

AGP — linking farmers to the world

The activity surrounding a grain export terminal is unlike any other that takes place in the harbor. On any given day you can hear the creak of rail cars moving through the elevator yard, or the rumble of tractor-trailer rigs as grain arrives from the farms of the heartland.

When a ship is tied to the wharf, the

English-speaking voices of longshoremen from the working class neighborhoods of Duluth and Superior mingle with languages from around

the world — French-Canadian, Hindi, Chinese, Turkish, Tagalog, Malay, German or Spanish.

Duluth's AGP grain elevator is a microcosm of the global agricultural economy. The Duluth terminal, operated

by AGP Grain, Ltd., loads 30 to 40 vessels per Great Lakes shipping season, exporting more than 20 million bushels of grain annually.

AGP serves both the domestic grain market and the overseas market, with the majority of its international cargoes of soybeans and high quality spring wheat destined for Scandinavia, Holland and greater Europe.

In many respects, AGP is the new kid on the block in the harbor, although the co-op's founding members have deep roots in the region's agricultural community. The cooperative soybean processing company began in 1983 as a joint venture between Minnesota-based Land O' Lakes, Farmland Industries of Kansas and Iowa-based Boone Valley Cooperative Processing Association. Shortly after its formation, the cooperative adopted the name of Ag Processing Inc. (AGP). Corporate

headquarters are in Omaha, Nebraska.

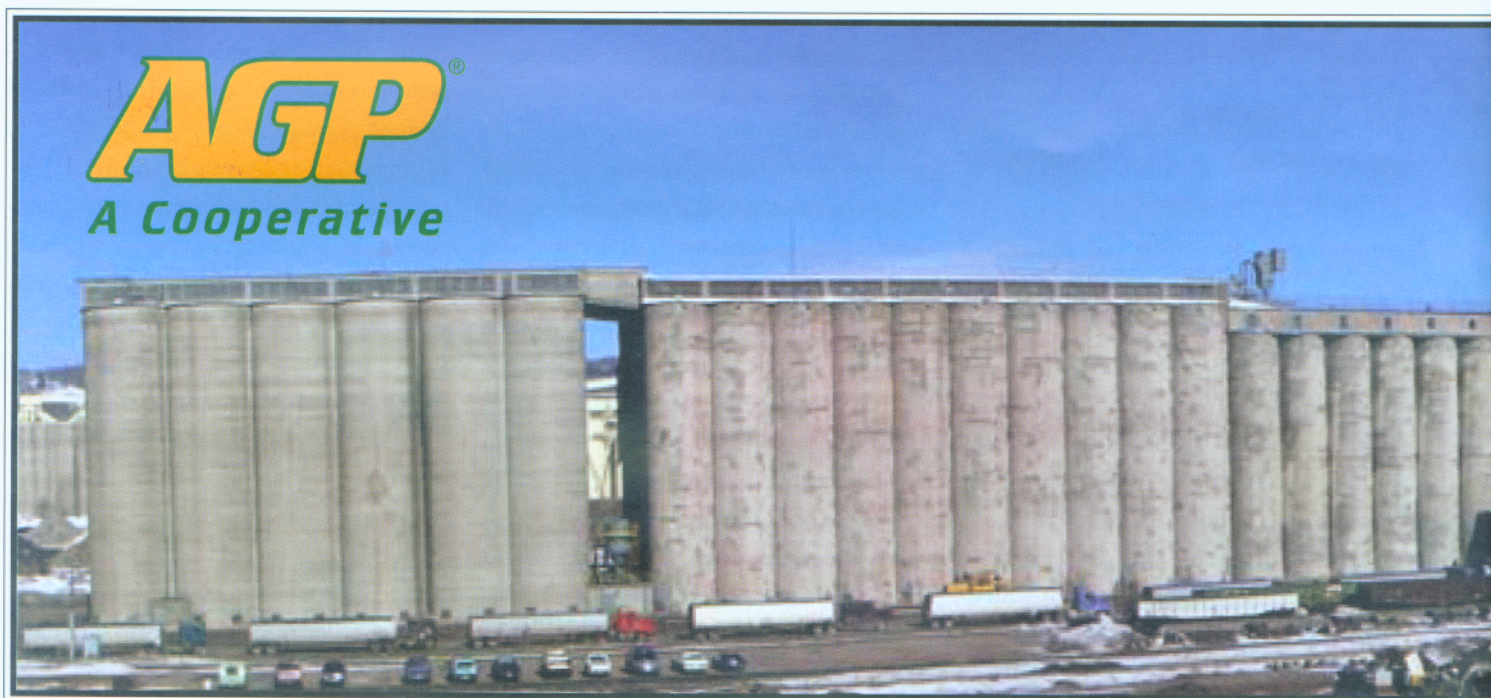
Today, AGP (www.agp.com) serves more than 230 local cooperatives representing 250,000 farmers throughout the United States and Canada. AGP holds the distinction of being the largest cooperative soybean processing company in the world, processing 15,000 acres per day at its nine plants.

