

Beef bites:

- The Wisconsin Grass-fed Beef Coop now has **88 members**.
- Many local grazing conferences are being held soon. Check the schedule inside for registration information.
- WGBC is actively seeking members who produce high quality grass-fed beef according to our protocol requirements. We are expanding and plan to establish regions of producers all across the state who will supply local restaurants, markets, and foodservice customers in their local area..
- **Invest in YOUR Co-op's future! WGBC Class B stock is still available at \$100 per share.**

New Co-op Number:
1-800-745-9093

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2013 Board of Directors Message



2013 WGBC
Board &
Management
Team

Front— Left to Right:
Lanice Szomi, Russ
Endres, Greg
Nowicki & Kevin
Moore
Back— Left to Right:
Pete Prochnow,
Mandy McGee,
Melvin Abel, Rod
Ofte, Judy Lang &
Jon Lee

Missing: Tracey Hennessey

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.

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.

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

WGBC Financial History & 2013 Plan

	2011	2012	OP 2013
Total Sales less discounts	\$453,282	\$697,934	\$810,129
Gross Profit	\$64,366	\$104,061	\$133,823
- Labor Costs	\$50,791	\$51,675	\$59,798
- Vehicle, Fuel, Mileage	\$16,290	\$17,105	\$16,322
- Marketing Costs	\$3,402	\$6,279	\$5,800
- Insurance Costs	\$3,791	\$3,138	\$4,680
- Bad Debt	\$1,328	\$0	\$0
- Other (Postage, etc)	\$3,016	\$5,586	\$4,960
Total Overhead Expenses	\$78,618	\$83,783	\$91,560
Net Income	-\$14,252	\$20,278	\$42,263

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.

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.

Rod Ofte – General Manager, WGBC

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

AREA GRAZING CONFERENCES TO CHOOSE FROM

North Central Grazers Winter 2013 Conferences

Thursday, February 28th El Norteno Restaurant in Curtis -
\$20 (\$15 if pre-registered by 2/21)

9:00 - 9:30 AM Registration & vendor displays

9:30 - 10:45 AM "Improving Beef Genetics, Excellent
Record Keeping and Grazing Management - The Keys to Success"
Presenter: Brian Thomas, Idaho Beef Rancher

10:50- 12:10 PM "Managing Pastures and Cattle in the Hot, Dry
Conditions of Summer"

Presenters: Invited Farmer/Grazer Discussion Panel

12:15 - 1:00 PM Meal Baked chicken and ham with all the fixings.

1:00 - 3:50 PM Direct Farm Marketing Forum

Kim Cassano - Catawba (CSA Marketing Beef, Pork, Lamb and Chicken);
Craig Carlson - Athens (Marketing Beef, Pork, Lamb, Turkeys and
Chickens); Kara Berlage - Hayward (Marketing Sheep Dairy Products, Pork,
Lamb & Poultry)

Feb. 28th - Glen Flora Evening Conference Jae Dee's Restaurant, Hwy 8, Glen Flora

5:00 - 5:30 PM Registration \$15 (\$12 if pre-registered by 2/21)

5:30 - 6:00 PM Meal Enjoy a Roast Pork & Baked Chicken dinner

6:00 - 7:00 PM "Beef Genetics, Record Keeping &
Management" Presenter: Brian Thomas, Idaho Beef Rancher

7:05 - 9:45 PM Direct Farm Marketing Forum

Presenters: Craig Carlson, Athens; Kara Berlage, Hayward; Kim Cassano,
Catawba

For more information, contact Bob Brandt, Grazing Specialist at (715)965-6771 or
the Taylor County Land Conservation Department at (715)748-1469. Registration
forms can be found at www.co.taylor.wi.us, under the Land Conservation Depart-
ment page. **Please pre-register for either conference by February 21.**

West Central WI Grazing Conference

Friday, March 1-Metropolis Resort, Eau Claire

9:00 am - 10:00 am Registration, Tradeshow & Fellowship

10:00 am - 12:00 pm Dr. Debra Pearson - Nutrient Quality of Food Affected by
Agricultural Practices

12:00 pm - 12:10 pm Lunch & GrassWorks Update - Dave Johnson

12:10 pm - 12:30 pm Lunch Address - Terry Moulton; Sheila Harsdorf (invited)

12:30 pm - 1:30 pm Dave Vetrano - Grazing in the Driftless Area Landscape

1:30 pm - 2:00 pm Tradeshow & Fellowship

2:00 pm - 4:00 pm Regional Farmer Panel including:

Lynette Nadeau & Keith Cahill - Goat Peak Ranch; Loren & Marilyn Smeester -
Silver Bison Ranch; Paul Onan - Onan Dairy Farm; Chris Trosen - US Fish &
Wildlife Service

4:00 pm Adjourn

Register online at www.RiverCountryRCD.org. Registration fee (by Feb 22nd) -
\$35 per person or \$55 for two from the same farm.

