Wisconsin Grass-Fed Beef Cooperative

Beef bites:

- The Wisconsin Grassfed Beef Coop now has 96 members.
- Mark your calendars –Aug. 10 regional Co-op mtng in Medford at the Al & Judy Lang farm
- 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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Volume 4, Issue 2

July 2013

Message from your Board of Directors....

Your Wisconsin Grass-Fed Beef Cooperative is now well into it's fifth year of business. Growth has been and will continue to be our focus. With continued growth and good control of our fixed costs, we will make progress on our main goal – to return income to our membership through premium pay prices and future dividends.

We got started in 2009 with virtually no capital other than a small grant and membership stock purchases from our initial handful of member producers. Because of the dedication and commitment of our membership and operations team, we survived 2-3 pretty shaky years, which is not uncommon in any start-up business. As you will recall from our Annual Meeting in January, last year we made some bold moves in our operations structure to keep our overhead costs to a minimum and streamline our processes. It paid off. We delivered solid profitability with strong growth in just our fourth year of business.

So where does that leave us now? Year-to-date we have maintained consistent profitability and growth, which is great news. However, our growth potential continues to be hampered by our cattle supply. We have a number of initiatives we are working on to improve this situation but they all take time to bear fruit. The only way we will continue to grow in the short term is with the commitment and dedication of you, the owners of this business, helping to make it happen.

If you know of members (or non-members) with qualified, market ready cattle, contact Pete with the information. If you are in the market for buying or selling feeders, use our website to get the information out to our membership as your first option. If you will have calves for market in the fall, get the word out on our website now for other members. We want to keep as many cattle within the co-op as possible. As you make your marketing decisions, remember that the co-op is not just another place to sell cattle.

The co-op is a company & brand that you are part owner of – together we can continue to make it a success!

2nd Quarter 2013 – 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 \$2.35 per lb hanging weight, plus up to an additional \$0.10 per lb for timely forward contract commitments. Year to date, sales are up 27% vs 2012, and up 36% for the second quarter vs the same time last year. Despite our premium producer pay price vs. the conventional market, we are still short of the cattle that we need to fully supply demand. We are counting on you, our producer owners to fill that gap. You own the cooperative, and the cooperative needs your cattle. 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 currently have a base of 67 active retail, restaurant, and wholesale customers across Wisconsin, and Illinois.

With the coming of summer, we discontinued the beef breakfast strips and brought back the all American favorite, hot dogs, with organic spices and no nitrates or MSGs. The significant growth in the second quarter vs. 2012, was driven largely by the pipeline fill of our newest product, an all grass-fed beef bratwurst. The product is made at Usingers in Milwaukee, one of Wisconsin's most respected and oldest family owned sausage companies.

Other highlights over the past few months include multiple product promotions and brat launch/sampling events at all three Metcalfes and Outpost store locations. We attended the Wisconsin Restaurant Association trade show in Milwaukee and were featured at the REAP "Burgers and Brew" event at Capital Brewery in Madison. In order to grow brand awareness and direct sales to end consumers, we also attended two farmers markets in Milwaukee. 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 and consumers alike. 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

Producer Profile



Gary and Karen Walker purchased 280 acres of the family farm and created Sunny Bank Highlanders in the hills north of Boscobel. Gary's father was a truck driver / beef farmer. Gary and Karen both grew up in Boscobel where they have lived their whole lives except for two years that Gary spent in the Army. They raised two children in Boscobel where Gary owned a carpentry business and Karen taught school teaching K-6 over 37 years. Their son Scott works lives in Hartland and works for Menards and daughter Jenny lives in Mequon and works as a graphic designer. They have 3 grandchildren.

Gary said he got interested in farming late in life and Karen said she "was scared to move out here". They didn't initially plan on farming and Gary admits that farming is "a very frustrating profession" but they love it. They built their home in 1999. Since then they have fenced off paddocks, cleared brush and installed lanes. Gary described hours spent with his father handling cattle with crudely built wooden panels. His frustration with that setup shows in his impressive handling facilities. The Walkers started their beef herd in 2004 with 5 Scottish Highland cows and a bull. Gary said Highlands are "the best cow there is". He described how they will wrap a multi-flora rose vine around their horns about four times and pull it out and then eat it. They will also straddle a

small tree and push it over to eat the leaves. Karen said the Highlands are very good mothers and wonderful to work with. She said they will beg for attention. A third of her herd are tame enough that she can

comb them out. The only issue the Walkers have with their Highlands is the respect they get in the local markets. The Highlands don't command the same price as a comparable animal from another breed.

