

Beef bites:

- The Wisconsin Grass-fed Beef Co-op now has **85 members**.
- Annual meeting of the WGBC is January 12, 2013 at Hancock Research Center.
- 2 board seats up for re-election. Contact Greg Nowicki if interested.

• **Wishing all of you Happy Holidays & a prosperous 2013!**

New Co-op Number:

1-800-745-9093

Inside this issue:

Message from the Board	1
New Producer Pricing Protocol	2
Slaughter dates for 2013	3
Co-op demo fun	4
2013 Annual Meeting agenda	5
Sales Update	6
Producer Profile	7
WGBC Board Members	8

WGBC Member Update

Message from your Board of Directors:

As we near the end of our fourth year as a Co-op, we continue to see some very positive growth trends as well as the challenges the come with it. We've grown from \$188,000 in sales in 2009 to approx. \$680,000 in 2012. That takes us from needing 100 head of cattle to support the demand in 2009 to needing 350 plus this year.

The good news is that we've accomplished this growth with very little capital outlay and minimal debt. We have a strong operations team that has done a great job of containing our overhead costs. This has contributed to the co-op generating a modest net profit for 2012, first time ever!

Securing enough cattle to support our growth was a challenge this year and will continue to be in the near future. This is an industry wide problem as there has been a trend of fewer cattle in general, and with this year's drought hitting the upper Midwest very hard it may impact the number of cattle available for the future as producers sell calves off to the conventional market vs. raising them due to feed constraints. One avenue the co-op has chosen to overcome this issue long term is to work with our producer pool to set up grower/finisher operations that will focus on securing qualified calves/feeders from within our membership (and outside if needed) and taking them through the finishing phase. We intend to have this in place in 2013.

We have a lot of other exciting developments covered in this issue. Please take the time to read it over. If you have questions, as always, please contact any one of the Board Members or the operations team. Contact info is on the back.

We would like take this opportunity to thank our Operations Team; Rod, Pete, Tracey and Mandy for their hard work and often thankless dedication to making our Co-op succeed.

We also want to thank all of our loyal member producers for your continued support this past year. Whether you helped us out with last minute cattle needs, operating cash or volunteer time at store demos or pasture walks, we wouldn't have been a success this year without your time and effort.

Wishing you a Merry Christmas and a Prosperous New Year,

Your Board of Directors

WGBC 2013 Cattle Planning and Pricing Protocol

The Wisconsin Grass-fed Beef Cooperative's (WGBC) primary focus is marketing producing member's finished cattle. This focus includes soliciting orders from our customers, buying cattle, organizing processing, coordinating orders and delivery of fresh beef products year round.

The WGBC's mission is to provide our member owners a consistent premium price for 100% grass finished cattle.

Like any business, we are always looking for ways to become more efficient. After buying cattle, processing is our biggest expense. Processing was previously negotiated on a per head basis, so we offered premiums for heavier carcass weights since they earned more profits, and discounts for lighter carcass weights earning less revenue per head. Our new processor arrangement is based on a per pound carcass weight. This offers us an opportunity to simplify our pricing model. Effective, Jan 1st, 2013 we plan to remove the carcass weighted payment pricing model. The result will be a simple, straight forward base price and still offers a 25-30% premium over the conventional market regardless of carcass size.

One of the WGBC's biggest challenges is scheduling cattle shipments to supply the demand of our customers. We can't sell beef that we do not have, and we can't ship more beef to the processor than we have immediate demand for. This balance requires constant communication so that you can ship your cattle when they are properly finished and the co-op can have the ability to ensure a market for them.

As our co-op grows, it will be essential that our members become more active in planning and scheduling shipment of their cattle. In order to properly plan demand, we will attempt to plan shipments 2-3 months in advance in 2013. This will require a communication and planning commitment from our producers. So, once again we want to reward members for their efforts to assist our cooperative's purpose of returning premium prices for our membership's beef production.

WGBC Contract Incentive Program

In return for your planning and communication efforts, members who commit to a fixed number of head to ship, and an advanced fixed shipping date of at least 8 weeks away from the date of commitment, members will receive an additional \$0.05 per lb hanging weight for all animals shipped. If a member commits at least 12 weeks in advance they will receive an additional \$0.10 per lb above the base price.

A signed and dated purchase agreement will be required in order to receive these incentives. Failure to comply with contractual commitments may result in loss of the incentive, fine for damages and/or termination of membership in the co-op. Changes in contract may be allowed if it is in the best interest of the co-op or if exceptions are approved by the General Manager.

