

Becoming a Middle Man

COMPANY POSITIONS ITSELF BETWEEN THE GROWER AND THE ETHANOL PRODUCER



Auburn Bean & Grain
Auburn, MI • 989-662-4423

Founded: 1970
Storage capacity: 2.7 million bushels at Auburn, MI
Annual volume: 6 million bushels
Number of employees: 50
Crops handled: Corn, soft white and soft red winter wheat, soybeans
Services: Grain handling and merchandising, soybean processing.

Key personnel:

- Cliff Vennix, president
- Ron Balzer, grain merchandiser

Supplier List

Aeration fans ... Sukup Mfg. Co.
Bucket elevator... The Essmueller Co.
Catwalk Johnson System Inc.
Contractor Divine Power
Conveyors Essmueller
Design/Layout . Material Handling Equipment Sales
Distributor Essmueller
Elevator buckets ... Maxi-Lift Inc.
Millwright Divine Power
Steel loadout bin GSI
Steel storage Sukup
Steel tank construction . Divine Power
Tower support system . Johnson System Inc.



Auburn Bean and Grain Co. added 1.48-million bushels of storage in August 2007. The additional storage will help position the elevator between the corn grower and local ethanol plants. Photos by Josh Flint.

In what is becoming a common occurrence, country elevators are building additional storage to accommodate two different customers—the grower and the ethanol producer.

For Cliff Vennix, president of Auburn Bean and Grain Co., Auburn, MI, this trend has created an opportunity.

In 2007, his company built a 1.48-million-bushel-steel grain storage facility to help capture the increased corn production in Michigan's "Thumb" area.

The facility is located 1/2 mile from the company's 1.5-million-bushel elevator.

With a number of ethanol plants coming online in the area, Vennix said it was imperative that Auburn Bean and Grain be able to accommodate the increased corn production.

"When we decided to build the addi-



Cliff Vennix

tional storage, our plan was to be able to market corn to the local ethanol market," Vennix said.

Since many of the local growers and ethanol plants do not have the capacity to store enough corn from harvest to harvest, Vennix saw an opportunity.

"The majority of ethanol plants have a 10-day supply of corn," Vennix said. "Therefore, they need someone

to supply them with corn, outside of harvest."

Facility history. Vennix originally purchased the Auburn elevator in 1970. At that time, the elevator featured approximately 20,000 bushels of steel storage, in various tank sizes.

When Vennix sold the facility to Archer Daniels Midland Company in 1995, the facility included 1.2 million bushels of storage, plus an edible bean processing facility. In 2005, ADM sold the facility's grain storage back to Vennix.



Each bin is equipped with four 30hp Sukup centrifugal fans.

“We were out of this facility for 10 years,” Vennix said. “In that 10-year span, corn acreage increased tremendously in this area. Therefore, we knew we would have to build additional storage to handle the production increase.”

From 1995 to 2005, Vennix focused on his other elevators, located in Hemlock, Oakley, Saginaw, and Millington.

Steel Facility

Auburn Bean and Grain hired Divine Power Inc., Shepherd, MI (888-513-4698), as the general contractor

for the \$2 million project.

Construction began in May 2006. By January 2007, Vennix said one tank was erected. He added that the project was completed in time for the 2007 harvest.

Divine Power constructed two 739,000-bushel steel Sukup tanks, which measure 88 feet tall at the peak and 105 feet in diameter, with outside stiffeners.

Each of the Sukup bins are equipped with four 30hp Sukup centrifugal fans. At the top of each bin are four 2-hp roof exhausters.

Vennix said he has been thrilled with the tanks’ aeration capabilities.

“We took corn at 17% moisture, and in a little over a month, we had dried it down to 15%,” Vennix said.

He added that he believes good aeration is achieved by utilizing the proper number of roof exhausters.

“We have four roof exhaust fans on the top of each bin,” Vennix said. “I think that is the key to a good aeration plan.”

Grain handling. Grain is received in a 500-bushel dump pit by a 15,000-bph Essmueller drag conveyor. A 15,000-bph Essmueller leg

is equipped with Maxi-Lift buckets.

An Essmueller six-hole electric distributor spouts grain to a 15,000-bph Essmueller drag conveyor, which fills both tanks, or to the surge bin. The facility’s tower support system and catwalk were supplied by Johnson System Inc.

For reclaim, a 12,000-bph Essmueller underground drag conveyor moves grain back to the leg. A 3,200-bushel GSI surge bin is used for truck loadout. The bins are equipped with temperature cables from TSGC Inc.

Future Plans

Currently, the elevator annex is set up only for truck loadout. However, it is positioned approximately 100 feet from a Mid-Michigan Railroad line.

Vennix said that as of now, the elevator’s purpose is to supply the local ethanol plants, which is primarily a truck market. In the future, he could equip the elevator with rail-loading equipment.

Josh Flint, associate editor