

#### VOLUME 15. ISSUE 1 • JANUARY 2024

# WISCONSIN GRASS-FED BEEF COOPERATIVE **ANNUAL MEETING**

## WHEN: February 17, 2024 • WHERE: Wintergreen Conference Center

Clarion Hotel & Suites and Wintergreen Conference Center, 60 Gasser Road, Lake Delton, 53940 A block of rooms will be held until January 26, 2024 at \$89 plus tax. Call 1-800-648-4765 for reservations.

TIME: 9:30 - 10:00 am Registration (See page 3 for the full agenda.)



h Т Cooperative numerous storms over

the past 16 years, and 2023 has been no exception. Inflation has impacted many, including our producers, processors, and customers. Thanks to a solid game plan, we have emerged stronger than before.

When I mention a solid game plan, I am referring to the strategic planning session held in the fall of 2022 to outline the cooperative's 3-5-year goals. Working in collaboration with the Food Finance Institute, led by Tera Johnson, we have successfully implemented the growth of digital sales, expansion of pastured pork, and improved carcass utilization.

Although some crosswinds attempted to divert us, the cooperative adjusted its sails despite drought conditions in certain areas of Wisconsin, cattle supply challenges, and

demand from e reduced Wisconsin state-funded food bank. The our annual members meeting food, Grass-fed Beef cooperative remains on course! Furthermore, the cooperative has weathered now has two full-time team members! Josh Miner continues to collaborate with producers to procure animals and has been key in expanding our 30-pound box sales as well as wholes and halves. In October, Joe Mantoan joined the cooperative to familiarize himself with our current accounts and enhance the sales distribution network. Welcome, Joe!

MESSAGE FROM THE BOARD PRESIDENT, BRETT DANKE

There is a lot of positive momentum taking place- far too much to condense in this about these plans and enjoy cooperative members!

a newsletter. So please join us at a full day of great speakers, refreshments, and in February to learn more general fellowship with other



A group of grass-fed beef enjoy the summer pastures. Taken by Brett Danke, Wisconsin Grass-fed Beef Member and Board of Directors President.

### **BOARD OF DIRECTORS ELECTION**

During the annual meeting, we will be conducting an election for the 2024 Boad of Directors. There are two seats up for election, with one current board member re-running.

If you have considered running in the past, 2024 may be the year for you! The board meets via Zoom typically on the third Monday of the month starting at 6:30 pm. They also meet in person on a Saturday in September for a day-long strategic planning session. It is a rewarding experience and a great opportunity to learn more about the cooperative!

Nominations from members are now being accepted and will also be accepted from the floor on the day of the meeting. For more information or if interested in becoming a board member, please contact Greg Nowicki at eastgrasfed@gmailcom or 715-573-5610.



#### MESSAGE FROM THE GENERAL MANAGER, ROD OFTE

It is a great time to be a member of the Wisconsin Grass-fed Beef Cooperative (WGBC). With record high beef prices, it's a darn good feeling just to be a rancher sitting

on some healthy beef animals! We had big plans for 2023, and we exceeded them. The cooperative made strides in several key areas. Improved distribution, direct to consumer growth, strong key account relationships and a successful relaunch of our Pastured Pork Program to name a few. However, a single "one off" opportunity really made the year. Orders from Food Banks funded through AARPA moneys led to nearly \$750,000 in sales for WGBC in 2023. Our unique positioning as a 100% Wisconsin based cooperative with dedicated processing capacity allowed us to bid on high margin business that most producers and companies in Wisconsin could not meet the qualifications for. The relaunch of our Pastured Pork program was highly successful. We tripled the pork segment of our business from around \$103K in 2022 to over \$400,000 in 2023. 2024 Overview : Despite strong momentum going into the New Year, we are also facing some major challenges. The Food Bank sales that helped us make record profit in 2023 are not funded for 2024. Record high feeder prices have depleted our mid term pipeline of future finished animals. Many of us are holding back fewer cattle to finish and the national beef herd is at an all time low, driving beef prices up. Our gross pay price for finished beef cattle, including shipping credits and patronage will be over \$3.00 per lb hanging weight as we start 2024. For the first time in our history, we are planning to "appropriately downsize" our sales volume while maintaining margins, which is a very tricky undertaking. In order to pay our producers in line with rapidly increasing beef prices, we needed to raise our prices to customers a record seven times in 2023. Consumers are already in a pinch across the board with inflation and other demands, and their pocketbooks are not endless. Sales of many high-cost primal cuts have seen a significant decrease.

We will continue to be a main sponsor of the GrassWorks conference in 2024. We also have a booth at the conference promoting WGBC membership. Please consider attending the 2024 WGBC Annual Membership meeting in Wisconsin Dells on Feb 17th 2024. The networking is always productive and the chance to dine on our protein products alone is an amazing experience.