It is critical that you plan your cattle shipments with Pete Prochnow (920-210-9177) as far in advance as possible. If you only call when your cattle are ready and expect to be able to ship them on short notice, it can create a very difficult position for you and the cooperative management. Please help yourself and your co-op by planning ahead.

WGBC Shipping Credit Program

The shipping credit program that was introduced in 2012 will continue unchanged. That program is designed to support shipping costs based on your distance from our designated processor. Exact mileage and rates will be determined by your farm address to the processor.

Pete Prochnow, Cattle Supply Manager
WGBC – 920-210-9177

WGBC—2013 Expected Purchase Dates

January 7	February 4	March 4	April 1	May 13
January 21	February 18	March 18	April 15	May 27
			April 29	
June 10	July 8	August 5	September 2	
June 24	July 22	August 19	September 16	
			September 30	
October 14	November 11	December 9		
October 28	November 25	December 23		

Please note: The above dates will be used to determine the scheduling price incentive. For example, 8 weeks before February 4 will already be December 10, 2012. Flexibility will be maintained around exact number of cattle scheduled with regard to cooperative demand and member production issues that arise – within reason.

To assist direct communication “**office hours**” will also be maintained on the dates shown above. Pete will be “in office” from **7 am – 2pm on dates above at 920-210-9177** enabling prompt administration of purchase agreements, etc.. Of course he can always be contacted other times, if not directly, by leaving voicemail or email at pete@wisconsingrassfed.coop.

Cattle delivery: Currently, animals are slaughtered on Tuesdays at Johnson Meats in Rio, Wisconsin [near Portage]. Currently cattle loaded early Tuesday and delivered to Rio by noon seems to be working best. Cattle can be delivered late Monday when approved beforehand. In all cases intentions need to be communicated and I will assist with those arrangements.

I want to extend a grateful thank you to all members who sold cattle to WGBC in 2012. We would not have experienced the success we had this year without great members who were able to find a way to provide cattle when we needed them and make arrangements to transport them when necessary. Finally, WGBC sincerely hopes we can improve what the cooperative provides to members in 2013 enabling us all to prosper from supplying quality grass fed beef products to our valued customers.

Pete Prochnow, Cattle Supply Manager
WGBC – 920-210-9177

Easy ways to Promote Your product & Co-op

But, we feel....

"This is a great opportunity for farmers to connect with customers and customers to connect with farmers. People are thrilled to meet a farmer that actually raises the animals. And, are happy to know that we are the ones who feed the animals. We know exactly what goes into these animals. The product tastes so good too."

Jon and Breta
Lee Coon Valley
Farmers

*-quote from
Co-op members
after their first
demo*

For our co-op and the Wisconsin Meadows brand to be successful, it's critical to have member involvement. Not everyone has can make the time commitment to serve on the Board, but most of us can spare a few hours once or twice a year to help with one of our customer demos, or staff our booth at a trade show and talk to other farmers about the co-op.

Customer demos are especially rewarding, you get to meet and thank the store personnel who buy and sell our products, but even more fun is talking to the customers and offering them a sample of our grass-fed beef. Many of them have never met a farmer, they have lots of questions about our cattle and our products, and so many THANK US for the work we do to bring healthy food to their table in a sustainable way! I can't stress enough what a difference it makes when folks are shopping to have met someone that raises the food, lives right here in Wisconsin, and OWNS the company. This is what sets us apart from the other grass-fed and natural brands they can choose, and once they've met and talked with you, they'll have a loyalty to Wisconsin Meadows they didn't have before.

Rod Ofte and I have created hand-outs and signage you can bring to the stores, and the food samples will also be provided, all you have to bring is a crock pot and a big smile! If you would like to ride shot-gun your first time out, let Rod know and he can pair you up with someone who has already done a demo.



Here are some of our upcoming events we need the owners of this co-op (YOU!) to staff:

16 Feb. 9am-1pm Grace Winter Farmers Market - Milwaukee

17 Feb. 11am-3pm Outpost Foods Demos - Milwaukee

11-13 March Wisconsin Restaurant Association Trade Show - Milwaukee (Pick one day or more to help... Rod or Pete will also be there)

Open Feb. Sat - 11am - 3pm Madison Metcalfes Demo

Call Rod Ofte at 608-451-2861 if you can help at any of these upcoming events.