2013 NW Wis. Graziers & Lake Superior Graziers Networks Annual Conference Agenda

Saturday March 2 \$20 if pre-registered by 2/25/13
Lac Courte Oreilles Community College, Hayward, WI

8:30 Registration and trade show

9:00 Welcome - Introduction of participants. Northwest Graziers update of
2012 activities. Recognition of 2012 pasture walk hosts.

9:30 Keynote Address - "My Story: Building a Productive Beef Opera-
tion" Brian Thomas, Idaho Beef Producer Shoshone Paiute Tribal Member

10:30 Featured Speaker - "Bison: The Grass-Fed Advantage"
Lee Graese, Owner & Producer Northstar Bison

11:15 Featured Speaker - "Nutritional Advantages of Grass-Fed Live-
stock" Dr. Debra Pearson, Assoc. Professor University of Wisconsin-Green
Bay

12:00 Lunch - Native American cuisine. Introduction of exhibitors. Networking
with producers and connecting with exhibitors.

—Afternoon Sessions

1:15 Featured Speaker - "Multiple Species Grazing"

Kara Berlage, Co-Owner & Producer North Star Homestead Farms

2:00 Featured Speaker - "Keys to Success for Genetic Improvement"

Brian Thomas, Idaho Beef Producer Shoshone Paiute Tribal Member

2:45 Featured Speaker - "Calculating Forage Inventory & Measuring Bale
Weights and Forage Quality"

Dr. Lynn Johnson, Grazing Consultant Northwest Graziers

3:30 Conference Wrap-up, evaluation forms, and drawing for door prizes.

For more info or to register—Contact Otto Wiegand, UWEX Ag Agent
Spooner Agricultural Research Station
W6646 Highway 70, Spooner, WI 54801
715-635-3506 or 800-528-1914

Heart of Wisconsin

19th Annual Winter Grazing Conference

Sponsored by the Central Wisconsin River Graziers' Network and the Portage/Wood/
Waupaca Grazing Network

Thursday, March 7th, 2013 ~ 9:45 a.m. to 4:00 p.m.
with Evening Bonus Session from 6:30 P.M. to 8:00 p.m.
Stoney Creek Inn, Rothschild WI

At the intersection I-39 & south Business 51 (Exit 185) near the Cedar Creek Mall, south side of
Wausau.

9:45-10:00 Registration ~ rolls and refreshments. Expanded Exhibitor booth area
open.

10:00-11:00 Break Out 1: Grazing Management Effects on Pasture Growth ~
Risks and Rewards. Geoff Brink, USDA Agriculture Research
Service, Research Agronomist

Break Out 2: Pastured heifers grow well and have productive first
lactations. Janet Hedtcke, UW Agronomy Department

11:00-11:15 Break. Booths will be open.

11:15-12:15: Benefits of grass-fed meat and dairy products with regard to cardio-
vascular health. Dr. Jonathan Cotter will address how the many devastating and
all-too-common medical problems.

12:15-1:15 Lunch & Network update immediately following lunch.

1:15-2:15 Break Out 1: Cattle Growth Response when Grazing Fertilized Mono-
cultures of Mixed Legume Tall or Meadow-Fescue Pastures Mitch Schaefer, UW
Animal Science Department- PhD Candidate

Break Out 2: Managed Grazing's Effect on Soil Quality And Structure
Janet Hedtcke, UW Agronomy Department

2:15-2:30 Break. Booths will be open

2:30-3:30: Break Out 1: Cattle Growth Response when Grazing Fertilized Mono-
cultures of Mixed Legume-Tall and Meadow Fescue Pastures (Repeat session)
Mitch Schaefer, UW Agronomy Department

Break Out 2: A Discussion on exceptional Year Round Management
Practices for a Dairy and Diversified livestock Farms. Local farmers Ron Reihle
and Craig Carlson

3:30-4:00 Bringing it all together ~ Final thoughts and a wrap-up on the day's
sessions

Bonus Evening Session ~ no cost ~ open to all

6:30 - 8:00: Making a living with a cow-calf herd
Kevin Keller, Keystone Ranch, Carmen, Idaho.

