

Dear Customers, Friends & Family,

It's Boxing Day 2008 and its raining. We have been on the edge of the Canadian Winter that everyone else in the world seems to be experiencing this last two weeks. We had a typical wet November with lots of winds. Put the water table up and we had ponds in every hollow but then the cold arrived two weeks ago. It came complete with outflow winds off the ocean which tended to make our -9 feel more like -25. The river froze over and the fields along the flats are still covered in ice from the raising and falling of the tides. While we listened to all the snow reports on TV we were still green going into the 23rd of Dec. Then we got enough of the white stuff to say we had a white Christmas but it has mostly gone early this AM with our rain and it's actually about +4 or +5 right now with no wind. It blew enough to put the power out in the middle of last night but they had it back on in time for morning coffee.



January 2008 started out very similar with enough snow and cold to remember what a winter was all about but for the most part it was an uneventful weather year. Jamie went back to school in Olds to finish her Agriculture Production diploma and Dane went back to UNBC to work on his Natural Resource Management degree as well as his pre-requisites for vet school. Calving started with the heifers on Jan 8th, a 78th birthday present for Dad. Calves were born easy with only one easy assist on a heifer out of 32 births at Tlell. We also had two embryo calves born at Willow Creek Ranch in Hixon and another two at Harvey's Ranching in Olds, where Jamie was working part time. We had lots of silage feed which went on till June, a blessing in disguise, as we did experience a dry cold spring which saw the grass turn green in March but not really grow till June.

During January Leslie had the kitchen and living room floorings replaced with cushion floor for the kitchen and a laminate for the living room. The original coverings had served us well for 20 years but Leslie is still happy every day with the new laminate and absence of carpet downstairs in the house.

In late February I attended my last board meeting in the CHA office in Calgary. There was still another meeting to come at Bonanza in August but it marked my last trip to the board room. After nine years I had decided not to let my name stand for re-election when my term ended in September 08.



March was typical spring on the Charlottes. Don't like the weather, wait 10 minutes. Leslie made a deal on a Welsh Pony to swell her horse herd to four, knowing that the Shetland pony Smoky, who had been with us for 20 years probably didn't have another winter in him. She calls him Small Fry and he has been a hit from the start with loads of personality and reasonably good manners (which have improved even more in the past few months).

This vertically challenged horse

was to be Leslie's project to get him broke to drive. Much of the summer was spent dragging things around but in the end he goes well in the cart and now she even rides him.

Leslie escaped to Vancouver at the end of March to visit her Mom in West Vancouver. She went over to Gambier Island for a couple of days and stayed with her Dad and Jolie. They have a cabin they rent very successfully as a B&B. Les came back excited more than ever with her plans to do her rental venture with Grandpa's house as well as the Riverview Property on Beitush Road. Her first International guests arrived from England to stay in Grandpa's



Guesthouse in May and the season was under way. It has turned out very well with few vacant days all summer and they have even been full off season.

Time was spent getting bulls ready for the spring trip off to Vanderhoof and Williams Lake. We actually were able to sell one bull direct from the Ranch to Lauder Ranch of Merritt. John Lauder had been up fishing on the islands, dropped in to walk the herd, and spotted this good bull calf and said if we ever sold the bull to give him a call. We delivered him as far as Williams Lake at bull Sale time.



Spring bull sale trip was tame compared to previous trips like when we had no ferry. Off for two weeks to sell four bulls at Vanderhoof, five bulls at Williams Lake and bring home 10 sides of beef cut wrapped and frozen for customers on island. We also sold 6 open heifers at the Williams Lake Bull Sale, an added feature which we haven't done in the past. This gave us good exposure of our program because even though these were being sold as commercial replacement heifers they were damn good and got lots of attention from some of the commercial cattlemen.

Somehow in the two weeks out we also managed to trade in our 2005 one ton on a 2008 model. This is another Chevy with a diesel Duramax, baby duals and lots of towing capacity. I have increased the GVW from 5000kg to 13,454 kg and now have to change our driver's licenses to keep things legal.

