

Beef bites:

- The Wisconsin Grass-fed Beef Coop now has **118 members**.
- **ONE MONTH LEFT—to participate in our membership drive!**
- 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.**

Co-op Number:

1-800-745-9093

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2014 Board of Directors Message



2014 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

Welcome to another issue of “Meadow View”. This issue contains a recap of our Annual Meeting that was held on Saturday, January 11 at the Ag Research Station in Hancock, WI. Despite tough travel conditions that day, the meeting went well.

We had 3 Board seats up for election. The membership unanimously voted to keep Melvin Able, Russ Endres and Judy Lang on the board for another 3 years.

We shared the results of our efforts in 2013 which were highlighted by continued growth and profitability. We reached \$816,000 in sales which is up from just under \$700,000 in 2012. Although cattle prices were considerably higher in 2013 than in 2012, we generated a similar profit to 2012 at just over \$20,000 by reducing our fixed costs.

We also presented our growth plan for 2014 as well as the challenges we face ranging from cattle supply to increasing competition in the market. The meeting was followed by a great lunch and a presentation on the value of cooperatives by Cecil Wright from CROPP Cooperative and the Organic Maple Cooperative.

If you were not able to attend the Annual Meeting, please take some time to read the information contained in this newsletter including the minutes from the Annual Meeting as well as our summarized financial results from 2013. (continued on page 3).

WGBC General Manager's Update - Q1 2014

It is a great 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. Cattle are in short supply across the Midwest and prices continue to go higher, which is good news for any producers sitting on cattle. Our pay price to WGBC producers has risen by over +40% since the WGBC started in business. We now proudly boast 118 family farmer members in our fold. Year to date beef product sales to our customers are up 18% vs Q1 2013, and our net income has improved vs the same period.

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. 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.

In Mar 2014, we attended the annual Midwest Restaurant Association Tradeshow in Milwaukee to reinforce our food service relationships and spread the word about our unique products. We attend the Grace – Farmers Market in Milwaukee again in 2014 as well, to also support our direct to consumer activities. Our new, improved product label is now fully launched, and telling our story on every pack of meat we sell.

The business outlook for 2014 is very positive. We plan to continue growing and remain profitable. However, there are dark clouds on the horizon. We had to short customers' product in a number of deliveries this past quarter because we didn't get the cattle delivered that we needed. Our biggest weakness is getting enough good quality cattle to fill orders, so please continue to push your friends and neighbors to join our cooperative and send us cattle. We have a market for finished cattle, cull cows, bulls and veal calves. Get in contact with Pete Prochnow (920-210-9177) well in advance of your desired shipment date so that he can build you into the pipeline.

Rod Ofte – General Manager, WGBC - 608-451-2861

Spread the word about Wisconsin Meadows!

The co-op is offering 18"x12" magnetic signs for your vehicle, garage door etc. We have 8 left from an order we made last year to replace the van magnets. \$20 (plus shipping if necessary)



We will soon be placing an order for farm signs, these are an economical sign screen printed on plastic corrugated, 24"x18", printed both sides, with an optional metal stake available.

Sign \$11-\$15; Metal yard stake \$2.75-\$3.25 extra (Price depends on number of orders we get.)

Contact Mandy (see back page) or send to info@wisconsingrassfed.coop to order or ask questions by May 10th so we can have them available for you at the summer meeting. (other delivery options can be handled on an individual basis)



Board Message (continued)

2013 Financial Summary

Sales		\$816,466.22
Less Cost of Goods Sold		
Cattle	\$527,094.13	
Processing	\$174,394.24	
Shipping Credit	\$ 7,340.00	
Labels	\$ 6,337.95	
Total COGS		\$715,166.32
Gross Profit		\$101,299.90
Less Expenses		
Auto (Delivery van / mileage)	\$ 9,419.13	
Consulting (Labor)	\$ 51,600.00	
Depreciation (Van)	\$ 4,800.00	
Insurance	\$ 3,363.30	
Interest	\$ 3,303.94	
Marketing	\$ 5,458.35	
Misc (phone, postage, etc)	\$ 1,593.93	
Taxes	\$ 1,050.00	
Total Expenses		\$ 80,588.65
Net Income before bonus		\$ 20,711.25
Less Management Bonus (20% of Net Income)		\$ 4,142.25
Net Income		\$ 16,569.00

The membership drive signup will end April 30th of 2014!

The Wisconsin Grass-fed Beef Coop announced a membership drive initiative in order to increase production of our grass-fed beef supply and gain more producing members. We've had a positive response from this initiative.

From November 1st of 2013 through April 30th of 2014, a member in good standing will be asked to recruit a producing member/s. The sponsor member would be eligible for the \$20/head check from WGBC for each animal sold/contracted to the co-op by May 31st of 2014.

The new member/s application must be accepted/recorded within the November 1st 2013 window and up until April 30th of 2014 to be eligible.

Once the cattle have been received, a payment schedule to the member sponsor of approximately 4-6 weeks will be followed. The sponsor, when signing up a new member, will record their name or member ID on the membership packet so that we are better able to track who signed up which member/s.

To request membership packets please call Pete @ (920) 210-9177 or download them from our website at www.wisconsingrassfed.coop.

Producer Profile – by Kevin Moore, Board Member



Paul and Becky Burcalow own the Rockin Reata Ranch. They live in a beautiful log home set at the end of a long driveway they share with a gravel quarry off the main highway outside Waunakee. Just looking at the rolling grasslands and horse-filled corrals, you could imagine you were on a western ranch. The big red barn filled with hay brings you back to Wisconsin. They currently have 27 cows on grazing on 80 acres of pasture overlooking Lake Mendota with the State Capitol in the distance.