We also need members to staff our 2013 Grassworks booth ó farmer recruitment is a must to grow our membership and cattle supply.

Call Mandy at 608-489-2162 if you will be at the Grassworks Annual Grazing Conference in Wausau and can work a shift Jan. 18/19th. Also, do contact me if you will be hosting or attending a pasture walk, seminar, or other grazing/farming event in 2013 and could take member packets and information.

2013 Annual Meeting Notice & Agenda

WISCONSIN GRASS-FED BEEF COOP ANNUAL MEETING AGENDA

January 12, 2013

**Hancock Research Station
N3909 County Road V
Hancock, WI**

10:00	Call meeting to order	Greg N
	Additions / Corrections to the agenda	
	Welcome Membership / Introductions	
	Reading and Approval of 2012 Annual Meeting Minutes	Lanice S
	Treasurers Report / Financial Summary	Tracey H
10:15	Sales and Operations Summary	Rod O
10:45	Cattle Procurement – Forward Contracting	Pete P
11:30	Website update / Producer Tools	Mandy
11:45	By-law Review	Russ E
12:00	Lunch	
12:30	Board Member Nominations and Elections	Kevin M
12:45	Producer Recognition	Pete P
1:00	Election Results – Adjournment	Kevin M

Immediately following the meeting for those that can stay:

Producer Roundtable Discussion focused on development of forage finishing operations within the co-op and funnel feeders from Cow/Calf operations to these finishers facilitated by Laura Paine.

Newly elected board of directors meeting in the Lower Level conference room

from 1:15 – 2:00 pm

WGBC General Manager's Update YTD Q4 2012 & 2013 Preview

It is a good time to be a member of the Wisconsin Grass-fed Beef Cooperative (WGBC). Improved distribution, strong sales and consistent profitability have allowed us to continue to pay a strong price premium to our producer members. Our gross pay price, including shipping credits averaged \$2.37 per lb. hanging weight for finished animals in Q3 2012. Year to date, sales are up % 46 vs. 2011, and up 38% in the third quarter vs. the same time last year. Despite our premium producer pay price, we are still short of the cattle that we need to fully supply demand. If you know of any grass-fed beef producers who could qualify for the co-op, please have them contact Pete Prochnow for more information. (920-210-9177)

Other highlights over the past few months include multiple product promotions and product sampling events at all three Metcalfes store locations. We also held multiple sampling events at all Outpost Foods stores in Milwaukee, where we were featured as a main product in their monthly flyer. Consumers want to know where their food comes from and our retail partners value our presence in their stores to tell the story behind our product. Sampling events are critical to maintain sales growth and increase awareness of our brand. Unfortunately, we are very short of Co-op farmer member volunteers to conduct such events. Depending on the activity and store location, the WGBC offers up to a \$100 in store gift certificate to reward you for your time and effort in supporting the co-op. If you are willing to consider supporting such an event, and helping your co-op grow, please call me (608-451-2861) and I will add you to the list of potential candidates.

We attended and sampled products at the "Food for Thought" Festival organized by the Institutional Food Marketing Coalition forum in Madison. We attended the annual Wisconsin Grocers Association tradeshow where we showcased our products and solidified trade relations. We were a featured partner at the Viroqua Food Co-ops "International Year of the Co-op" celebration. Lastly, the WGBC had a table at the Midwest Value Added Conference in December in La Crosse.

The business outlook for 2013 is very positive. We plan to maintain a strong double digit growth rate of around 20% while continuing to improve our financials to allow us the option to become debt free sometime in 2014. We will again be featured in the Wisconsin National Restaurant Association Tradeshow, Mar 11-13th 2013 in Milwaukee. One major investment next year will be a re-launch of our website to refresh the look and increase user interaction. We plan to launch a brand new item, a 100% Grass-fed Beef Bratwurst in the Spring of 2013. We have also launched a new pay incentive program to allow you to lock in bonuses for contracting your cattle with the WGBC well in advance.

Thanks to all the producers who delivered finished cattle to the cooperative this year. Your dedication to your cooperative is what keeps us in business.

Thank You and Happy Holidays!!!!

Rod Ofte – General Manager, WGBC

Producers -

If you have questions on current prices, payment timing, cattle qualifications, new customer leads, etc...

Please contact Rod Ofte, General Manager or a member of his team at

1-800-745-9093.

They'll get you the answer you need.