Gary has purchased an Angus bull. The crossbred calves have half their hair and 90% of the them are naturally polled. However, they seem to like the multi-flora rose. Gary intends to sell off his purebred Highland stock and continue with the Angus-Highland cross.



The Walkers are self-proclaimed travelers. They have been to all 50 states and all the Canadian provinces except the newly created province of Nunavut. Their favorite destination is the west coast of Newfoundland where Karen recalled buying lobster fresh from the boat and beachcombing for lobster floats and traps after a major storm. A shelf in their dining area displays a mug from each of the states and provinces. Karen said they called their travels 'mug runs' as they traveled to complete their collection.

Gary is experimenting with using sorghum sudan grass. He plans to use the hay to finish his steers. He plans to wrap more of his hay because the cows like it more and tend to waste less. He is also considering fall calving because the cows tend to be tamer because as calves they are around the farmer and the equipment more. Long-term plans include additional lanes and a gravity-fed water system to take water out to distant pastures.

-by Kevin Moore, WGBC Board Member

Production Update—Pete Prochnow

Grass fed beef product demand is steady to increasing, supply of cattle remains low on a seasonal basis. Cattle prices are historically high, although mostly level for past 6 - 12 months. Existing food marketing business "players" continue positioning to compete in meeting grass fed beef product demand – when will this market turn?

New calf production outlook appears steady. Cow/calf producers held quality brood cows as possible. Yearling stocker supply was scattered due to drought/long winter feeding period and purchased feed cost.

Pricing models are needed to assist cow/calf, stocker and finisher producers to facilitate buy/sell opportunities. Such transactions may create efficiency opportunities for member's individual farm operations, and help supply quality grass/forage finished beef animals – <u>consistently!</u>

Cooperative's Role-

WGBC's primary focus remains marketing quality grass/forage finished beef to an established and developing customer base. Product sales are nearing \$1 million/year with additional growth foreseeable.

Today's consumers are creating an exciting time for quality local food producers and grass fed beef producers in particular. HOWEVER, these new opportunities ALSO create <u>challenges</u> for our beef producer cooperative; **below are a few questions for you to consider:**

1. Will member production commitments and sound marketing practices together, make a difference? Committed member producers continue supplying cattle to maintain our existing customer demand. Sales management efforts continue to generate solid profit margins, supporting historically high cattle prices. The WGBC model works—thanks to each other's contributions.

2. Are there additional rewards for producer/members providing quality cattle to WGBC year round – in addition to competitive finished cattle prices?

Increasing beef product sales -and margins- are possible as new marketing opportunities develop demanding consistent supply. The business of WGBC is creating profits for our cattle supplying members with both competitive cattle pricing and potential production based **dividend payments.**

3. How is WGBC facilitating successful producer networks to create profitable opportunities for member [cow/calf, stocker and feeder /finish] farm operations? What can YOU do?

CALL or EMAIL ME - Communicate your production/marketing plans – AND secure finished cattle price incentives [details in last issue] for contracting/planning ahead - the fall schedule is filling up – let's start thinking 2014!

If you plan to sell calves or yearlings instead of finishing animals – call me or post your intentions directly on our new easier to use website.

WHY - so your cooperative can continue providing a hassle free marketing option to purchase your finished cattle in a price competitive transparent transaction – AND assist WGBC focus on sales marketing plans to **ENABLE long term secured** cattle prices for producing members.

OTHER THAN FINISHED ANIMALS - we regularly purchase cull cows, veal calves, and young bulls to utilize in beef product sales – purchases can be matched with finished cattle transport plans.

BREEDING STOCK, YEARLINGS OR CALVES – the network for members looking for what you have or want – is growing!! We have finish producers looking for quality calves!

ALSO - OUR UPDATED INTERACTIVE WEBSITE IS READY for member use to communicate your buy/sell offers and find cooperative news updates – PLEASE CHECK IT OUT!!