The Burcalows started with Corriente cattle. The breed is classified sport cattle and primarily used for rodeo events such as team roping and bulldogging (steer wrestling). Paul said “We could never get roping cattle so we started raising our own”. The Corrientes are a smaller very hardy breed with gentle dispositions and long horns. Becky said the heifers are in the 900-1,000 lb range. Since getting involved with grass-fed they have begun bringing in Angus with Angus heifers and cross-breeding the Corrientes with Angus. Historically they have had about 20 cows.

Paul is the general manager for Yahara Materials, the family gravel business. Becky is a Doctor of Veterinary Medicine working part-time affiliated with the Lodi Clinic or other vets providing relief work. She worked 15 years full-time primarily as an equine vet. They have 2 children, Clare, age 9, and Cade, age 5. Becky grew up with horses. She said she thinks it good for kids to grow up around animals and have responsibilities. The kids already have chores. Clare is in charge of chickens, 4 hens and a wild rooster that just showed up one day. Cade is in charge of barn cats.

Becky said “Part of having cows around is being able to be on horseback”. The couple met when Becky came out to doctor one of Paul’s horses. She said they work the cows and check cows on horseback every day. They doctor their cattle in the field. The cattle rarely see a chute before they go to market. They have 16 horses including a team of Percheron draft horses that they used this winter to pull a bobsled. Clare is active in Little Britches Rodeo competing in roping, pole-bending, barrel racing and goat tying. A room in their barn is a leather shop where they make all their own bridles and fix their harnesses.

Paul said he is a believer in strong fences. With the farm on the edge of an suburban community, he relies on all woven wire fences. He said the first year he had cattle, he had some longhorns from Oklahoma that had never seen a fence. The night of “Rhythms and Booms” the cattle broke through the fence. He was able to get them all home. The farm has few natural wind breaks from the wind. This year Paul pushed up tall walls of snow and built a snow fort for the cattle to shelter in. He said in the spring he feeds his cattle uncoated alfalfa seed with their mineral to reseed his pastures. Paul said he really likes the horned cattle because they will grub out the brush in the pastures. They tend to pasture the horses behind the cattle because the horses will eat a lot of what the cattle won’t and it helps keep the pastures clean.

To Buy, Sell, Rent or Trade Section:

Driftless Dells in Vernon County has breeding stock for sale, out of quality grazing (Pharo Angus and Rotokawa Devon) genetics.

4 yr. old – red angus bull; 2 yr. old – red bull 3/4 Devon 1/4 red angus; 2 black angus yearling bulls (one could definitely be used this year); Some yearling heifers and steers available as well. Call [608-489-2162](tel:608-489-2162) (Mandy)

2014 WGBC Annual Meeting Recap

Annual Business Meeting—Ag Research Station, Hancock, WI Saturday, January 11, 2014

Introduction – Greg Nowicki, President called the meeting to order at 10:15 AM.

Nowicki introduced the members of the Board of Directors and key team members of the Co-op. There were 30 people in attendance. Members in attendance received a WGBC cap & a bottle of Mad Dog & Merrill seasoning.

Approve 2013 Annual Meeting minutes – Szomi read the minutes. Motion to approve the minutes as read was made by Pesz, 2nd by Lang. **Motion passed.**

Treasurer's Report – Tracey Hennessey, the Co-op's accountant, was on hand to provide the report. 2013 sales continued to grow. The Accounts Receivable was \$62,381, Accounts Payable was \$25,712.00. There will be a check to the 2014 check stubs that will show the kill date, hanging weights, what category the animals was and a tag number. This will help producers track their animals after they leave the farm. Motion to accept the Treasurer's report as presented made by Moore, 2nd by Lang. **Motion passed.**

2013 Milestones – Rod Ofte

- Sales of approx. \$816,316 Membership is over 100, with record high producer payments
- First live cattle shipment over state lines TV appearance on "Mad Dog & Merrill" show

Challenges for the Co-op – 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 2014 is to process 15 head/cycle or a 15% growth

Opportunities for 2014 include: New product launches (organic beef, lamb & veal)

Improved Branding

Promotions & Product demos 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 reviewed 2013 in terms of cattle numbers to active members. 39 members (roughly 1/3) sold animals through the Co-op in 2013. The majority of these transactions were members selling 1-5 head of cattle, once or twice to the Co-op. If the Co-op wants to continue growing at a double digit pace – we either need more members producing 5+ head a year or our larger producers selling the Co-op even more.

Base price to producers was \$2.35/lb through 2013. Co-op protocol & documentation was discussed. Our protocol & compliance needs to uphold the new label declaration. That will be through communication, knowledge of the protocol and the responsibility of the producers to follow. The board is charged with making a determination on how and if worming fits into the protocol.

Board Member Nominations and Election Results – three seats, all 3 year terms were open for election. Congratulations to incumbents Mel Abel, Judy Lang & Russ Endres.

Educational Session - Cecil Wright, with Organic Valley & Organic Maple Cooperatives facilitated a discussion on what being part of a cooperative means for the producers, but also the Cooperative itself. There was great conversation and a renewed sense of collaboration that will benefit the Co-op here on out

Adjournment - Motion to adjourn was made Lang and seconded by Moore. **Motion passed.** Meeting adjourned at 1:30 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-

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New Co-op Number:

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