

Beef bites:

- The Wisconsin Grass-fed Beef Co-op now has **134 members!**
- WGBC has a bunch of store demos coming up this summer. Call Rod if you'd like to participate—it can earn you a \$100 gift card.
- WGBC is expanding and actively seeking new producer members across the state who will produce high quality grass-fed beef according to our protocol requirements in order to supply our customer base.
- **Invest in YOUR Co-op's future! WGBC Class B stock is still available at \$100 per share.**

1-800-745-9093

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Message from the Board

Greetings!

This is my first opportunity to communicate with members of our Co-op since being elected president after our annual membership meeting in Wisconsin Dells.

First, I want to thank Greg for serving as an excellent acting president for 4 years. Greg left big shoes to fill, however, he substantially reduced my anxiety to serve as the new president by staying involved as our treasurer. Greg will continue to share his knowledge and expertise with us. I appreciate his thoughtful approach.

We re-elected board members this year and welcome new board member, Gene Schreifer. Gene comes to us with years of experience both through his work on grazing resources and research through UW Extension, as well as his experience being a grazier himself. We look forward to the fresh insights and perspectives from this “new blood” on the board. Welcome, Gene!

This year's annual meeting was the best we've ever had. Allen Williams' presentation and discussion was great for new and experienced graziers alike. We all learned something new from Allen, and our appreciation was evidenced by the fact he sold out of all the copies of his book, “Before You Have A Cow.” Our annual State of the Co-op was also presented to members, and for the first time in co-op history, dividend checks were distributed to members!

Starting in 2015, our Co-op has many challenges and opportunities facing it. A long period of increasing progress has created some “churn” in our customer base and Rod Ofte is working to replace and grow our business with new customers as well as re-engaging old customers.

2015 also brings out our need to keep a constant supply of well finished grass-fed beef. It is very important for members to be working with Pete Prochnow to allow him the needed planning time to ensure a steady supply to our customers. Please keep Pete up to date on your production schedule. Pete has a challenging job lining up cattle for each cycle and we need to do all we can to work with Pete on scheduling our cattle.

We hope everyone has an excellent grazing season, and I look forward to serving the Co-op!

-Russ Endres

1st Half of 2015 – WGBC General Manager's Update

It is a great time to be a member of the Wisconsin Grass-fed Beef Cooperative. Improved distribution, strong sales and consistent profitability have allowed us to continue to pay our producer members significant and consistent premiums vs the conventional market. We are currently paying our producers a base price of \$2.95 per lb hanging weight. That's up over 15% from this time last year. Year to date, product sales are up +42% vs the first quarter of 2014. Despite our premium producer pay price vs the conventional market, we are still short of the cattle that we need to fully supply demand and continue our rapid growth. We are counting on you, our producer owners to fill that gap. 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.

We recently welcomed new customers Northwoods Country Market in Sparta, Dicks Family Foods in Sherwood, and Marsibilios restaurant in Mayville, WI. Significant price increases in all meat categories at the retail counter have helped support an increase of our wholesale direct to customer orders by 63% vs 2014.

Other highlights over the past few months include multiple product promotions and sampling events at all three Metcalfes and Outpost store locations. We attended the Wisconsin Restaurant Association trade show in Milwaukee and were the feature item at the BRAISE restaurant "Farm to Table" Dinner event. Consumers want to know where their food comes from. The connection to producers, who tell the story behind our product, is highly valued by our customers. Such events are critical to helping maintain sales growth and increase awareness of our brand, however we are very short of volunteers. If you are willing to consider supporting such an event, and helping your co-op grow, please call me and I will add you to the list of potential candidates. Actual events dates will vary, but can often be scheduled around your availability and can be booked individually.

Many of our current customers were referred to us by friends or members of the co-op and we need your help to continue to grow. If you know of anyone who would like to enjoy Wisconsin Meadows Brand 100% Grass-fed Beef, please have them contact me at sales@wisconsingrassfed.coop or call 608-451-2861.

Rod Ofte – General Manager, WGBC - 800-745-9093

**Wisconsin Grass-fed Beef Cooperative—Annual Business Meeting
Held at the Wintergreen Resort, WI Dells on Saturday, February 28, 2015**

Introduction – Greg Nowicki, President called the meeting to order at 10:03 AM.

President Nowicki asked for any agenda changes. None were voiced. Motion to accept the agenda as presented by Rod Ofte, 2nd by Bob Pesz. **Motion passed.**

Nowicki then introduced the members of the Board of Directors and key team members of the Co-op. There were over 40 Co-op members and spouses/family, and key team members.

