

wisconsin grass-fed beef cooperative

WISCONSIN
MEADOWS™

100% Grass-fed Beef

Meadow View

Volume 11, Issue 3 • July, 2020

Meadow View Summer Edition

As COVID stretches into summer and affects our usual pasture walks schedule, conferences and meetings continue to be held online. Let us know if you hear of any news or events that might benefit our members, including webinars and such, we'll help spread the word.

We always welcome your feedback or questions, as well as contributions of articles, recipes or photos, upcoming grazing events or news from your part of the state. Member participation in a co-op is so important! Now that we have a more active social media presence we really need photos or short notes about life on your farms, putting faces and places in the minds of our customers to build brand loyalty.

To contact someone at the co-op, our e-mail address is: more.info@wisconsingrassfed.coop or mail to: **Box 269 Viroqua, WI 54665.**

We'll be sure to direct it to the appropriate staff or board member.



Lazy days of summer – for the cattle anyway!

Farming is a Simple Business . . . Not!

Ninety-eight percent of the population is removed from agriculture, to the outside world, ag and farming seems like an idyllic lifestyle. We get to live outside surrounded by nature, put some seed in the ground, it rains, the sun shines you sell your crop, drive to the bank, or for cow/calf you sell the calf and drive to bank. From a business standpoint, profit equals income minus expenses, is a very simple equation BUT a farm is a complicated business. There are lots of moving parts, inputs costs, value of product, weather, shifts in federal policy change, we have limited control over these.

At the end of the year, we complete our Schedule F, add in our increases or decreases in inventory and decide if we earned a profit this year. But this is a summary of what happened exactly like we average 225 bushel of corn last year. Really, every acre had exactly 225 bushels of corn. More likely some had fields at 170 maybe 150 others may have rolled up 275 bushel yield. The average is correct, but it paints an incomplete picture of what really happened. Was profit the same on each of those fields?

Our schedule F is a summary of all farm business activity. IF we are going to do MORE than just HOPE that prices will improve, then we need details if we are going to make sound management decisions. If we are a beef cow/calf to finish operation raising our own replacements, we are two primary large picture enterprises – livestock and cropping sector (assuming we're producing our own feed.) Broadly, we need to know whether the crops are supporting the cattle or are the cattle supporting the crops? Maybe we need even more details – the livestock enterprise is broken into cow/calf enterprise, feeder/stocker enterprise, finishing and replacement heifers. Crops can be broken down in corn, corn silage, hay, pasture, small grains, etc. maybe custom work if we do that.

In each of these separate enterprises we need to understand what the margin per unit is, the income over direct costs. Assuming it is positive, This margin then is available to contribute to covering overhead costs. Hopefully it is apparent that the higher the margin the more dollars are available to cover overheads, now we need adequate volume to cover our all overhead costs, finally, then we can start counting profit. Only by comparing margin profit by each enterprise can we determine which are the more or less profitable enterprises and which ones are an actual drag on farm income. If some enterprises are less profitable or even a drag on total profit should we quit doing that? Maybe, maybe not. Maybe there is a very good reason why we want to continue operating something at a loss. If there is not, stop doing this, devote those resources to your most profitable enterprise and overall farm profit should improve. Now we need to break down the individual enterprise and compare with other comparable producers to our own peer group. This is where benchmarking can be a useful tool.

continued on page 2

wisconsin grass-fed beef cooperative

continued from page 1

Benchmarking allows you to compare how you do with a group of other peers, where are you better than average or worse than average and provides insight on where you can focus attention and work on improving your margin.

We also need to consider where we are in the market cycle and where are 5 and 10 year price forecasts. Can we really sustain the farm doing what we're currently doing and not changing anything with reduced or negative incomes year after year? Farms need to be economically sustainable.

When we identify an economic drag or a lower margin part of our farm AND decide we should stop doing that, the time and resources spent on can be re-allocated towards the higher margin areas and improve overall farm economics.

When we think about work, we often focus on the physical activities – planting crops, feeding livestock, driving tractor *is* work, but so is breaking down enterprises into the parts

and understanding what is making you profit or costing you money. The harder your brain works the more calories your body burns. We need to do this whenever our brains are sharpest. If we do it after a long, physically hard day our brains will not be sharp and focused. We need to understand that working ON the business (where money comes from and goes to) is MORE important than working IN the business, especially if some of those things are losing us money.

IF we do not KNOW what the margin profit is, if we're losing money, getting bigger only makes it worse – get better before your get bigger is a truism. In the end maybe we do not all need to own cows, if finishing steers is our best profit center, or maybe we're great cow/calf producers and pass off our calves to someone better at finishing.

Is being average good enough? Good is the enemy of great
Gene Schriefer – WGBC Board Member

Six months into 2020!!

Our monthly E-News messages detail the “play by play” events of your cooperative’s business operations. Those who’ve read recent messages were advised of changes affecting your cooperative, especially the past few months with coronavirus. In short, recent challenges have been more about supply channels – than actual supplies of product available for sale. But with renewed surges in coronavirus cases being reported, the resulting day-to-day adjustments will continue.

The daily pandemic and economic news we read and hear, at worst, only marginally impacts our on-farm production activities. So far in 2020, most producer comments orbit around forage supplies, animal performance, cheap corn, and feeder cattle prices. A mild winter and mostly steady spring provided a break for most farms from past years. Still, farm managers have their hands full with day to day operations, to focus on – even before addressing any necessary marketing options for their production.

