

Stepping up to the plate is honorable for Glacial Lakes

By JON M. HUNTER, Publisher
Madison Daily Leader
12/09/2008

Glacial Lakes Corn Processors has apparently righted itself after cash flow problems this fall.

In our opinion, the ethanol maker is a shining light in this year of wildly gyrating commodity prices. Crop prices shot to record highs, then came back to earth. Oil prices rocketed to \$144 per barrel, then retreated to about \$44 today.

In an agricultural business, those swings can create opportunities or cause problems. Glacial Lakes faced a liquidity crisis.

But here's where honor comes in. The cooperative called shareholders and asked for more capital to preserve the company and meet its obligations. More than \$10 million in new equity has come in since last month from its members. "We've had just a very impressive response to our call for capital," interim CEO Jim Seurer said.

The plants never stopped operating and Glacial Lakes will honor all the corn purchase contracts it signed.

Not every organization would have handled the challenge the same way. Some would have declared bankruptcy, effectively wiping out all the shareholders. Others may have pleaded for government assistance. Still others may have taken on more debt at high rates, which would just postpone the reckoning for another day.

But the members of Glacial Lakes stepped up to the plate and did what was in the best interest of everyone. They deserve our appreciation.

-- Jon M. Hunter