Approve 2014 Annual Meeting minutes – Szomi read the minutes. Motion to approve the minutes as read was made by Bob Pesz, 2nd by Mandy McGee. **Motion passed.**

Treasurer's Report – Tracey Hennessey, the Co-op's accountant, was on hand to provide the report. 2014 sales were just over \$1.2 million. Accounts receivable has dropped to 2-1/2 week turnaround and Accounts payable is averaging less than 2 weeks. The Co-op and its board is pleased to announce that this year we are able to give patronage checks to the members that have marketed product through the Co-op. CONGRATULATIONS!!

Tracey reviewed the check stub information since a lot of new Co-op members were present. If you have questions about the stub, please call Tracey, if you have a question about the weights call Pete/Rod—NOT the processor. Motion to accept the Treasurer's report as presented made by Laura Paine, 2nd by Mel Abel. **Motion passed.**

2014 Milestones & Sales Summary – Rod Ofte gave the report of how 2014 was a good year because of strong sales, but also record high producer payments and payment timing. The Co-op instituted a "Friends of the WGBC" programs where interested consumers can join for \$99/year, receive a 5% discount on product. Currently have 10 people. The Co-op did a trial at TTJ packaging, could be a good back-up processor. Congrats on 1st time ever patronage dividend! Rod updated the audience on the improved Co-op branding and Point of Sale products.

Challenges continue to be consistent supply of good cattle; higher than planned cost of goods sold (COGS); increasing competition.

2015 Business Approach - Stabilize & strengthen the Co-op's financial position & Solid double digit growth. Rod talked about the Co-op being the "Market of 1st choice" for our members. Reminded attendees that there is a \$100 gift card available for each new lead/member referral that joins & ships cattle, but also for members who volunteer at a demo. The Co-op will be transitioning to a tiered pricing where fats are one price, and unfinished cattle are lower. The proposal for 2015 is to have 25% growth with a gross profit of \$136,950 minus overhead of \$113,995 equals \$22,963 in net income.

Cattle Procurement – Pete Prochnow

Pete reviewed the required paperwork needed when you ship your cattle. Since there is only a one-page shipping form, please make a copy for yourself. The affidavit/bill of lading is the quality documentation. By filling this form out assures protocol compliance, protects the owner and is the ID for payment. Current forms, along with the shipping calendar, are available on the website. Discussion on the possibility of Co-op tags (either stick-on or ear).



Member Awards & Patronage - Now came the fun part of the meeting. WGBC Member of the year—Mandy McGee & Kerry Barnett; WGBC Producer of the Year— Al & Judy Lang. Patronage checks were distributed to Co-op members that were there.

Board Member Nominations and Election Results – two seats, 3 year terms were open for election. Nominees were Kevin Moore, Bob Pesz and Gene Schriefer. Motion to close the nominations made by Rod Ofte, 2nd by Greg Nowicki. **Motion passed.** After the ballots were counted **Congratulations** to Kevin and Gene.

Market of Choice - Rod gave a presentation on why the WGBC should be your market of choice. Our members have told us that their carcass weights through the Co-op are almost 2% more than when they process for direct marketing or other markets. This difference could be due to fact that we have a demand for heart, tongue, liver - so their weight is included in the hanging (pay) weight.

Adjournment - Motion to adjourn was made by Russ Endres and 2nd by Judy Lang. **Motion passed.** Meeting adjourned at 12:00 PM.

Educational Session - Dr. Allen Williams gave a presentation on grass-fed beef characteristics, production challenges, genetics, carcass data, etc. It was an excellent interactive presentation that facilitated lots of discussion during and after the meeting. Thank you Allen for taking the time to attend our meeting!

These are the unofficial and abbreviated minutes of the WGBC Annual Meeting-respectfully submitted by Lanice Szomi, Secretary.

Producer Profile

by Kevin Moore

Kurt Eckes calls his 100-acre farm in the driftless region of southwest Wisconsin the Devilance Compound, a name born out of his days in the rock-and-roll music industry. Kurt is an “accidental” farmer meaning he never intended to be a farmer instead he stumbled into the pastime he loves. He went to college for engineering and worked for a couple of years as a mechanical engineer. He got tired of making money for someone else, went to work as a concert promoter and had his own record label for 12 years. He was living underneath a 4000 sq ft warehouse he owned in downtown Milwaukee. He was forced to look for something new when he lost the warehouse to eminent domain when the Marquette Interchange was rebuilt.

Kurt has raced motocross since high school and began looking for a place in the country where he could set up his own motocross track. He looked at over 100 farms before he settled on his property on the Vernon / Richland County line. He bought the farm because he wanted a place to set up a motocross track so he could ride his dirt bikes. He set up the track the first year and he said he hasn't even started his dirt bikes since 2006. He said “I raced motorcycles for 20 some years and now it's been so busy with all this other stuff. The whole purpose for moving out here has never happened”.