The company is a leading U.S. supplier of refined vegetable oil, operating three refineries. Its industrial products division is involved in the production of corn ethanol, as well as soybean methyl ester products marketed under the Soygold brand name.

International operations include Masterfeeds, a leading animal nutrition company in Canada, and Protinal/Proago, a fully integrated Venezuelan poultry and feed company of which AGP is a major shareholder. AGP's grain division operates



The Port's Past
By Patrick Lapinski



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the Duluth terminal, which was part of an acquisition the company made in 1991 when it purchased the North American Ag Products Division of International Multifoods.

Storied history

The AGP Duluth elevator is in the middle of Rice's Point, at the center of the city's once-famous elevator row.

The origins of Duluth's once-booming flour milling industry can be traced to this site, beginning in 1889 with the opening of the Duluth Imperial Flour Mill. Two small wooden elevators, Elevators No. 5 and No. 4, were constructed to the west of the main mill house.

In those days, using a single horse to power the elevator's unloading legs, the elevator could unload one train car a day.

As the eastern terminus of Buffalo, N.Y., grew in prominence in the flour milling industry, mills in Duluth and Superior were closed and sold. In 1905 the Capitol Elevator Company of Duluth was formed following the purchase of the Im-

perial Mill property. Capitol continued to operate the two wooden elevators and leased the old mill building to a series of tenants, beginning with Minnesota Mining and Manufacturing, a fledgling sandpaper startup company from Two Harbors, and later to the Patrick Woolen Milling Company.

The Capitol Elevator Company prospered under the ownership of the McCarthy brothers from Minneapolis and in 1916 constructed a modern concrete head house and storage building on the east side of the property. The new Capitol 6 and Capitol 7 elevator added 1.75 million bushels to the operation's overall capacity. Capitol operated until 1947 before being absorbed by its largest customer, International Multifoods.

The late 1970s would see the demise of two of the harbor's oldest elevators when Cap 5 was razed in 1977, followed in 1978 by a spectacular fire that demolished the timber-cribbed Cap 4 elevator. In spite of the losses, Capitol continued to operate at the Duluth location until 1991, when International Multifoods, as part of a strategic realignment, sold the elevator to Ag Processing Inc.

The Duluth elevator is still affectionately called Cap 6 by many harbor regulars. In addition to the Duluth export terminal, AGP Grain, Ltd. has elevators and terminals in North Dakota, Minnesota, Ohio and Indiana, as well as terminal elevators in Atchison, Kan., and Lincoln, Neb.

While the faces behind the voices have changed over the years, Duluth's AGP export terminal continues to bring the far corners of the world together in a blend of commerce and good will.

AGP Elevator Timeline:

- 1889 Construction of Imperial Mill Elevator 5 (Wood frame).**
- 1889 Construction of Imperial Mill Elevator 4 (Wood frame).**
- 1905 Capitol Elevator Company formed.**
- 1916 Construction of Capitol No. 6 (concrete and brick).**
- 1926 Construction of Capitol No. 7 (concrete storage silos).**
- 1947 International Multifoods purchases Capitol Elevator Co.**
- 1977 Cap 5 razed.**
- 1978 Cap 4 destroyed by fire, January 21.**
- 1978 Annex C-1 constructed to replace old Cap 4 (concrete storage silos).**
- 1991 Ag Processing Inc. (AGP) purchases International Multifoods.**

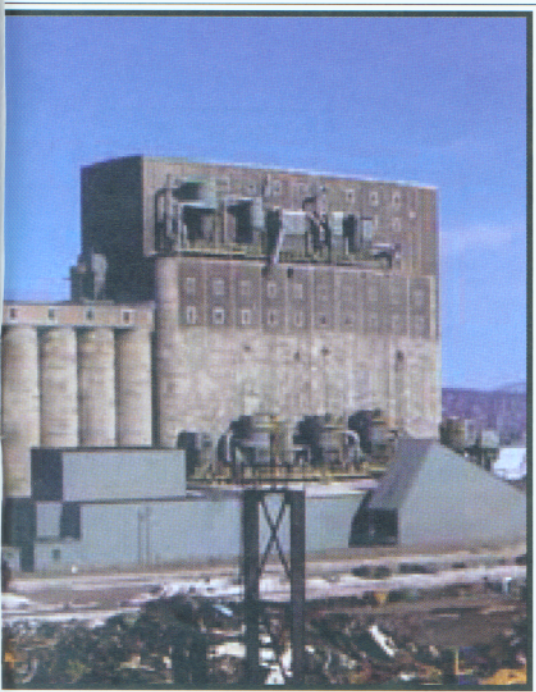


Photo by Pat Lapinski