One impact resulting from our Covid-19 world is consumer behavior. Demand for farm-direct sales of finished beef has been exceptional. This development has negatively impacted WGBC shipment plans. Such marketing choices are of course driven by individual farm objectives, marketing options, or willingness to deal with customer challenges – when direct marketing. The perspective – “that it’s really helpful for member farms to have the co-op option to market livestock when convenient” continues to paint WGBC’s strategic planning, business operations and eventually, outcomes.

As the 2nd quarter unfolded, WGBC was able and continues to, maintain price stability for producer members and

WGBC Pricing Effective July 1, 2020

(all per pound, carcass weight)

BEEF

Carcass Grade	Marbling Score (points)	Tier Number	Price / Lb. (hanging wt.)
Choice	0 – 90	T 1	\$2.35
Select	50 – 90	T 2	\$2.25
Select	30 – 40	T 3	\$2.15
Select	0 – 20	T 4	\$2.05
Select	0 pts/Standard	T 5	\$1.75
Cull*			\$1.20

*Call if you have cull cows to send, we will advise if/when needed.

PORK

Hot Carcass Weight	Tier	Price / Lb.
210 – 250	T 1	\$1.50
under 210	T 2	\$1.40
250 – 270	T 3	\$1.40
over 270	T 4	\$1.20

NOTE: Since this newsletter only comes out quarterly and prices are reviewed by the board monthly, when in doubt, call for the latest pricing.

customers – alike. Thanks to our well managed processor business partners, your co-op has been able to support the notion that “Local Farms Matter”. As future market impacts develop and the likely uneven consequences play out in our larger financial and commodity markets, WGBC will continue striving to be a steady marketing option for committed member farms. In kind, WGBC is your cooperative to “shape” – going forward!

Pete Prochnow – Production Manager



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2021 Planning Underway – Do you have an idea for a speaker (or topic to learn about) for our annual meeting next year? Challenge or opportunity the board and management should work on? Send ideas to: more.info@wisconsingrassfed.coop (or our PO box.)

Communication Options To and From Your Cooperative

As our cooperative continues to grow, there are many ways to stay abreast to the ever-changing markets, industry and growth for the members of Wisconsin Grass-fed Cooperative. As we focus on the future, we are adjusting our communication methods to help better serve our customers and members. Below is a guide to help understand the various current options you have to receive or communi-

cate to other producers, members, customers, management or a board member. We are continuing to explore more options to help serve our members and customers, but it's a two-way street. If there are any ideas to help grow your cooperative, please feel free to contact anyone from the list below!

Angie Lindloff – Social Media Coordinator

Topic(s):	Delivered By:	How Often:	Delivery Method:	To Sign Up – Contact:
<i>Member Pay Prices & Industry News:</i>	Pete Prochnow	Monthly	Email	pete@wisconsingrassfed.coop OR angie@wisconsingrassfed.coop
<i>Meadow View Newsletter</i>	Management Team	Quarterly	Email OR US Mail	more.info@wisconsingrassfed.coop OR angie@wisconsingrassfed.coop
<i>Buy/Sell Cattle via Facebook</i>	Members OR those interested in the Co-op	Anytime	Facebook Private Group	https://www.facebook.com/groups/741018666427371/
<i>Buy/Sell Cattle but don't have Facebook</i>	Angie Lindloff Mandy McGee	Anytime Quarterly	Facebook Private Group in Printed Newsletter	angie@wisconsingrassfed.coop more.info@wisconsingrassfed.coop
<i>Become a WGBC member or learn about the Co-op</i>		Anytime	Website Email Phone	www.wisconsingrassfed.coop more.info@wisconsingrassfed.coop 800-745-9093
<i>Buy Wisconsin Meadows Products</i>		Anytime	Website OR Phone	www.wisconsinmeadows.com 800-745-9093
<i>Follow Wisconsin Meadows on Facebook</i>		Anytime	Facebook	https://www.facebook.com/wisconsinmeadows/
<i>Contact Management Team</i>	Pete Prochnow Rod Ofte Angie Lindloff Mathison Tax Service Mandy McGee	Anytime	Email	Production/Cattle Scheduling: Pete@wisconsingrassfed.coop Sales Leads/General Management: Rod@wisconsingrassfed.coop Website/Social Media/E-Newsletter: Angie@wisconsingrassfed.coop Accounting: accounting@wisconsingrassfed.coop General Information / Print Advertising: more.info@wisconsingrassfed.coop
<i>Contact your Board</i>	Co-op Secretary	Anytime	Email OR Phone	eatgrassfed@gmail.com / 715-573-5610

Buy/Sell Cattle

Red Devon/Red Angus Cross for Sale

All cattle meet Wisconsin Meadows Co-op protocol

9 cow/calf pairs (Some may be recently pregnant by registered purebred Red Devon bull, if so, you get 3for1!)

1 cow (may recently be pregnant)

3 yearling heifers – open

E-mail bids to commence on August 1 and end August 29 at 8PM. Send to suemoran74@gmail.com Final payment and pickup is September 7, 2020. Direct questions to Bill Moran in Reedsburg: 608-524-4049, or send an e-mail.

Cattle are located at Moran Valley Farm LLC, S130 Dore Road, Lyndon Station, WI 53944. Will show by appointment. Contact Mike Moran at mmoran@barabooschools.net or 608-524-4049.

Link to download video of all cattle moving to new paddock:
<https://drive.google.com/file/d/15ByisWTbGBWS8acslWRi-gaF-6NaisPYG/view?usp=sharing>

Wanted – Forage Black Angus Bull, to rent or buy, will come and get. I need calving ease and a reasonable calm behavior. Contact: *Bill Weber* 608-219-8903.



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