



Mountain States Lamb Cooperative

July/August/ September 2018

Newsletter

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16th Annual Meeting

Watertown, SD was the site for the 16th Mountain States Lamb Cooperative Annual Meeting held in mid-July. While the average attendance was down about 25%, probably due to the distance, those members who were able attend enjoyed a successful meeting.

Thursday's business meeting offered some very positive news for cooperative members. Brad Graham, MSR CEO and Mehdi Shirazi, MSR Chief Restructuring Officer outlined the restructuring efforts at MSR and the positive operating results. They reported the company has been profitable each month of 2018. Graham and Shirazi also explained the biggest challenges going forward.

Frank Moore, MSR Chairman, and outgoing MSLC Chairman announced that a very favorable debt restructuring was underway. The restructuring Moore referenced has since been completed. Moore also introduced Brad Boner as the newly elected MSLC Board Chairman. Moore will serve as MSLC Vice Chairman and Jay Hasbrouck is MSLC Secretary.

Larry Prager, Center of the Nation Wool, reviewed the good news and strength in the wool market. Mike Wheeler, Nugget International, explained the current challenges in the Pelt Market and marketing efforts being employed. Burdell Johnson, Food and Fiber Risk Managers, gave an update on the LRP program and the renewed producer interest.

There was good discussion regarding the Co-op and our meat company. An area of particular concern was the continuing decline in the number of American Lamb producers, ewes in production and the volume of American Lamb being marketed. Extended discussion was held regarding possible actions by the Co-op.

Friday was an interesting day with three stops on the tour. The first stop was at the Susan and Larry Holler farm where they have devoted over 20 years of their lives to developing a flock of sheep that carry a genetic trait, which based on scientific research, has the ability to help those affected by the disease of Huntington's, Parkinson's and Alzheimer's. They are working with The Shepherd's Gift to bring their research to clinical trials. Tour participants were so fortunate to hear first hand from a family affected by Huntington's disease and from Larry and Sue about their research. Their efforts are inspiring and offer real

hope in the fight against these diseases. For additional information, please visit their website www.glycoscienceresearch.com and that of the foundation www.theshepherdsgift.org.



Sue and Larry Holler explain the treatment possibilities sheep offer for human neurological disorders

The second stop was at the Van Well Farm. Trevor, Travis and Stephanie Van Well were wonderful hosts as they gave an informative tour of their impressive lambing, feeding and farming operation and treated tour participants to a delicious lunch.



Trevor Van Well answers questions regarding Van Well Farms and the lamb operation

As did the first two tour stops, The Terry Redlin Art Center also exceeded expectations. This beautiful, 52,000 square-foot brick building features 150 original paintings, original sketches and numerous prints. The theatre features a film about Terry Redlin's life. The grounds surrounding the center provided a beautiful area for exploration. It was a fascinating conclusion to the tour and we highly recommend The Terry Redlin Art Center to anyone visiting the area in the future.

Watch the next newsletter for the location and dates for the 2019 Annual Meeting.

THANK YOU TO OUR MEETING SPONSORS FOR MAKING THE 2018 MEETING A SUCCESS!!!

**Mountain States Rosen
Double J Feeders-Jeff Hasbrouck
Center of the Nation Wool-Larry Prager
Nugget International-Mike Wheeler
Food and Fiber Risk Managers-
Burdell Johnson
Powell Lamb Pool**

NEWS TO EWES

I hope everyone is having a great fall. I know there have been some challenges with drought, light lambs and short numbers at shipping. The good thing is the Cooperative prices have held strong compared to outside markets, and I feel that this will be the trend going into the winter.

I'm urging the membership to look at grazing options and extending lambs if possible to average out our supply numbers into spring and early summer. I think it will help everyone's bottom line and will help spread out the supply and keep everyone current. Please notify Derrick Brown (970.576.3600 x6104) or me as soon as possible if you have any change in supply numbers.

The pelt market is poor at best and looks to stay that way for several months. China has stopped buying and Nugget is looking at alternatives to finish skins, but it will take a while for us to see an impact on our pelt market. I recommend not shearing the heavier feeders such as Idaho's, West Slopes and Utah's, but I would shear lambs that will extend past December.

There is a larger amount of lambs on feed at this time than in years past so please be transparent and communicate with us if you have any changes in weights, feed rations or shearing that may impact the delivery time frame.

Thank you,
Brad Anderson

Slotting

As a reminder, the 2019 Slotting forms were due September 1. If you submitted yours timely, the approved form should be included in this mailing. If you have not submitted your 2019 slotting form, please do so as soon as possible. Keep in mind this is just your best guess based on the information you have at this time. Adjustments can be made with adequate notice to procurement. Give us a call if you have any questions about your slotting.

MSLC Board Announcement

The board of directors for Mountain States Lamb and Wool Cooperative (MSLW) and Mountain States Rosen (MSR) are pleased to announce that we have negotiated and recently closed a very favorable refinancing of the MSR debt with our Senior Lender.

As part of this refinancing package the debt at MSR has been reduced by nearly 30%! This restructure significantly improves our overall financial picture, debt service requirements, and cash flow needs.

Associate Board Members Appointed

MSLC first associate board members were Fred Roberts and Burt Kunzler. We want to recognize and thank both Burt and Fred for their valuable contributions to the Co-op Board over the past few years. The Board of Directors has appointed the following as associate members for the 2018-2019 board term:

Caleb Ball, ID	Jeff Hasbrouck, CO
Ryan Boner, WY	Meghan Lally, CO
Brandon Dilts, WY	

Associate members participate in MSLC board meetings as a non-voting member. They provide the board with valuable input while learning about the workings of the Co-op.

Share Usage

The end of 2018 is right around the corner. If you are not sure where you stand on filling A shares, please give the office a call. We do not want to surprise anyone with a non-delivery penalty. If you have any doubts as to whether you have fulfilled your delivery requirement, please give us a call. Because the years roll by so quickly, members sometimes confuse prior year's delivery with the current year. It just takes a quick phone call to check your status if you are not entirely sure your shares are filled.

Plant Assessment Fee

Thank you to members who chose the 7-year plan when we bought the plant and have paid their 2018 plant assessment. If you have not remitted your 2018 assessment, you can pay the fee directly by check or request the fees be withheld from your proceeds on a load of lambs before the end of the year. This is the third year of the assessment. If you have any questions, please give the office a call.