Jamie was between classes and her final exams that weekend so she and her friend Bill, with their dogs, met us at Williams Lake for a meet and greet as well as to help with the show. All went well as we decided Bill was a keeper. Together we won both Bull Calf Champion and Reserve banners and then had the top selling Hereford Yearling bulls. The weekend before WLBS we also had the top selling Hereford Bull at Vanderhoof Bull Sale. 70% of our bulls sold to repeat customers in 2008. The trip home not only had us loaded with the frozen meat but all sorts of paneling for the Rental houses, new door for the feed store and the usual Costco fill up etc.



Dane finished his UNBC classes in time to travel home with us but elected to come home the following week after getting things organized in Prince George for the summer as he is now the name on file with the rental house he shares with other students. Dane worked on fencing projects at Tlell for May waiting for his fishing season to start in early June. After that we saw him one weekend all summer as he guided right up to his return to school in Sept. The application to Vet School in Saskatoon was not accepted as he was still missing his

half class in Biochem which was not excusable. Oh well, he tried and they know he wants in. His application is now complete and he has really been working hard to make it a success this year with five "A"s this last semester, including the missing ½ class in Biochem! His application went Fed Ex to Saskatoon last week and it gives me thoughts of retirement all over again!

Jamie graduated from Olds College in May with her Diploma in Agriculture, Major in Beef Production. She had a job all lined up but was able to swing a few days off to drive back to Tlell for a visit then off to Strathmore for work. On the way back to Alberta she traded in her Jimmy 4x4 on a Chev Silverado 4x4 pick-up which was more to her liking. She worked all summer and fall at an 18,000 head feed lot, doing pen riding, processing and shipping duties. Leslie was fortunate enough to spend a day on the job with her in August and really came away with an appreciation for all her skills. In early December



Jamie was head hunted by a stock contractor and she gave her notice at her first job. She is excited to start her new job as it promises new things to learn as there will not only be pen riding at Cattleland which is a 40,000 head feedlot but also there will be an opportunity to calve cows, ride pasture, branding contracts as well as AI breeding contracts.

In early May we had our two fancy embryos we purchased from Star Lake Ranch in Oklahoma, put in at Davis-Rairdan, a transplant facility in Alberta. Leslie continued her on line gambling habit by again purchasing three embryos from the same ranch at their spring sale which is broadcast live on the internet. These will be put into a recipient mother cow next spring to calve in 2010. For 2009 we have one confirmed pregnancy which we will deliver here at Tlell in February.

Mid May saw us accepting another German Vet student, Kay Mueller, for a one month practicum at clinic and



ranch. He was a great young man, a delight to have in both the house and the clinic. After working here he had time for a little R&R and then hooked up with a friend in Vancouver to see some of Southern BC. We wish him well in his continued studies.



Bart and Shirley Plugboar, managers for the DeGroot Brothers Hereford cattle operation in Topely, BC came for a visit in early June. We had sold them a bull last fall and we raised our kids at the same fair in Smithers for the last twenty years. They got to enjoy our beaches and had a good visit. Later in the season we had two different “Hereford connected” visitors to the rental houses. One family was from Alberta and we had done business with

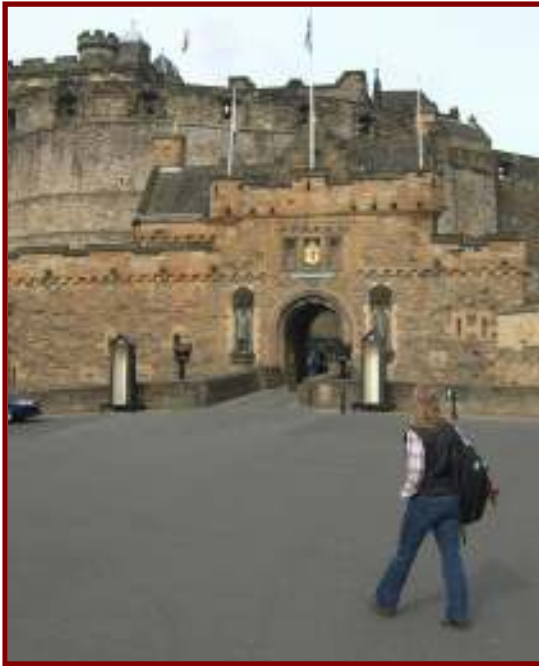
her fathers herd while the other was from Vanderhoof and they had also purchased a bull from us in the past.

