



A NEW PERSPECTIVE ON LIVESTOCK MARKETING
2015-2016 ANNUAL REPORT



NATIONAL LIVESTOCK PRODUCERS ASSOCIATION





“We want to continue to exchange ideas, develop our leadership, and look for like minded organizations that could complement our current membership.”

Though the year has flown by, I believe my fellow board members would agree that it has been another productive year for the National Livestock Producers Association. As you know, there have been many challenges in the livestock finishing segment. Currently, live cattle prices are \$40 to \$50 dollars per hundred-weight below where they were one year ago and hog prices are well back from last year's levels. Our member credit corporations will have their hands full this winter determining the fallout from this break in the market. I am confident they will do everything possible to keep our customers on track and looking forward as the next chapter in this marketing cycle is written.

While on the subject of chapters, I'm reminded of the speaker we had at this past year's summer meeting in Oklahoma City. Dr. David Knapp led us in an exercise in dynamic storytelling. The main take away -- every great leader is a great storyteller. When asked who we are as an organization, it was clear we are all on the same page. Furthermore, when asked what we wanted to become as an organization, everyone in the room felt comfortable with where we were now...we **are** where we want to be. We want to remain nimble, to adapt as needed as we have for the past 90-plus years. We want to continue to exchange ideas, develop our leadership, and look for like-minded organizations that could complement our current membership. For anyone who was like me, a little apprehensive about this exercise as part of the program, it was truly engaging and got everyone involved.

Thanks to Scott and his team for creating this program that resulted in us having a clearer picture of who we are and what our organization's story is. I would also like to thank our Oklahoma hosts for putting on a great summer meeting. Let's not wait another 18 or 19 years before we return!

The story for NLPA this past year has been continued growth in services rendered to the livestock industry. The National Institute for Animal Agriculture (NIAA) continues to be a success story with NLPA staff leading the way. Membership has continued to grow over the past four years and the organization is fast becoming known as driving the discussions on the antibiotic issue. NIAA recently held a conference in Atlanta in November entitled Antibiotic Stewardship: From Metrics to Management. This past year also included a conference held in Indianapolis

CHAIRMAN'S REPORT 2015

that focused on Water and the Future of Animal Agriculture. NIAA is now involved in the Leadership of the National Roundtable for Sustainable Aquaculture. This organization is making its mark and NLPA continues to help make it successful.

The Global Roundtable for Sustainable Beef (GRSB) is another success story for the NLPA staff. This organization has enjoyed a 300% increase in membership since its inception, and a 50% increase in revenue during the same time. Scott and the staff recently coordinated GRSB's general assembly meeting that was held in Amsterdam in October. They are already busy planning the next Global Conference set in Banff, Alberta, Canada in October of 2016. Our own past chairman Jack Hanson from the Tri-State Producers Organization is a dues paying member of GRSB and was recently elected to a producer constituency slot on the board for a three-year term. Congratulations to Jack! I know he will do a fine job representing NLPA's interests. I would also like to thank Jack and Tri-State for the opportunity to attend their annual meeting in Reno. Though it was a quick visit, it was great to meet their board members.

The Sheep and Goat Fund is still an important component of our organization, providing a source of credit for our members who need such access. As of our summer meeting there was 5.12 million in loans, with commitments of 8.66 million. These commitments consist of 29 loans to 19 entities in 14 states. Since it was established, 41.2 million in loans has passed through this fund. The low interest environment and plethora of competing lenders continues to present challenges for the fund.

NLPA added a new organization to the list of entities it provides management services to this past February. The American National Cattlewomen, Inc. asked NLPA to submit a management/services proposal in 2014. A six-month contract was inked in February to provide bookkeeping and membership management services to their organization. It was decided at the summer meeting to continue our relationship for the near future. Their membership structure will be streamlined and humming along nicely as the NLPA staff does the structural work needed.

Before I wrap this up I would like to thank fellow board members Jim Reynolds and Robert York for sharing

their expertise at the 2015 NLPA Graduate Institute of Management. I am pleased our current member organization leadership feels it is important to invest in leaders for the future. I would also like to thank fellow board members Stan Mannschreck and Chuck Adami for all the work they have done with the Beef Checkoff Enhancement Working Group. They put in a tremendous amount of work to get a memorandum of understanding signed by seven of the eight organizations involved with the process.

