

LEAD IN

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The total U.S. cow herd stands at about 46 million head, down from the all-time record high of nearly 57 million cows in 1975. The total U.S. cattle herd is projected to drop below 100 million head by 1988 for the first time since 1961. And there is no indication of a major upturn in numbers any time soon.

In simple terms, this means that the market for registered bulls will become more competitive and that competition between breeds could heat up to red-hot levels. Some breeders and some breeds may not survive. Their success or demise will depend upon two factors—whether or not they use performance records and every other tool available to produce top-performing cattle, and how well they promote.

I got a chuckle the other day from a quote attributed to one of my fellow beef breed association executive officers. He said something to the effect that the various beef breed associations should be less competitive and work together more. If he means to work together on passing the Beef Research and Information Act and similar projects, then cooperation is cer-

tainly essential. But if he means that we as breed associations shouldn't advertise our products aggressively and attempt to expand our share of the beef cattle market, then he is dead wrong.

Right now the Angus breed has roughly from 25 to 30 percent of the U.S. beef market. This nation's cow-calf producers would be better off if at least half of their cattle were Angus. We also have records to show that the right kind of straightbred Angus commercial cow herds can be as profitable and as productive as most crossbred operations. So I look at it as our duty to bring the Angus message to the beef industry.

What's more, I know that you and all the other members of the American Angus Assn. will benefit from an expanded share of the U.S. beef bull market. It is essential, given the fact this is the only way a majority of U.S. Angus breeders can stay in business at a time when total cow numbers and total bull demand is shrinking.

If American Angus Assn. members want a breed association similar to the one they now have, you and every other member are going to have to do those things that will ensure the continued success of the Angus breed and the American Angus Assn. It takes money and talent to promote the breed, to provide the best performance records program in the industry, and to provide first-class service.

In our industry today, there are some breeds and associations that are simply too small with too little broad-based member leadership to remain an effective force in the industry. There is no way, for example, that some associations can provide their members with a Sire Evaluation program—something that I think every breed needs desperately to remain competitive in the future.

On the other hand, there are some

breeds that have the resources but don't find it essential to provide these services to their members. Their leading members figure they can survive on hype and blue sky. But this "rose colored glasses" cycle, which is fairly common to almost every breed at some time in its history (remember the 1950s and early 1960s in the Angus business), always comes to an end.

Some of this same reasoning holds true for you in your relations with other breeders of registered beef cattle—even other registered Angus breeders. A thoughtful Angus breeder mentioned the other day that he would like to see more programs to entice bull buyers into his part of his state. His reasoning was that if more people came into the area to buy bulls, at least some of them would stumble into his bull lot with checkbook in hand.

But the fact is, this probably is not true. Buyers go to the herds they know the most about—the ones with the good reputations and the best advertising and merchandising programs. Cooperative promotion among Angus breeders is important, but it is no substitute for individual aggressive advertising and promotion programs. The country can be swarming with buyers, but they won't stop at your or my place unless we give them good reason to do so.

Don't get me wrong. I think there is a place and an important one for the small registered Angus breeder who enjoys having a few cows and who gets his family involved in the operation but who runs it more as a commercial cow-calf business than as a seed stock producing and merchandising business.

However, if you need to sell bulls at profitable prices, and females for a premium over the commercial market in order to stay in business, then

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you must be competitive. Your best friend may be the registered Hereford breeder down the road or even an Angus breeder, but your first loyalty is to your own family and your own business. That means aggressive promotion of your own herd which could take business away from your neighbor.

A father and son were talking about their Angus operation some time back. The father said, "you know, we just can't sell bulls in this part of the country."

"How do we know?" the son replied. "We have never really tried."

The Angus breed is number one in nearly every respect in this country. But our position today has little relationship to our future. Those who have never really had to go out and sell competitively probably need to take a second look at their program.

Even with only 46 million beef cows in the country we still need around two million bulls to service them. Figuring a four-year average productive bull life, that means there should be a market for 500,000 or so new bulls a year. I figure the U.S. beef industry would be better off if half of these bulls sold each year were Angus. But during the 1985 fiscal year Angus breeders sold and transferred the registration papers on just over 50,000 bulls.

So despite the downturn in cattle numbers, the potential for Angus growth and expansion is there. The question is, are we willing to do those things necessary to capture it? I, for one, think we are.

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