On June 17th, a Tuesday, Leslie and I were off to Europe. This was my first time to Europe while Leslie and Dane had done a 10 country in 12 day trip with the school when he was in grade 10.

We started the planning after our trip to the World Hereford Conference in Australia in 2004. All our tickets were done on air miles with flights (all first class!) booked a year in advance. We started with three days in Scotland, attended the Royal Highland Agricultural Exhibition at Edinburgh, and had a tour of several farms with two dozen delightful Kiwi Hereford breeders which quickly became great friends as they were also bound for the World Hereford pre-conference tours of Scandinavia.

Saturday afternoon, following a morning walking the “Royal Mile” and exploring some of the history around the castle in Edinburgh, we were on our way to Helsinki via Frankfurt. We spent 8 full days visiting Hereford breeders and seeing some of the historical sites as we bussed from Helsinki





to Stockholm (including an overnight ferry ride across the Baltic) and then on to Copenhagen to attend the 15th World Hereford Conference. Following the conference we toured Denmark farms for two days then attended the Herning Livestock Show, the biggest show of its type in Northern Europe. The hospitality extended us was awesome. We were treated to wonderful meals and entertainment as well as seeing how Hereford farmers work with our Canadian genetics on the other side of the world. We traveled with an international group made up of Kiwis, Aussies, Brits, South Africans, South Americans, Americans and Canadians alike. We all had the Hereford common bond and by the end of the trip had made some very good

new friends. I can definitely see a trip to New Zealand in our future!

We arrived back in Tlell on July 7th, fully expecting to be at least a week behind on the silage cutting only to find that the cold spring meant grass was still not really ready to cut. Off the plane and onto the tractor and back to work in feed store and clinic. Harvest went OK but we managed to take the ring gear out of the front end of our new packing tractor so that shut us down for a few days but it rained anyway. Parts flown in and with brother Mike doing his magic we were up and working before the grass was dry again. We managed to support the Tlell fall fair again this year as Leslie and I have been away on Hereford business the last two years on this weekend. It was good to hear Valdie again and he stayed in one of Leslie's rental units.

The Hereford Week in Canada, including the kids' Bonanza cattle show and the Annual meeting of the Canadian Hereford Association and board meetings, was hosted in 2008 by Alberta in Medicine Hat. Les and I flew out to Calgary on a Monday, Aug 11th, went out to supper with Bill and Jamie, then it was off to the Hat for five consecutive days of meetings plus a little Hereford entertainment as breeders from across the country were in attendance. Jamie came and took Leslie away for several days to ride pens at her feedlot as well as taking in a little down home Alberta hospitality. They hooked up with Sarena, former clinic employee, who now lives and works out of Calgary and had a great day on a big game hunt, prairie style. Check out the hunter complete with her SWAT team dress in the 100 degree heat!



The Bonanza cattle show was one of the largest three Hereford Shows in Canada this year and at the end the Grand Champion Hereford Bull shown by a Quebec Junior had a Tlell cow for his mother as did the Champion Bred Heifer. In 2009 the province of BC gets to host this event and the planning is well under way to hold it at Princeton, August 11th to 15th.



Home to work Aug 17th for 4 days and then back to Calgary to join Jamie for weekend of Aug 22 & 23 at the Remitall Dispersal Sale in Olds. For those not in the Hereford business this was like the sale of the Montreal Canadians or the Toronto Maple Leafs with every player available to the highest bidder. And the highest bidder paid \$270,000 for the bull of his choice, a two year old named Remitall Super Duty. Leslie and I agreed we were

looking for quality (if we could afford it) but we were not going for quantity as we have lots of good cows at home. Like all collectors of fine objects one is always looking for the special one who will take you to the next level. We wanted young, proven, productive and bred to calve early to the right bull. Ended up with two cows we believe will help us in the future. We are excited about their calves which will be born here in the next month. And how much did we spend? Let's just say that it sure wrecked 10 grand and then some!