In summary, it is good to know that in the world of animal agriculture, NLPA continues to be held in high regard. A considerable amount of our organization's revenue is now derived from management fees earned from membership development, convention organization, and administrative work for the earlier mentioned livestock related entities. These efforts keep NLPA out in front and in touch with what is current in animal agriculture. We are not a partisan organization. In fact, I think the reason we are looked upon as a resource for industry needs is our ability to enhance discussion and streamline operations without having to become entangled in the politics involved. We are advocates for animal agriculture -- period. I am pleased our member organizations continue to value meeting twice each year to share the challenges and successes we have experienced. One challenge we'll face going forth will be to stay staffed to perform all the services we now provide, while still being able to take on new opportunities that may arise.

Thanks again to all our member organizations for providing vital services to the livestock industry. I am confident that NLPA's story will continue to resonate with those involved with animal agriculture. Just as I feel I owe my legacy to the perseverance of my ancestors, NLPA owes its legacy to all the men and women that have worked to make it what it is today...an advocate for animal agriculture, period.

Sincerely,



Gary Smith, Chairman of the Board
Producers Livestock Marketing Association

LEADERSHIP

BOARD OF DIRECTORS

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Sioux Center, Iowa
Mark Finck, Rock Valley, Iowa
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Darrell Ailshie, Columbia, Tennessee
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Jack Hanson, Susanville, California
Germana Silva Suderman, Rancho Cordova, California

2015 EXECUTIVE COMMITTEE

Gary Smith, Chairman of the Board
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William (Bill) Beeman
Empire Livestock Marketing, LLC
Syracuse, NY

Jack Hanson
Tri-State Livestock Credit Corporation
Susanville, CA

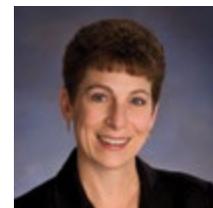
Rick O'Brien
Producers Livestock Marketing Association
N. Salt Lake, UT

Lee Van Veldhuizen
Cooperative Credit Company
Sioux Center, IA

NLPA MANAGEMENT AND STAFF



R. Scott Stuart
President, Chief Executive Officer



Mona Wolverton
Operations Manager



Bobbie Williams
Bookkeeper



Polly Welden
Communications

LIVESTOCK MARKETED BY NLPA MEMBERS

from October 1, 2014 to September 30, 2015

ORGANIZATION	LOCATION	CATTLE	SWINE	SHEEP/GOATS	TOTAL	GROSS
Empire Livestock Marketing, LLC	Syracuse, NY	256,844	4,417	10,855	272,116	\$182,530,145
Equity Cooperative Livestock Sales Assn.	Baraboo, WI	722,946	53,405	40,485	816,836	\$826,809,542
National Livestock Commission Assn.	Oklahoma City, OK	139,224			139,224	\$190,864,056
Producers Livestock Marketing Assn.	N. Salt Lake, UT	398,834	127	56,286	455,247	\$539,013,593
Producers Livestock Marketing Assn.	Omaha, NE	776,987	1,001,068		1,778,055	\$1,622,662,970
Tennessee Livestock Producers	Columbia, TN	75,495	11,845	3,437	90,777	\$101,477,585
TOTAL		2,370,330	1,070,862	111,063	3,552,255	\$3,463,357,891

PRODUCERS COMMODITIES, LLC

Producers Commodities LLC specializes in assisting livestock producers in developing risk management strategies using futures, options, forward contracting and OTC derivatives. Producers Commodities LLC is registered with the Commodity Futures Trading Commission and the National Futures Association as an Independent Introducing Broker and has clearing relationships with FCStone, Inc. and RJ O'Brien, Inc. in Chicago, IL.

Home Office:

Colorado Springs, Colorado (800) 237-7193

Branch Offices:

Baraboo, Wisconsin
Sioux City, Iowa

(800) 362-3989
(800) 831-5936

NATIONAL INSTITUTE FOR ANIMAL AGRICULTURE



**National Institute for
Animal Agriculture**

On a contract basis, the National Livestock Producers Association provides association management and related services to other key livestock organizations.

