

General Manager's Report

With my second year as LaValle Telephone's General Manager now completed, I can't help but think how different the second year was compared to the first. When a person takes over a position they naturally expect to have to get their "feet wet" learning the ins and outs of a different company. Well, my feet and actually about half my body literally did get wet as we battled flood waters at the office at LaValle Telephone in June of 2008. Meanwhile at Richland-Grant, the villages of Gays Mills and Soldiers Grove and outlying areas suffered their own devastation due to heavy rains.

So while that first year became a time of physical repair and rebuilding for the cooperative, 2009 was more of an opportunity to focus on positive changes that will keep the company advancing in the right direction. The country as a whole suffered from a severe economic recession beginning in 2008, which in turn affected how customers spent their telecommunication dollars. During 2009 the cooperative strived to continue providing needed services at a good value.

Positive changes have occurred with the video product. In early 2009, the first-ever rate increase for video services helped position the cooperative so it could continue offering a solid line-up of channels. High definition video was added during 2009 at an introductory price. More channels were added throughout the year, for a total of 21. Software and hardware updates continued to improve the service and resolve minor issues.

As demand for broadband services continues to grow with a new generation of technology, LaValle Telephone is working to meet those future demands by making better choices today. Services such as HDTV, streaming video and music over the internet and online photo sharing are just a few of today's popular uses for the Internet which require larger amounts of bandwidth. Since fiber optic cable can best accommodate these rapidly changing requirements, construction will be planned accordingly.

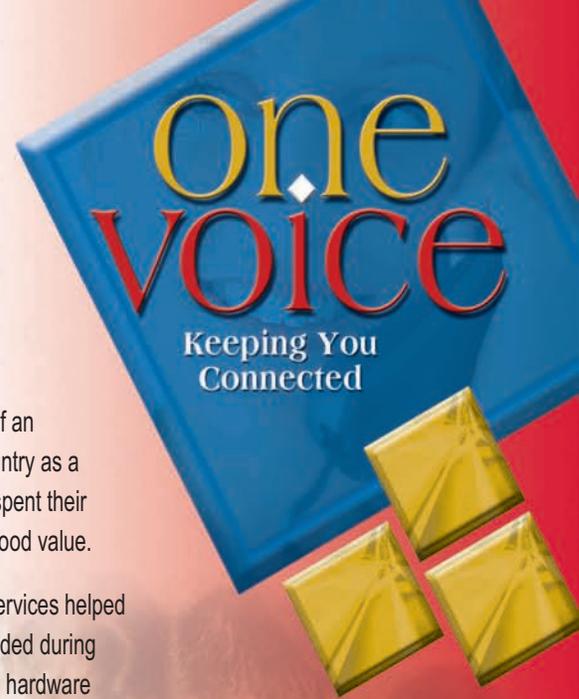
Fiber optics have actually been used in communication networks for more than 30 years, carrying communications traffic from city to city and between countries. While almost every country on Earth has some fiber delivery due to its reliability and cost effectiveness, fiber was rarely used to deliver services directly to homes and businesses until around 2002.

During 2009, two large fiber projects were initiated, with final completion planned for 2010.

Fiber installation on Heidrich Rd that was held off due to the flooding in 2008, was carried forward in 2009, and with good pricing from contractors, we continued the fiber installation push into the Village of LaValle. You may have noticed telecommunication work going on in your neighborhood as the fiber was buried and optical network terminals were installed. LaValle Telephone installation technicians have been converting these locations the past few months. Older copper feed cables in need of replacement and all drops to homes and businesses in these areas were changed to fiber. Thank you for your cooperation and or allowing us in your homes and businesses to complete this process. We hope you will agree that this minor inconvenience is worth the added reliability and opportunities for more services in the future

As we look forward to 2010, plans will be implemented based on needed upgrades which can be completed within budget outlines. Our new telecommunications consulting firm is helping us evaluate the feasibility of changes, which could include a new voice mail platform and plant replacement.

The 2010 annual meeting details are included to the right. I invite you all to attend and keep informed about what's happening at your telecommunications cooperative.



A sure sign of spring: The 2010 Cooperative Annual Meeting

The 2009 accounting books have been balanced and business plans are being outlined for the rest of 2010. Join us on Thursday, March 25th at the Summit House to find out what's happening at your cooperative.

As a member of the cooperative you are eligible to:

- Register for early bird drawings beginning at 9:30 a.m.
- Participate in the business meeting which begins at 10:30 a.m.
- Vote in board of director elections.
- Enjoy a delicious lunch prepared by the Summit House.



