



## Producers Cooperative Oil Mill Oklahoma City to Begin Processing Canola and Sunflower Seed

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Oklahoma City, Ok. Aug. 22, 2007--A 61-year-old agricultural cooperative, the Producers Cooperative Oil Mill, will soon enter another phase of its many years of service to farmers and farm cooperatives.

In cooperation with Plains Oilseed Products Cooperative, PCOM will soon begin processing canola, sunflowers and other oilseeds.

At the same time, the cooperative will continue its more than a half-century of service to cotton farmers in Oklahoma, Texas, Kansas, Arkansas, Missouri and Tennessee.

"We see this new venture with Plains Oilseed Products as a way to better serve all agricultural entities throughout the Great Plains," says Gary Conkling, president of the Producers Cooperative Oil Mill. "And we want our valuable customers who are cotton farmers, ginnermen and warehousemen to know we will continue to provide them with the best service we possibly can."

No lightweight in the cotton production business, Producers Cooperative Oil Mill began processing about 150 tons of whole cottonseed per day in 1945.

Times have certainly changed, Conkling says. Now, the Oklahoma City-based mill can store 125,000 tons of whole cottonseed and process as much as 1,000 tons of whole cottonseed daily.

As the mill's capacity to process more cottonseed increased, a larger supply area was needed. Holding onto their original supply area of Oklahoma, Texas and Kansas, in 1999, the cooperative bought Osceola Products Co., with locations in Osceola and Wilson, Ark. and Kennett, Mo. This purchase gave PCOM an additional storage capacity of 200,000 tons of whole cottonseed in storage.

In 2000, PCOM again increased its capacity to serve cotton farmers by building a storage facility at Covington, Tenn. This facility can store 60,000 tons of whole cottonseed.

Purchasing these facilities resulted in the formation of Producers Mid-South Company, a wholly-owned subsidiary of PCOM, Conkling says.

Locations controlled by PMSC are used for buying and storing whole cottonseed and marketing cottonseed for dairy feed, Conkling said.

Cottonseed from these facilities needed to supplement product processing in Oklahoma City is transported to the Oklahoma site. Additional cottonseed is sold for the whole seed market, Conkling says.

PCOM's new cooperative undertaking with POP will give Texas, Oklahoma and Kansas farmers who grow oilseeds a modern, reliable organization to process their crop, Conkling says.

PCOM will process and market the oilseeds as finished food-grade oil products and biofuel, Conkling says.

From cottonseed, PCOM produces whole cottonseed, oil, hulls, cottonseed meal and cake and linters. Meal and cake is used for livestock feed and fertilizer.

Linters are used for upholstery, yarns, absorbent medical grade cotton, fiber pulp for paper and explosives.

Hulls are also used for livestock feed, oil well drilling mud and in synthetic rubber and plastics.

Cottonseed oil is the basic ingredient for cooking and salad oil and dressings, soap, pharmaceuticals and cosmetics.

PCOM's new oilseed processing will yield canola meal, crude oil and refined oil, Conkling said.

