



Wisconsin Grass-fed Beef Cooperative – 2021 Annual Business Meeting Minutes

Held virtually on Zoom, Sat. Feb. 20, 2021; submitted by Tim Mathison

Introduction – President Russ Endres called the meeting to order at 10:10 a.m.

Rod Ofte introduced the members of the Board of Directors and the Management Team that joined the meeting at Russ' office in Madison. The other members of the board and management team joined the meeting via Zoom along with over 20 members.

Approve 2020 Annual Meeting Minutes – Greg Nowicki, Secretary provided the minutes from the 2020 Annual Meeting in a written newsletter sent to all members in January. Motion by Judy Lang to approve the minutes, second by Laura Paine. MC

2020 Summary – Rod Ofte, General Manager, presented a summary and highlights of 2020. He began by reiterating the new requirement at Lorentz that all cattle are properly tagged. He highlighted the events that were attended before Covid. We are slaughtering an average of 5 hogs every other week. The pastured pork program was especially hard hit by Covid.

2020 had a 16% increase in sales over 2019. 2020 sales were \$2.567 million for beef and \$74,247 for pork, which were new records for the Co-op. Net profit was \$66,694 which is also a record.

There were several things that led to the record sales and profit. These include the Covid buying surge, including a huge increase in the sales of 30 lb. boxes, a \$250,000 food bank contract with DATCP, and the introduction of our Summer Sausage and Landjaeger. With the record sales and profit, the Co-op was able to pay off all outstanding debt, give the members who shipped in 2020 at \$20,000 patronage dividend, and do a smart "prepay" on a number of 2021 items that lowered the 2020 income taxes.

There were also a number of challenges in 2020. They include a wildly fluctuating conventional beef market, a continued lack of consistent supply and grade of cattle, processor date and quota changes, a second major product hold at Johnson's, and the food service sector being decimated by the Covid outbreak.

Outlook – Rod Ofte, General Manager, gave a brief outlook of the Co-op going into 2021. The focus will be on continuing to improve the quality and stability of our live animal pipeline, the online expansion of 30 lb. box ordering, expanding the retail ready cuts, reestablishing the pork program, and the launch of our new dog bone products. An overview of the management team and their duties was presented so members get to know them, and where to go if they have questions or concerns on a topic. Rod introduced Anders Unseth, who will start March 1st as a full-time Co-op employee. His duties are split between being the Business to Consumer Manager overseeing the box online shipping, and Procurement Manager, which he will be taking over from Pete Prochnow.

2021 Business Approach – For 2021, the Co-op is looking for a 1% growth in sales with estimated profit of \$35,000. The growth drivers will be the box online ordering, having a full year of Landjaeger and Summer Sausage sales, and the launch of the dog bones.

Rod gave an update on the USDA Value Added Producer Grant that the Co-op is in the process of submitting the application to receive. The deadline to apply is March 31st. It will be awarded by July 31st with a September 1st start date. It is a \$250,000 grant to increase our scalable marketing capabilities.

Rod reported that scrap expense will no longer be in the P&L in 2021 going forward. The change was started mid 2020 and the BOD was given both versions until the end of 2020.

Website and Social Media – Angie Lindloff gave an update on the websites and social media. The WGBC website has been revamped with a fresh look and no login required. The WI Meadows website was also revamped with a fresh look and new content. She also has incorporated the online shipping platform to streamline the ordering and shipping of our 30# boxes. She reported that our social media followers continue to grow and provided analytics of the websites and social media.

30# Boxes – Brett Danke showed the shipping box with a high R value insulation made of paper that is fully recyclable. Rod reported that the 30# beef boxes are being built and shipped from Nordik Meats now. They are federally inspected so they can be shipped anywhere. Since our pork is processed at Johnson's and they are only state inspected, the pork boxes can only be shipped within Wisconsin. We have set up an account with Spee-Dee to do the shipping at \$16.50 per box. They will pickup Tuesday and Thursday at Nordik. With the new shipping platform, the orders will come in to Anders. The boxes will be ready to go, so he will only have to put the shipping label on the box to get it ready for shipping.

After Covid hit, the price of the 30# boxes was raised from \$199 to \$229 to \$249 within a few weeks due to overwhelming demand for them. We will leave the price at \$249 to allow for Angie to run monthly specials.

Board Member Nominations and Election Results – Two seats were open for election. Brett Danke agreed to run again, and Gene Schreifer elected not to run again. Judy Fossen had agreed to run and was introduced in the January newsletter. Greg Nowicki ran the election and called for nominations from the floor three times. There were none so there was a motion and second to cast a unanimous ballot. MC. Brett and Judy then took a few minutes to introduce themselves. Russ thanked Gene for his six years of service.

Adjournment – Motion by Darren Yanke, second by Dan Wiederholt to adjourn. MC. The meeting was adjourned at 11:35 a.m. After a short break, the BOD met to elect to elect officers, etc.