The only down side of the weekend at Remitall was that this was the Smithers Fair weekend at which we had to cancel the Hereford Show as all our members were at the dispersal in Alberta.

Back to Tlell to wean calves and prep some for a female sale later in September as well as bull calves for the Bull Test Center. The weaning weights were not as good as the years past but I believe were directly related to the cold wet summer we had. Less sunshine, less grazing days and less nutrients in the grass. Now we got really busy as all sorts of commitments had to be made in the next 45 days. First while Leslie was halter breaking calves (and running the store and watching over the clinic) I went to Salmon Arm for the Annual Meeting of the BC Hereford Association. Down Friday, home Sunday, two days of meetings and a cattle show. I was officially off the National Board now but 15 minutes later I was elected as the President of the BC Association, a position I held prior to going onto the National Board. Out of the pan and into the fire as we lost our BC Secretary Manager a month earlier to heart disease and we needed to restructure our BC Association (which is still a work in progress). Again, the cattle show was friendly to Tlell genetics. The Grand Champion Bull was out of a Tlell cow and the Grand Champion Cow was out of a Tlell sired dam. We've learned to take credit where we can find it as we can not show at all the shows and it has become a very expensive form of promotion and advertising of our genetics.

The day after I got back from Salmon Arm Leslie was out on the ferry with six cull cows for the butcher. These were cows which either had not met our expectations with their production or in the case of two, they had failed to conceive another calf. Due to changes in slaughter regulations combined with the age of our butcher (Dad) and a new, almost local, slaughter facility we decided on a different approach to market these cattle while keeping to our desire to provide a safe and wholesome product for our neighbors. Less than 24 hours after leaving our farm gate these animals were being processed for us in the new Northwest Premium Meat plant in Telkwa. We high-graded the rib roasts and fillet for our own freezer and had the remainder made into ground beef, breakfast sausage, pepperoni and two types of Jerky. The idea was to bring it back to the island on a future trip out and market it as “Farm Gate Sales” from a freezer in the Feed store. Les continued on up to Fraser Lake and loaded up nearly 200 bales of hay for her return trip.

September 22 we left on the ferry for the 40th Annual Evergreen Hereford Female Sale at Abbotsford. Thanks to friends across the province we went over 3000 km, sold nine head of Herefords to such places as Nova Scotia, Ontario, Alberta, and Houston & Armstrong, BC as well as locally into the Fraser Valley, and we never had to stay in a motel. It's the friends in the Hereford



business that make it both doable and fun. At the end of the day we had a very respectable sale average on our 9 animals as well as selling the highest priced bred heifer at the sale. Special thanks to our friends at Dewdney Mountain Herefords, Copper T Herefords and Willow Creek Ranch for your bale and bed service. We even managed to get a visit (and sponge a bed from) with Mark Price, former RCMP officer from Sandspit 20 years ago, now a gentleman farmer outside of Kamloops. We picked up a load of hay at Fraser Lake, dropped the sold heifer calf at Houston then picked up our meat from Telkwa, about 2500 lbs of burger, jerky, sausage and pepperoni. Over 1000 pounds was spoken for before we got off the ferry and the remainder has been selling well every day out of Ranch Feeds.

Home on Sept 30th ferry from Rupert, work for 4 days then out on Oct 3rd Ferry with 10 bull calves for the test centre at Fraser Lake. Kenny went with me this time as Leslie had to keep the home fires going. We managed to hit Costco and swing by Willow Creek ranch at Hixon to spend the night and pick up our two ET calves born there in the spring. Next we loaded the Remitall cows, the embryo recip and the two ET Calves from Alberta, which had made their way thanks to friends and acquaintances, to Fraser Lake and it was off to Tlell on a Monday night ferry.