Where's Pete???? I have had several people ask what has happened to our beloved Pete Prochnow. Our Strategic Plan had Pete handing off his duties and riding off into the sunset as 2023 closes. Pete had some health scares that made that transition happen sooner than later. All deliveries and sales are being managed by our second full time hire, Joe Mantoan, who will be introduced at the annual meeting. The good news is that Pete is doing well and looking forward to joining us all at the annual meeting in February. A sincere thank you to all the producers who delivered finished cattle and hogs to the cooperative this year. Your dedication to our cooperative is what keeps us in business.

## LIVESTOCK BEEF CATTLE PRICES EFFECTIVE JANUARY 1, 2024

Please review the prices and tier system noted below.

PRICE	<u>TIER</u>	<u>USDA GRADE</u>	MARBLING SCORE				
\$2.90/lb.	Tier 1	Select	40 - 90				
\$2.80/lb.	Tier 2	Select	0 - 30				
\$2.60/lb.	Tier 3	Standard	70 - 90				
\$1.55/lb.	Tier 4	Standard	< 70	AND Culls & Bulls when requested to be shipped			
\$3.00/lb.	CG Bonus	Choice	> 0	\$0.10/lb. Quality Bonus for Choice carcass grades			
Veal Calves \$3.75/lb. (limited offers, by pre-arrangement only)							

**Volume Commitment Bonus I** (11-30 head beef fat animals are shipped / farm - \$0.05/lb. HWT will be added to producer pay price for Tiers 1 – 3 and Choice Grade animals.

**Volume Commitment Bonus II** (31 head or more beef fat animals are shipped / farm - \$0.10/lb. HWT will be added to producer pay price for Tiers 1 – 3 and Choice Grade animals. \*No Volume Commitment Bonus for Culls/Bulls/Veal

#### All animals are required to have proper identification and listed individually on the affidavit when shipping.

Any questions, please contact the Wisconsin Grass-fed Beef Cooperative at 1-800-745-9093 or email josh@wisconsingrassfed.coop.

## WGBC MEMBERS RECEIVE 10% OFF ONLINE DISCOUNT

All Wisconsin Grass-fed Beef Cooperative members and their families get a 10% discount on all products placed online.



Order your favorite beef or pork product and have it delivered right to your doorstep for free!

#### ORDER ONLINE: WISCONSINMEADOWS.COM

ENTER CODE: WGBC10

# WISCONSIN GRASS-FED BEEF COOPERATIVE ANNUAL MEETING AGENDA

## WHEN: February 17, 2024 • WHERE: Wintergreen Conference Center

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## TIME: 9:30 - 10:00 am Registration

9:30 - 10:00 am	WGBC Annual Meeting Registration	RECEIVE A TASTY TREAT!			
10:00 am	<b>Call to Order and Welcome</b> - Member, Guests and Sponsor Introductions - Additions or Corrections to the Agenda	Turn your survey into the registration desk for a tasty Wisconsin Meadows product!			
10:15 am	Reading and Approval of 2023 Annual Meeting Minutes				
10:30 am	Guest Speaker: Nick Besasis, NRCS NW Wisconsin Grazing Specialist				
11:15 am	2023 Business Summary 2024 Outlook 2024-2027 Strategic Planning Update				
11:45 am	<b>Board Member Introductions</b>				
12:00 - 1:00 pm	<b>Lunch</b> - Please visit our sponsors and network with the members				
1:00 - 1:30 pm	Election: Board Member Nominations and Vote				
1:30 - 2:00 pm	2023 Social Media Review and 2024 Marketing Plan				
2:00 - 2:30 pm	Break: Networking with our Sponsors, Members and Guests				
2:30 - 3:00 pm	2023 B2C Results and 2024 B2C Plan				
3:00 - 3:45 pm	<b>Producer Panel</b> - Questions and answers from different producer pe	erspectives			
3:45 - 4:00 pm	<b>WGBC Awards Presentation</b> - The 2023 "Jon Lee" Award (WGBC Member of the Year) - The 2023 WGBC Service Award				
4:00 pm	Final Q & A & Adjournment				

Following the annual meeting, all are welcome to a social hour with complimentary food and beverages located at the Wintergreen Bar.



### WISCONSIN GRASS-FED BEEF COOPERATIVE 2023 ANNUAL MEETING MINUTES Held at Wintergreen Conference Center on February 11th, 2023

**Introduction**: President Brett Danke called the meeting to order at 10:00 a.m.

Rod Ofte introduced the members of the Board of Directors and the Management Team. There were 52 members from 23 farms in attendance. Each farm gave a brief introduction of themselves.

**Approve 2022 Annual Meeting Minutes:** Greg Nowicki, Secretary provided the minutes from the 2022 Annual Meeting in a written newsletter sent to all members in January. Motion by Bob Pesz to approve the minutes, second by Russ Endres.