Conference cost: \$15 per person must be received by March 4th.
No call-in registrations accepted. Costs cover handouts, speaker
costs, and lunch. Walk-in registration — \$20/person
If you have questions call Paul Daigle at 715 261-6006 or e-mail
Paul at paul.daigle@co.marathon.wi.us

2013 WGBC Annual Meeting Recap

Annual Business Meeting—Ag Research Station, Hancock, WI Saturday, January 12, 2013

Introduction – Greg Nowicki, President called the meeting to order at 10:10 AM.

Nowicki introduced the members of the Board of Directors and key team members of the Co-op. There were 30 people in attendance. Attendees included Co-op members & spouses and key team members.

Approve 2012 Annual Meeting minutes – Szomi read the minutes. Motion to approve the minutes as read was made by Endres, 2nd by Moore. **Motion passed.**

Treasurer's Report – Tracey Hennessey, the Co-op's accountant, was on hand to provide the report. 2012 sales were up 50% at \$697,934. Gross profit for 2012 was \$104,061 minus total overhead of \$82,283 equals a profit of \$24,488. Motion to accept the Treasurer's report as presented made by Moore, 2nd by Lang. **Motion passed.**

2012 Milestones – Rod Ofte

- Sales of approx. \$697,934 Membership is just under 90
- Challenges for the Co-op – cash flow issues in making timely producer payments & long term cattle supply

Sales Summary - Successes – Rod Ofte

- Our customer profile is 56% retail, 8% wholesale, 28% service (restaurant) and 8% direct to customer.
- Our sales forecast for 2013 is to process 15 head/cycle or a 15% growth

Opportunities for 2013 include: New product launches Cattle contracting incentive Website relaunch
Brand building events & trade shows Added field time & procurement

Sales Summary – Challenges

Consistent supply of good cattle Increasing competition Product demo/event support
USDA Processing certification Complete utilization of each carcass

Lots of good questions/discussion on logistics of selling product.

Cattle Procurement – Pete Prochnow

Pete presented how critical communication and planning is to our cooperative business success. Also, cattle supply is the foundation to our business model of supplying high quality beef products year round. Finally, contracting future cattle shipments should potentially enable increased profitability.

For example: **Cattle Supply** – when we're confident cattle will be available we can focus our marketing efforts.

Scheduling/Contracting – enables on-farm planning, assists coordinating transportation [expenses], allows improved processor partner communication and establishes our future cost of production.

Customer relationships - depend on reliable pricing, quantity and quality of **our product**.

Please see a copy of our Purchase Agreement/ Contract enclosed – and consider 2013 cattle sales – now!

Finally, a suggestion for a potential per head bonus/dividend for members providing cattle to our co-op!!

Website Update – Mandy demonstrated the new format of the Co-op's website. It can be found at

www.wisconsingrassfed.coop or www.wisconsinmeadows.com.

All members will need to click the green button on the bottom of the Members page the first time they register on the new website to get a new password—even if you had one previously on the old site. The new format DID NOT transfer that information. Mandy would like to start a collection of photos to feature on the website. She especially needs pictures of yourselves or their family, and also pictures of our product cooked. An exciting addition to the website will be the opportunity for member to “blog” about daily life on the farm.

Please contact Mandy at driftlessdells@aol.com to sign up.

Board Member Nominations and Election Results – two seats, both 3 year terms were open for election. Congratulations to incumbents Jon & Lanice.

Educational Session - Laura Paine facilitated a discussion on the development of forage finishing operations within the Co-op and funnel feeders from cow/calf operations to these finishers. This was done while the new board met.

Adjournment - Motion to adjourn was made and seconded. **Motion passed.** Meeting adjourned at 1:16 PM. Upcoming events/classes/conferences for graziers were mentioned.



**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

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Coon Valley, WI 54623

sales@wisconsingrassfed.coop

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Financial Manager

Tracey's Tax Service

Tracey A Hennessey, EA

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New Co-op Number:

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