The rest of October was taken up by work at the clinic and feed store, doing some butchering for personal use, and working our show cows in preparation for Farmfair. We left the island the morning of October 31st and traveled to Fraser Lake the first night, enjoying the fireworks displays put on in each town as we made our way up Highway 16. At first we just thought they were happy to see us and our cows but then we realized it was more likely a Halloween celebration. Like I said before, you have to take the credit where ever you can find it! Saturday night we had cows settled in at Edmonton. Sunday we built our stall and Kenny and brother Mike flew out to Edmonton to help. Monday was bath day; Tuesday was hair cut time for cows while the Hereford Genes event went Tuesday evening. This was new for 2008 and it saw the who's who of Western Canada's commercial buyers attend this display of twenty four Hereford bulls on November 4th. Each bull represented a different Hereford breeding unit from across Western Canada. After a great Hereford steak supper and the finals of the Ranch Rodeo, including a performance by Baxter Black, a draw was made for one of these guests to win one of the bulls on display. This event was credited for the Hereford breed seeing an increase in participation at Farmfair in 2008. Across all other breeds, Farmfair International saw fewer breeders display their cattle this year. Many commented on the escalating costs to attend a 7-8 days show as well as the disappointing returns in the cattle industry in past few years as the reason for this decrease in exhibits.



Show time on Wednesday was scheduled for 1 o'clock in the afternoon because the Hereford Genes event went till 1 AM. We were all ready going into the show, sure that we had done all the right halter training and grooming so as not to be embarrassed. In the

end, the day was complete when the Judge really liked our type of cattle. It was especially true on the female side; our heifer calves won the first class and placed second in the next one and then both our two year old with calf and our senior cow with calf won their classes.

Now it was off to the Female Championship round. Our two year old took the nod from the judge and we had officially won our first Grand Champion Banner at a Major Canadian show. On the bull side of the show our yearling placed



3rd in his strong class, being beaten by the eventual Grand Champion Bull, while our bull calves placed 4th and 5th in their respective classes. We followed this by an appearance in the ring with four of our best animals in the Breeders Herd class, which we didn't win, but suddenly they were awarding us both the Polled Hereford Premier Breeder banner and the Premier Exhibitor Banner. It was overwhelming to say the least.

Saturday morning we had three calves entered in the Legends of the Fall Interbreed Calf Challenge. The calves are shown by breed and judged by a panel of three judges, and then the winners of each breed meet in the final during the Supreme Show. Our Bull calf won the Hereford class (our other bull calf was second) and our Heifer calf was second in



her class. The Grand Champion cow, and her bull calf, now also winner of the Legends of the Fall Hereford class, qualified for the Supreme Show on Saturday afternoon. A panel of six judges worked independently to pick both a male and female Supreme Champion with each winner taking home a New Dodge 4X4 truck. This year, for the first time, the attached aluminum stock trailers were awarded by a draw from all participants in the

Supreme Show and although we had qualified for both the Male Supreme and the Female Supreme draw, we didn't win Jamie a trailer.

We were home on Remembrance Day and feeding calves by the next weekend. The cows stayed on pasture really late by our standards because it stayed warm and wet. The last cows came home from Mike's to start on feed on about the 10th of December. Mom went to Hawaii for two weeks as soon as we were back and Leslie went to Vancouver in early December to be with her mom who had surgery and visit with her Dad.



Agribition in Regina, usually the biggest Hereford show in Canada, held the last week in November, held a little surprise for us this year. It's just too far for us to attend but this year a calf we bred and sold inside a bred heifer last fall, to Bar H Land & Cattle Company of Langenburg, Sask., was named Horned Heifer Calf Champion at Agribition for 2008. Like I said before, we have learned to take the credit when credit is due.

Dane and his girl friend Jeni flew home to be with us for the holiday on December 13. They had plans to steelhead fish for three weeks but unfortunately the river has been a mess of ice so that has certainly limited their fishing. Jamie and her boy friend Bill, had reservations home from Calgary on Dec 23rd, the only flight to make it into Sandspit over 6 days at Christmas. We enjoyed a Christmas together and Jamie and Bill are now back to their work in Strathmore but not before a good horse ride with Leslie on the beach on Christmas day.

It is know Dec 29th and the snow came yesterday, the day after Bill and Jamie left. We hope that you and yours have all had as productive a year as we have had here at Tlell. We also hope that this letter finds you all in good health and we wish you all the best for the upcoming year.

Don & Leslie,