The National Institute for Animal Agriculture (NIAA) is a 501(c)(3) non-profit, membership-driven organization that unites and advances animal agriculture encompassing the beef, dairy, equine, goat, poultry, sheep, swine, and aquaculture industries. NIAA is dedicated to programs that work toward the eradication of diseases that pose risks to the health of animals, wildlife and humans; promote a safe and wholesome food supply for our nation and abroad; and promote best practices in environmental stewardship, animal health and well-

being. NIAA's members include animal producers, veterinarians, scientists, state and federal officials, and agribusiness executives. NLPA has provided full management services to NIAA since 2009. www.AnimalAgriculture.org

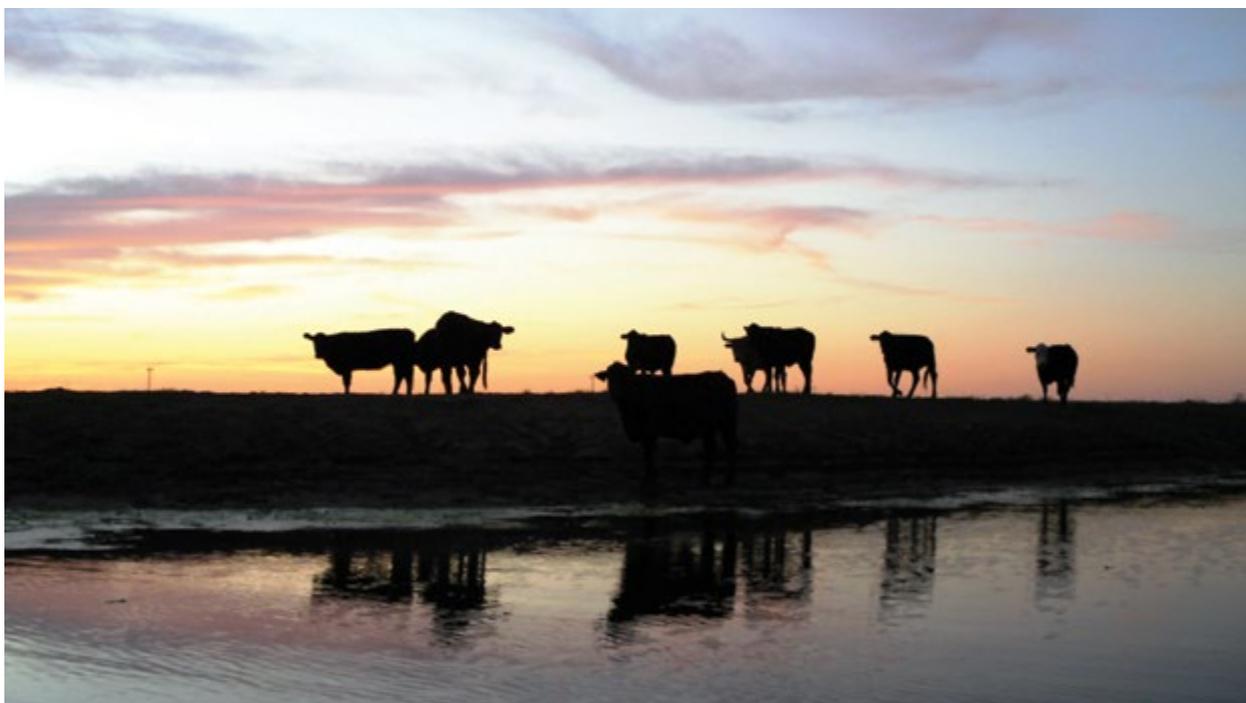
GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF



The Global Roundtable for Sustainable Beef (GRSB) is a global, multi-stakeholder initiative developed to advance continuous improvement in sustainability of the global beef value chain through leadership, science, and multi-stakeholder engagement and collaboration. The GRSB envisions a world in which all aspects of the beef value chain

are environmentally sound, socially responsible and economically viable.

NLPA provides administrative services to GRSB including communications, finance, membership and event management. In 2016, the GRSB will hold its second Global Conference on Sustainable Beef in Banff, Alberta, Canada at which discussions will be held on the progress of national and regional roundtables and projects related to sustainable beef. www.GRSBeef.org



THE NLPA GRADUATE INSTITUTE OF MANAGEMENT

Livestock marketing and credit requires a high degree of management expertise. The many facets of serving livestock producers require special skills that must be developed and honed. From financial management, to human resource management, to fully understanding the regulatory environment in the industry, it is imperative that professionals continue to develop their skills.

The NLPA Graduate Institute of Management is a series of training and educational modules that provide invaluable resources to those individuals within the NLPA membership who will be tomorrow's leaders in livestock marketing and credit. During 2015, the Graduate Institute of Management graduated 36 future leaders from within the NLPA membership.