**Guest Speaker:** Jason Cavadini, who is a WGBC member and the State Grazing Specialist, gave a presentation on grazing and soil fertility.

**Board Member Nominations and Election Results:** Three seats were open for election. Darren Yahnke had decided not to run again, and Brett thanked him for his service on the Board. Russ Endres and Dan Wiederholt ran for re-election. Nominations were taken from the floor. Nominated were Kerry Barnett and Mel Abel. Russ, Dan, and Kerry were elected to three-year terms.

**2022 Summary:** Rod Ofte, General Manager, presented a summary and highlights of 2022. Sales were up 16% and over \$3 million for the first time in Cooperative history.

**2023 Business Approach:** For 2023, the Cooperative is looking for a 15% increase in sales to \$3.5 million.

**Strategic Planning Update:** Tera Johnson gave an update on the strategic planning that her and her team have been doing with the Board of Directors. She highlighted what they did, what they learned and developed 3 strategic objectives for 2022-2027 and a leadership succession plan. The strategic objectives are to grow digital sales to \$1.25 million and pork sales to \$250,000 by 2027 and to build trim sales outside our region to increase carcass utilization and gross margin.

**Website and Social Media:** Angie Lindloff gave an update on the websites and social media. She highlighted the 2022 marketing plan that involves funds from the USDA grant and the 2023 marketing plan.

**B2C and Procurement Update:** Josh Miner gave an update on the 2022 B2C sales and the projected 2023 B2C sales. He then highlighted the 2022 cattle procurement numbers. Over 1000 head were shipped to the Cooperative in 2022 and approximately 1/3 of them graded choice.

Awards Presentation: Rod presented the "Jon Lee Award"-WGBC Member of the Year Award to Russ Endres. The WGBC Service Award was awarded to Paul Beskar.



2023 Board Members: (Back, L to R) Russ Endres, Daniel Wiederholt, Brett Danke, Kerry Barnett, Greg Nowicki (Front, L to R) Judy Fossen, Christine Wright

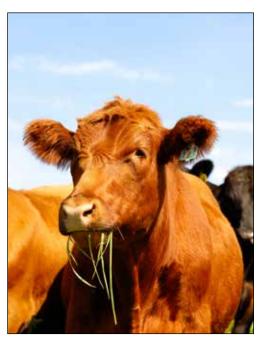
**Guest Speaker:** UW Professor Randy Jackson gave a presentation on the Grassland 2.0 Project. The aim of the project is to restore grazing's role in the future of agriculture.

**Sponsors:** Sponsors of the meeting this year were Lorentz Meats, Byron Seed, Nordik Meats, WI Farmers Union, and The Grassland 2.0 Project.

**Adjournment:** The meeting was adjourned at 4:00 pm. Members turned in their surveys in exchange for a box of steaks. A social hour was held in the Wintergreen Bar with complimentary food and drinks.



Left: Pete Prochnow, left, delivers a box of meat to WGBC member Jim Munsch from Deer Run Farm during a photoshoot to help promote direct sales. Right: Livestock eat pastured grasses at St. Brigid's Meadows (Photo by Emma Lee).



## **BUSINESS TO CONSUMER GROWING BY LEAPS AND BOUNDS**

October 2023.

two years?

our relationship with SpeeDee

Delivery, we were able to expand

the area we serve from Southeast

Wisconsin to all of Wisconsin,

the Chicago Metroplex, the Twin

Cities Areas, and points beyond

(Figure 2) as well as increase our

shipping frequency from every

Q: What have been the most

challenging or unexpected

A: Being a smaller-scale

business that is also a member-

owned cooperative (with even

smaller margins than a typical

vertically-integrated retail food

distribution business) being

able to predict and respond to

changes in consumer demand

during a period of high food

challenging. Having a grant to

create the cushion and flexibility

needed to continue on in the

has

been

inflation

aspects in the last two years?

other week to weekly.

Recently, Josh Miner, Business to Consumer Sales & Animal Procurement Manager, answered important questions some about the Cooperative's growth in the last 2-years along with the help of a grant. Read about his perpective and mark your calendars to hear him in person at the Annual Meeting in February.

#### Q: What has the customer growth been like in the last two vears?

A: During the grant period, WGBC increased its customer base from 204 at the beginning of the grant to 778 as of December 31st, 2023 (Figure 1).

Q: What has been the increased revenue returned to the producer as a result of the grant?

A: During the grant period, WGBC increased the revenues paid to producers from \$300,500 at the beginning of the grant to \$1,842,847 during the period January 1st - December 31st, 2023 (including \$1,657,120 fat cattle revenue; \$62,271 cull cow revenue; and \$123,456 hog revenue), for an increase in revenue of \$1,542,347.