4. Can WGBC beef producers continue to improve production efficiencies and higher quality carcass results, at the same time?

To ask this question, considering the challenges of production matched against the persisting demand for grass fed beef products we've experienced the past several years, is fair and relevant. As demand for grass finished beef products continues to increase – trust me - so will supply. Quality will become the difference between successful marketing options available for your beef cattle production.

WGBC recently extended limited resources this spring to track and record carcass yield/quality traits and make them available to interested producer members. Results are quite interesting and members shipping cattle generally felt the information very helpful.

If we want this useful information, two items will be necessary; 1] producer provided - cattle identification, breed/source, live weight, birth date and general pasture/feeding history and 2] willingness to assist funding continued data collection "legwork". Let me know your thoughts.

Call direct - 920-210-9177 or email pete@wisconsingrassfed.coop

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

Website Update - showcase your talents

Calling all writers, photographers, and videographers – help us keep our web page content fresh and interesting!

We are in need of photos of our farms/families and our product (did you just grill an awesome steak, or put a nice roast on the Sunday table? Snap a pic!)

We've added a web log to the site as well, "What's Goin' Down on the Farm" and we need short submis-

sions with or without a picture about life on a grazing farm to share with our customers.

Cute new calf (such as example on the left) or fawn on the farm? Barn swallow nests? Rare wildflower? Floods? Tree down on the fence? Kids playing in the creek? Barn full of fresh-cut hay? Write a few paragraphs about what you did on the farm today. It may seem ordinary to you, but our customers will "eat it up!"

Check out examples on our blog at: http://wisconsingrassfed.coop/whats-goin-down-on-the-farm/

Send to Mandy at DriftlessDells@aol.com or mail to:

S2093 Scratch Rd. LaFarge, WI, 54639

You know Spring has arrived when you see beautiful calves nursing their mothers in lush green pastures. This little black angus calf decided she couldn't wait for her momma to get up so, she had breakfast anyway.

-photo courtesy of Jon Lee, Coon Valley

For those who are looking to buy or sell cattle and are not able to use the online Member Forum, please contact **Judith Pesz**.

She will try to keep a list of who has what for sale and match up buyers and sellers. Call: 608-464-3920 or write: E644 Lankey Drive, Wonewoc, WI 53968

WISCONSIN GRASS-FED BEEF COOPERATIVE'S MEMBERSHIP MEETING & PASTURE WALK

SATURDAY, AUGUST 10, 2013 11:00 am - 3:00 pm

AL & JUDY LANG FARM @ N4669 Hwy Q, Medford, WI 54451

11:15 Call Meeting to Order/Welcome Membership - Greg Nowicki

11:30 Co-op update - Greg Nowicki, Rod Ofte, Pete Prochnow

12:00 Member Input/discussion on grass-based topics

12:30 LUNCH* (Provided by WI Grass-fed Beef Cooperative)

1:30 - 3:00 Walk the Lang pastures

<u>Directions:</u> From Hwy 13/O intersection on the south side of Medford, travel west on Hwy O for 2 miles to intersection with Hwy Q. Turn Right (north-the only way) and continue 2 miles until Hwy 64. Cross the intersection & go 4 miles north on County Road Q (it shows up as Anderson Road on some GPSs) or from the north take Hwy 13 to County M West (this is 4 mi N of Medford) go west 3 mi., then turn south on Q and go 1/4 mi. to house. The Farm itself is located at Dassow Ave. Go 4 miles North of Medford on Hwy 13, turn right (east) onto Dassow Ave. Farm is the first place on the South.

* Please <u>RSVP</u> for the meeting so we can have an accurate lunch count. Contact Lanice at (715)748-2269 or <u>lszomi@tds.net</u> by **Tuesday, August 6**. THANKS!

The Co-op will be continuing these minimeetings for our membership. The Eastern Wisconsin regional meeting is also being planned for August, watch the website or call 608-489-2162 for details.



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

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Board Members

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Vice President Russ Endres 6921 Cty Hwy K Middleton, WI 53562 rendres@wimci.com (608)258-2080

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New Co-op Number:

1-800-745-9093

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