NLPA SHEEP & GOAT FUND



In 2000, the National Livestock Producers Association Sheep & Goat Fund Committee made its first loan to the industry. Currently the Fund has 29 loans to 19 entities in 14 States. The Fund began with \$14 million and has since revolved more than \$40 million into sheep and goat related projects. The Fund can be used many ways, including:

purchasing land or equipment, renovations, implementing weed control, fire protection, predator control, and breeding and genetics programs. The Fund can also be a valuable tool in restructuring current financial packages to help secure longer term, fixed rate loans that may otherwise be unavailable.

NLPA and its members lend the program extensive credit experience with a focus on agriculture and the ability to service loans nationwide, often using local lenders. NLPA works closely with industry leaders who possess an in-depth understanding of the sheep and goat industries and their credit and operational challenges. The Fund is delivered through either direct loans or loan guarantees — grants are not available through this program. Funds are available to qualified applicants at a competitive interest rate.

The applications, descriptions of funded projects, news, industry links and a downloadable presentation are available at www.SheepandGoatFund.com.





MEMBER ORGANIZATIONS

LIVESTOCK MARKETING ORGANIZATIONS

Empire Livestock Marketing, LLC

P.O. Box 4844 / 5001 Brittonfield Parkway
E. Syracuse, New York 13221
Phone: 315-433-9129
Fax: 315-431-1328
Website: EmpireLivestock.com
Email: info@EmpireLivestock.com

National Livestock Commission Association

2501 Exchange Avenue, Room 102
Oklahoma City, Oklahoma 73108
Phone: 405-232-3128
Fax: 405-232-2601
Website: NationalLivestock.com
Email: KConway@NationalLivestock.com

Producers Livestock Marketing Association

P.O. Box 45978 / 4809 South 114th Street
Omaha, Nebraska 68145-0978
Phone: 402-597-9189
Fax: 402-597-9505
Website: ProducersLivestock.net
Email: Deb@PLMCoop.com

Equity Cooperative Livestock Sales Association

401 Commerce Avenue
Baraboo, Wisconsin 53913-8100
Phone: 608-356-8311
Fax: 608-356-0117 or 608-356-7999
Website: EquityCoop.com
Email: Mailbag@EquityCoop.com

Producers Livestock Marketing Association

P.O. Box 540477
N. Salt Lake, Utah 84054-0477
Phone: 801-936-2424
Fax: 801-936-2426
Website: ProducersLivestock.com
Email: HomeOffice@ProducersLivestock.com

Tennessee Livestock Producers, Inc.

147 Bear Creek Pike / P.O. Box 313
Columbia, Tennessee 38402-0313
Phone: 931-388-7872
Fax: 931-840-8689
Website: TennesseeLivestockProducers.com
Email: TLP@TFBF.com

LIVESTOCK CREDIT ORGANIZATIONS

Cooperative Credit Company

128 Third Street NW
Sioux Center, Iowa 51250-1867
Phone: 800-681-1975
Fax: 712-722-1212
Website: CooperativeCredit.com

National Livestock Credit Corporation

2501 Exchange Avenue, Room 103
Oklahoma City, Oklahoma 73108
Phone: 405-253-9887
Fax: 405-232-2288
Website: NationalLivestock.com
Email: Mail@NationalLivestock.com

Tri-State Livestock Credit Corporation

2880 Sunrise Boulevard, Suite 224
Rancho Cordova, California 95742
Phone: 916-570-1388 or 800-778-8734
Fax: 916-570-1389
Website: Tri-StateLivestockCredit.com
Email: info@TSLCC.com

Equity Livestock Credit Corporation

401 Commerce Avenue
Baraboo, Wisconsin 53913-8100
Phone: 608-356-8311
Fax: 608-356-0117
Website: EquityCoop.com
Email: Mailbag@EquityCoop.com

Producers Livestock Credit Corporation

P.O. Box 45978 / 4809 South 114th Street
Omaha, Nebraska 68145-0978
Phone: 402-597-9189
Fax: 402-597-9505
Website: ProducersLivestock.net
Email: TMeyer@PLMCoop.com

National Livestock Producers Association

13570 Meadowgrass Drive, Suite 201, Colorado Springs, Colorado 80921
Ph: (719) 538-8843, Toll-free: (800) 237-7193, Fax: (719) 538-8847, Web: nlpa.org, Email: nlpa@nlpa.org