#### Q: Have any jobs been created due to the grant?

A: One full time employee position was created as a result

LIVESTOCK PROCUREMENT

price

When shipping animals, PLEASE remember to make sure your animals are clearly identified with either an ear or back/hip tag that is legible and securely attached. Also note ALL ID tags on the shipping affidavit. With multiple members shipping upwards of 45+ head, it becomes impossible to sort out whose animals are whose if more than 1 has a missing or illegible tag, or if the tags are not noted on the affidavit.

To get the latest producer prices or book your next processing date, please contact: Josh Miner, josh@wisconsingrassfed.coop • 1-800-745-9093

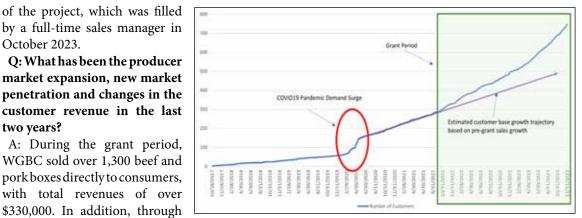


Figure 1. Growth in WGBC Customer Base prior to, and during the grant period.

face of rapidly changing prices, demand, supply, and overall business costs allowed us to continue returning revenue and creating value for our memberowners while still selling products to our customers.

Q: Looking back at the growth, were there any specific approaches used to help grow direct-to-consumer business that you could recommend to others?

A: When attempting to grow direct-to-consumer food а distribution business, being able to subsidize certain overhead costs early on (labor, shipping materials, shipping costs, website development, etc.) can be very beneficial to creating long-term, sustainable success. Without those initial subsidies, our cost structures would have had to be set in a way that might not have allowed for such rapid growth in sales.



Figure 2. Previous service area shown inside the red circle. Each mapped point *indicates a zip code to which we have* shipped during the grant period.

## **PASTURED PORK PRICES EFFECTIVE OCTOBER 1, 2023**

Please review the prices and tier system noted below.

<u>Hanging Carcass Weight (HCW)</u>	PRICE
Hogs weighing < = 210 lbs.	\$1.40/lbs. HCW
Hogs weighing 211 – 250 lbs.	\$1.50/lbs. HCW
Hogs weighing 251 – 270 lbs.	\$1.40/lbs. HCW
Hogs weighing 271 – 300 lbs.	\$1.10/lbs. HCW
Hogs weighing 301 – 350 lbs.	\$.75/lbs. HCW
Hogs weighing > = 351 lbs.	\$.50/lbs. HCW

Any questions, please contact the Wisconsin Grass-fed Beef Cooperative at 1-800-745-9093 or email josh@wisconsingrassfed.coop on the pastured pork program.

#### WGBC HIRES NEW SALE MANAGER



The Board of Directors and Management Team are excited to announce our new Sales Manager, Joe Mantoan, who joined the team at the start of October. Joe has been a producer member of the cooperative since 2017. He started

his own grazing operation in 2009 on family land in West Bend, Wis. where he currently lives and farms. Joe is passionate about the broad sweeping benefits of rotational grazing and is excited to serve and bring value to his grazing community and the cooperative. Joe's responsibilities will be to oversee sales relationships with distributors and key accounts across the Midwest. He will assist with deliveries to existing customers and develop new customers to generate new sales. Joe welcomes dialogue from all members, so please don't hesitate to reach out to Joe for any reason. Joe can be contacted joe@wisconsingrassfed.coop. Please help us welcome Joe as a new employee!

# - SAVE THE DATE -WGBC ANNUAL MEETING February 17, 2023 • 9:30am

### WGBC CONTINUES "MEMBER DEVELOPMENT PROGRAM"

# Save the date! 32<sup>ND</sup> GRASSWORKS GRAZING CONFERENCE

February 1-3, 2024 | Chula Vista Resort, Wisconsin Dells, WI

A Member Development Program, managed by the WGBC Board of Directors, was introduced in 2022 to help all members learn more about specific grazing techniques and raise quality grass-fed beef and pastured pork. This program has helped producers attend conferences to help benefit their operations. The cooperative once again offered free GrassWorks conference attendance passes, meals and a hotel room allowance to two lucky members for a valuable learning and networking opportunity. All WGBC members had an opportunity to register for this giveaway. For the 2024 event, the winners are Kurt Eckes from Hillsboro and Stacy Pettit from Merrill. GrassWorks Grazing Conference is scheduled for February 1-3, 2024 in Wisconsin Dells, Wis. which is a highly recommended conference dedicated to producers interested in pasture management, animal health, overwintering, finishing, custom grazing, farm finances, soil health, weed control, handling drought, new technology, marketing and more. Visit www.grassworks.org for more information or to register for this featured conference.



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