group was treated to a first-hand view of field operations, observing crews in the process of picking and packaging fresh broccoli rabe (rappini), romaine lettuce, and iceberg lettuce.

D'Arrigo Bros. Co. is a family-owned farming operation steeped in rich history. The story begins in 1907 when, as teenagers, Andrea D'Arrigo immigrated to New York from Sicily, followed by his brother Stefano in 1911. In 1920 the brothers formed a partnership with their cousins in the Boston Fruit and Grape Company. They wanted to buy and sell fresh grapes that were in demand by first generation Europeans to make their own wine.

In 1923 Andrea and Stephano separated from their cousins and formed their own business, D'Arrigo Brothers Company. Stefano moved to California while Andrea remained in Boston. Stefano was attracted to San Jose due to its Italian population, and noticed that immigrants were growing produce known to him in his native Sicily, among these were prickly pears, sweet anise and broccoli. Stefano recognized the excellent quality, and this prompted him to make a trial planting of Italian sprouting broccoli. The broccoli was railway expressed to Andrea in Boston. In 1924, the first ice packed broccoli was shipped by railway cars to the East Coast. While the first commercially grown broccoli in the U.S. is believed to be by the DiCicco family on Long Island, Stefano is credited as the first person to make a transcontinental shipment of broccoli from the West to the East Coast, a venture the D'Arrigo's pioneered.

Since broccoli seed was in short supply, their father shipped them broccoli seed from Sicily and they began to grow their own supply of seed. D'Arrigo also shipped mustard greens starting with wild mustard, harvested from the local hills. They developed their own seed program in 1964, and over the years they improved the product by developing "broccoli rabe" for which they own the patent. They also obtained "sweet anise" stock from Sicily and began to grow their own seed supply. They continue to develop and grow their own seed varieties of fennel (sweet anise) and broccoli rabe.



The brothers purchased their first 28 acres in San Jose in 1925, and in 1927 expanded their broccoli production into the Salinas valley. In order to distinguish their product, they began branding the California broccoli with the "Andy Boy" label, and in 1927 it became a registered trademark. The model for the label was a picture of Stefano's son, Andy at two and a half years old. By 1938 broccoli was a full nine-month crop in San Jose and Castroville. Seeing the advantage of better winter weather, Stefano D'Arrigo ventured into expanding broccoli in the Brawley area of the Imperial Valley.

In 1947 D'Arrigo Bros., Co. entered the ice-pack lettuce business in Salinas when packing was still being done in sheds, which continued to 1952 when they switched to field pack cartons and vacuum cooling in Salinas, San Jose and Brawley. In 1951 Stefano took advantage of an opportunity to purchase land in the Salinas Valley, however he died shortly thereafter. At the age of 27, Andy assumed responsibility for the company operations.

By the 1970's other shippers suddenly realized the potential of winter desert broccoli production. Better and more adaptable seed varieties made it possible to expand the broccoli production in Brawley to include broccoli rabe and lettuce. They eventually expanded their winter desert operations for broccoli to Yuma, Arizona in the mid-1980's. To meet the growing demand, mixed lettuces, romaine, cauliflower and spinach crops were added, and the winter acreage of Yuma was expanded to accommodate these crops year round.

D'Arrigo Bros. Co. has grown from farming its first 28 acres in San Jose to 35,000 total crop acres in two states. It grows an array of different fruits and vegetables, on land owned 50%

Continued ►

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. 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.

Ensuring your use report is mailed to our office is your responsibility. Most fertilizer retailers are willing to provide CALAMCO members their fertilizer purchase information. We 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. Reminder postcards are only mailed to those members who have not yet reported, therefore if you receive a postcard and your report has been mailed, please contact our office to verify receipt.

REBATABLE PRODUCTS

PRODUCT	NPK	NH3
Anhydrous Ammonia	82-00-00	100%
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.

D'Arrigo Bros. continued...

by the company. The company is now into third generation



management with John D'Arrigo, President and Margaret D'Arrigo-Martin, Executive Vice President of Sales and Marketing. Andy is now Chairman of the Board and remains active in management in between well-deserved fishing trips and travel.

It is hard to imagine that when Andrea and Stefano D'Arrigo brought broccoli seeds from their native Italy in 1923, this delicious and nutritious mainstay was virtually unknown in America. Along with broccoli, the D'Arrigo family brought a family passion for growing fresh vegetables that has continued through the decades. Today, D'Arrigo Bros. Co., of California (Andy Boy) is a family-owned company specializing in Romaine, Romaine Hearts, Iceberg Lettuce, Green Leaf, Red Leaf, Butter Lettuce, Broccoli Rabe, Broccoli, Shrink-Wrap Broccoli, Cauliflower, Cactus Pears, Nopalitos and Fennel. Andy Boy is in the business of bringing healthy products to families all across North America. They take great pride in the perfection of nature's greatest bounty. Visit their website for more information: www.andyboy.com.

Elections to be Held in District 2

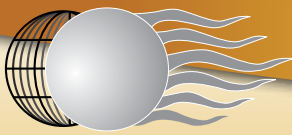
CALAMCO is currently accepting nominations from shareholders in District 2 who are interested in serving on the CALAMCO Board of Directors. District 2 encompasses the Central San Joaquin Valley from Fresno county through Sacramento and Yuba counties.

Your current director in District 2 is Case Van Steyn of Galt, who currently serves as Chairman of the Board. 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 15, 2012.

Service on the CALAMCO Board does require a certain amount of time and commitment from directors who are expected to attend all meetings. The meetings are held in the months of June, August, October, December and the third Wednesday in February, which is the annual meeting.

If you have any questions or are interested in submitting your name to our nominating committee, please contact our corporate office at 800-624-4200 by December 9, 2011.





SAFETY

Ammonia Refresher and Emergency Response Training

CALAMCO will provide anhydrous ammonia and emergency response training at the Stockton Fire Department Training Center (110 West Sonora). Mark your calendars for October 31 and November 1-4, 2011. Sessions will begin at 8:00 daily, and we will be done by 12:00 when we will provide all attendees with lunch prepared by the Fire Department.

The emergency response training is for First Responders at the "Awareness" level. This training is for those employees who may be the first to be aware of an emergency situation, and then take action to secure the area and make appropriate notifications. This training should not be reserved for employees only, supervisors and managers are always welcome.

Cost for the class is \$75.00 for those who pre-register. We will still have a group discount of four for the price of three for those of you who can send several employees.

We look forward to seeing you at one of the training sessions in Stockton.



Dates: October 31 and November 1-4, 2011

Times: Sessions 8:00 - 12:00

Lunch provided and prepared by the Stockton Fire Department

Questions or comments can
be forwarded to CALAMCO
at (800) 624-4200
www.calamco.com

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CALAMCO



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