In 2006 Kurt got a part-time job at Organic Valley in the Marketing Department. Kurt said “With Organic Valley, their whole thing is to promote farmers. I like traveling so I was always going out for them, going to different events and talking to people about the cooperative and about farming. They try to make farming look cool. Next thing you know I'm thinking I want do this.”

Shortly after he purchased the farm the county was reassessing his property. The assessor thought they might have to change the zoning from agricultural to recreational. Kurt asked what he could do keep it agricultural and the assessor told him to put a couple of cows in there. Kurt said “In retrospect, I should have just paid the property taxes. I know I've paid that property tax a million times over by having cattle”. He started with two Highland cows and then added three cows and two heifer Rotokawa Devon / Red Angus crosses. The very first calf that was born out of his Red Angus Devon was born on the day of his dad's funeral. He said, “The first steer he takes to market wasn't going to be born on that day” so he left him as a bull and that calf is now his herd sire.

The property hadn't been farmed since 1985 and most of the fields were in CRP program. The hills were covered with multi-flora rose and prickly ash. The Highland cattle have cleared out most of the brush. The fields are now out of CRP and have been divided into 11 paddocks. Kurt rotates the cattle in a counter-clockwise pattern moving them afternoon. He currently has 25 head and his goal is be able to pet all of them except the bull. He names his cows and knows who each cow is and what their lineage is. He's used to engineering skills to develop a Temple Grandin inspired handling system.

His proudest accomplishment is his watering system. There are a pair of springs on the property. He built a dam below the springs and feeds the water into a 250-gallon tote. There is a deep well pump on a timer inside the tote that pumps water twice a day to a 1000-gallon reservoir at the highest point on the farm that then gravity feeds to all the paddocks across the farm. He runs the water up the 230-foot rise to the top of the hill through 2400-feet of black plastic pipe laid in the fence row and then out through 3000-feet of pipe to the watering stations. He recommended using the pipe with a higher carbon content because the animals won't chew through it.



Reminder to Members about the Carcass Data Forms

Quoting from our protocol:

Required Producer and Protocol Documentation:

- Farm Records – identifying market animals are born and raised in Wisconsin.
- Individual animal ID from birth (tagged and records), or an affidavit affirming age.
- Bill of Lading and Signed Affidavit Form – at time of sale to WGBC providing: Farm Producer Name/Date of Shipment / Delivery Destination Tag # - Age – Sex - Breed - Description
- Ownership Transfer/ Signed Affidavit Form – only when animals purchased as feeders. Forms are available on WGBC website or upon request. Signed copy duplicates are suggested for farm records.
- Breed (this information is for internal cooperative use—to determine over time which breeds, herds perform the best for us).
 - Members will be subject to third party certification.

Included with this issue of the newsletter is our cattle data form / bill of lading which must be sent in with all cattle sold through our co-op. It is also available for download on the WGBC web site/ members page, or can be e-mailed to you, request from info@wisconsingrassfed.coop or pete@wisconsingrassfed.coop.

Forms should either be sent to the processor with your cattle or sent to Pete within 24 hours of delivery. It is the producers responsibility to obtain and fill out the forms. Our processors do not have them on hand and should not be expected to fill them out for you. Some cattle have come in that were flagged at the processor as possibly being older than 30 months by dentation or bone ossification. **Unless you include the data sheet with your signature certifying the animal qualifies for our premium market, we will have to consider it as a cull cow (used only for grinds) and pay accordingly. No checks can be sent to producers until this form is received by WGBC.**

The reason we can offer our members a premium pay price is that our marketing is based on several key features valued by our customers:

Source Verified: We advertise that our cattle are born and raised in Wisconsin, and traceable to the farms the animal was born and raised on. (When you buy feeders, don't forget to have the seller certify that in writing, and keep it in your records!)

Consistent Product: A ribeye area that consistent in size and marbling is especially important to the restaurant market. It is also extremely helpful to Rod and Pete as they plan how many cattle are needed per cycle, if the carcass sizes are consistent.

Labeling Claims: All our retail labels are submitted to the USDA Food Safety Inspection Service. In order to claim "Humanely raised on pasture without antibiotics, growth hormones or Insecticides" we are required to submit a copy of our protocol and the affidavit you sign when sending in your animals. This could become a legal issue if we should ever be challenged on our practices, and we need to have the documentation on hand. In the future, we may have to move to a 3rd-party certification/inspection, but for now USDA accepts the producer's signed statement.

Help us to keep the Wisconsin Meadows brand known as the finest beef available!

Please call with questions! Pete Prochnow 920-210-9177



**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.Co-op or

call **1-800-745-9093**

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Wholesale sales: sales@wisconsingrassfed.Co-op



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