Producer Profile—Dave & Jan Guden

By: Kevin Moore



Dave and Jan Guden operate Guden Farms on the western edge of Athens in Marathon County. As you first pull onto the Guden Farm, you can't help but notice the barn quilts. Jan is a quilter. She designed and painted a John Deere color-themed quilt on the end of the pole shed and an Allis-Chalmers color-themed quilt on the side of the 100-year-old barn. A blacktopped drive leads to a beautiful cedar-sided home with a copper colored roof.

The Gudens raise mostly Angus, primarily black with a few red. They have begun to introduce British Whites. Jan says the British Whites are fun and she likes their mild temperament. They raise 112 head on 320 acres with 140 acres of pasture. They will be wintering 52 brood cows.

Dave said his most recent calf crop was 75% bulls.

Dave is a union construction worker working on dams, bridges and pipelines on projects from the East Coast to Alaska and he typically spends five months on the road in the winter. His most recent project was a 42ö natural gas pipeline in North Carolina. He returned home this spring the day before his first spring calf was born. Jan said she kept telling those "girls" to cross their legs, as the farmer wasn't home yet! Dave is hoping to retire by the end of the year. Jan is a retired hospice care nurse. The couple have 5 kids and 9 grandkids. Dave has 2 sons that live close and help out with the farm work and winter-feeding.

Dave grew up on a dairy farm and has been farming since the '70s. When he bought his farm there were 18 dairy farms on his road in the first six miles outside of town and now there is only one big farm. Dave said he began raising grass-fed when he realized he was giving all his money to the mill for feed and the co-op for fertilizer and having nothing left. He had heard about the co-op and contacted Lanice Szomi for an application.

Jan doesn't come from a farming background. Her parents were missionaries to Africa and she spent her formative years in Congo. Dave and Jan were married in 07. Jan said the first time she walked out among the cows, their eyes looking up at her reminded her of the eyes of the African children that would gather around her father as he entered a village. He would have a package of sour balls that he

would hand out. Since coming to the farm she has learned to drive a tractor and a bobcat.

Dave said they have been strangled by the drought. He began feeding hay in July and a third of his hay supply was gone by October 1, a date when he would typically begin feeding hay. He said this year is the first time he has bought hay. Typically he would leave his calves on their mothers until early spring. This year he has pulled the calves off early and is feeding them the higher quality feed.





Wisconsin Grass-Fed Beef Cooperative

PO Box 945
Elkhorn, WI 53121

Return Service Requested

*Where the grass is greener
and the beef is leaner!*

General info: info@wisconsingrassfed.coop or
call **1-800-745-9093**

Member assistance:

production@wisconsingrassfed.coop

Wholesale sales: sales@wisconsingrassfed.coop



MANAGEMENT TEAM-

General Manager

Rod Ofte

E5702 Spring Coulee Rd

Coon Valley, WI 54623

sales@wisconsingrassfed.coop

608-451-2861 or **1-800-745-9093**

Production & Membership Coordinator

Pete Prochnow

W1691 Hilltop Lane

Ixonia, WI 53036

prochnow.pete@gmail.com

920-210-9177

Financial Manager

Tracey's Tax Service

Tracey A Hennessey, EA

15 S. Lincoln Street, Suite 3

Elkhorn, WI 53121

tracey@traceystaxservice.com

Office: 262-725-4354

Marketing and Website

Mandy McGee

S2093 Scratch Road

LaFarge, WI 54639

driftlessdells@aol.com

608-489-2162

WGBC Board of Directors & Staff

Board Members

President

Greg Nowicki

R5610 Cty Rd M

Athens, WI 54411

eatgrasfed@gmail.com

715-257-7146

Vice President

Russ Endres

6921 Cty Hwy K

Middleton, WI 53562

rendres@wimci.com

(608)258-2080

Secretary/Treasurer

Lanice Szomi

W5101 Correction Lane

Medford, WI 54451

lszomi@tds.net

715-748-2269

Judy Lang

N4669 CTH Q

Medford, WI 54451

judyblang@tds.net

715-748-3380

Kevin Moore

E4822 Dawn Road

Plain, WI 53577

Kevin@dawnrd.com

608-546-6035

Mel Abel

W4393 Maple Center Road

Greenwood, WI 54437

nlabel55@gmail.com

715-255-8750

Jon Lee

100 Church Street

Coon Valley, WI 54623

jonlee@mwt.net

608-452-3835

New Co-op Number:

1-800-745-9093