**LaValle
Telephone
COOPERATIVE**

WWW.LTC.COOP

Mikey got tired of waiting for slow downloads. School work, reference research, such as library and museum data bases, and taking advantage of distance learning opportunities, like online courses, all go better when you have high speed internet from LaValle Telephone. The service is available for all our customers, even in remote locations, because your cooperative invested in the needed technology. Web surf without dialing or tying up your telephone line.

There are 227,719,000 Internet users in the United States as of August 2009, 74.1% of the population, according to Nielsen Online www.nielsen-online.com. Join the crowd. Call 611 or 985-7201 to get the details and/ or schedule your install.

**No misleading monthly promotional fees.*



Using High Speed Internet – Let the Fun Begin!

In the January edition of the LaValle Telephone newsletter, we featured customers who use their high speed internet for business, working from home. They often communicate with their customers or submit work done from their home office to the corporate headquarters.

We asked you to let us know how you were using high speed internet by submitting your entry for our drawing of three lucky winners. Each winner will receive a \$25 credit on their bill.



Our first winner, Marian Burmester, says: "Along with being a member of the board of directors of the Old Franklin Township Historical Society I manage the society website at www.townoffranklinhistoricalsociety.com from my home. The society is located in my

home town of Plain, WI. My favorite hobby is local history. With Google you can just type in a surname, local town/state or any history subject and you would be surprised what comes up. There are entire digital copies of old history books posted for Sauk County that I have found with a Google search. In 2008 the society published the book "May 21st 1918 Cyclone ~ A Path of Destruction." This Tornado/Cyclone traveled through much of Sauk County. Using the internet I was able to do research in my home and many of the post cards in the book were found on Ebay."

Our second & third winners, Lorrie Horkan and Lisa Olson report that they have a Facebook account and use their high speed internet for keeping in touch with friends and family as well as online shopping.

Thanks to all those who submitted entries. We appreciate your willingness to share how technology makes a difference in your life.

Mittelstaedt Sports & Marine: Selling Outdoor Fun

If you ever wanted to know how fast a snowmobile can go you might stop in at Mittelstaedt Sports & Marine in La Valle. The 150-Hp Polaris Dragon can be upgraded to 190-Hp by replacing a microchip. These machines are capable of some serious speed today, but they weren't quite that fast back when Lynn Mittelstaedt first started selling them.

Lynn began selling Arctic Cat snowmobiles from the family farm in Summit Township back in 1969. This was around the time that sales were really taking off nationwide. There were four different snowmobile dealers just in La Valle alone. Mittelstaedt switched to Polaris in 1979 and hasn't looked back.

He and wife Holly continued to run the family dairy cow operation as their business grew. In addition to snowmobiles they also offered three-wheelers and Cub Cadet lawn mowers.



Lynn and Holly Mittelstaedt, owners of Mittelstaedt Sports & Marine

In the mid 1980s the Mittelstaedts decided to get out of dairy farming and move their business into town setting up shop in a building at the intersection of STH 33 and CTH V on the Westside of La Valle. In 1991 they bought out Twin Rivers Marine and moved to their present location on the north side of town. This also expanded the business to include boats, outboards, boat lifts and docks.

Over the years Lynn and Holly have purchased adjacent property as it became available for the business to further expand and it now occupies two acres along STH 58/33. The staff has expanded over the years as well. They now have five repair technicians out of a staff of nine. "We wouldn't be where we are today without those who have been with us all these years," Holly notes. Employees include Frank Stout, Jeff Owens, Don Skrabel, Jay Mittelstaedt, J.J. Gates, Brandon Rhinehart and Dan Henderson.

Repair and service continue to be an important part of the business and technology has changed the way things are done. "The bulk of our communications is handled over the Internet," according to service manager Jeff

Owens, "It used to be done over the phone." That goes for contact with suppliers as well as sales inquiries spawned by a visit to Mittelstaedts' web site.

Along with Polaris snowmobiles, four-wheelers and apparel, you can find the latest in Mercury Marine outboards, Fisher fishing boats and Premier Pontoons at Mittelstaedt Sports & Marine.

Mittelstaedts' web site can be found at www.Mittelstaedtsports.com

Security Systems

24/7 monitoring at
UL-Listed Phone Center
Residential • Commercial
Burglar / Fire Alarms
Surveillance / Temp Alerts

Call the business office for
your personalized quote.

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800-551-9186



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