

from the office

LEAD IN

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The 1984 bull sale season has just begun as this is being written. Yet, if initial reports are any indication of what is to come, we can expect to see a marked increase in demand for Angus bulls.

Much of the groundwork has been laid for a significant recovery in the cattle business, and more specifically, in the Angus business. The liquidation of cow numbers should soon bring production and demand to levels that are once again profitable for most people in the industry.

Another production factor is the drought in Australia. That country will reduce its exports to the United States by a significant amount and it should be several years before Australian cattle production is back to pre-drought levels. Moreover, the dairy PIC program probably will not affect prices as much as some people had earlier feared. And disease problems in the poultry business could eventually cut broiler production.

On the demand side, there are two significant factors that could increase consumer beef demand. The economy continues to improve. As family disposable income increases, it is likely that they will purchase more beef for home consumption, and eat out more often and beef is the most ordered

restaurant entree. What's more, the industry's consumer advertising and information campaign is going to change people's attitudes and have a positive effect on beef demand.

I have nothing to back up this next conclusion, but I feel recent research showing that reducing cholesterol in the blood can help prevent heart attacks and strokes will have little effect on beef consumption. Red meat eating has received so much bad publicity that most people have already taken this into account in their eating habits. From here on out I think people, both doctors and the general public, will be a bit more logical and realize that overall diet, exercise and genetics play a much more important role in health than the eating or not eating of a single food, that is extremely healthy and great tasting, as well.

All of these factors are working together for the benefit of the entire beef industry—but Angus breeders have some other advantages that producers of other breeds do not.

In the past 10 years commercial cattle producers have searched in vain for a way to dramatically improve their profits. This has led them to try every exotic breed of cattle available, including the Texas Longhorn. The most dramatic effect of these experiments has been to demonstrate, often graphically and painfully, the traditional advantages of Angus cattle.

A year ago about this time I know of one northwest Missouri farmer and cattleman who was calving out his herd, including first calf heifers, all bred to an exotic cross bull. His losses in dead calves and cows, not to mention the cost of caesarean sections on the barn floor, were staggering.

Last fall he purchased 100 commercial Angus cows and bought some top quality performance-tested Angus bulls to use on them. He is not through with crossbreeding, but he will use the Angus herd to form the base of his entire cow herd, and his cross-bred first-calf heifers will never again see an exotic bull.

This isn't an isolated case. Cattlemen from all over the country have experienced it and they are returning to Angus bulls to solve some of their problems. This is what we have seen in the early sales this year—

excellent demand for Angus bulls, even bull calves, from an increasing number of good commercial cow-calf producers.

Packers continue to demand Angus cross cattle. As Bob Hillier of Master Feeders II told the Centennial Celebration audience in September in St. Joseph, Angus and Angus cross animals help sell a pen of cattle to the packer. What's more, the Certified Angus Beef program is creating a demand for Angus cattle that is filtering down to the bull buyer. The publicity generated by the program is obviously having an effect on demand. Furthermore, CAB is growing and will continue to for the foreseeable future.

And finally, credit must go to the continued strong and effective national advertising and public relations programs that American Angus Assn. members have funded through membership in the Association. The ads, directed at the commercial cow-calf operator have hammered away at the traditional Angus advantages, and we have been able to maintain our advertising budget, even increase it, in the face of declining registrations over the past few years.

Our promotion programs have kept the Angus name in front of the public, and maintained the image of Angus as a quality beef breed. The value of the 1983 Centennial Celebration far exceeds its modest cost. People enjoy being associated with a winner-with the front runner. Our programs project this image of Angus cattle and the American Angus Assn. and undoubtedly will help account for increased Angus business.

As an Angus breeder you need to be prepared for the coming years. You may want to increase the number of high quality registered Angus bulls and females that you have for sale. Remember, the number of calves you register this spring will determine what you have to sell a year or more from now. You may also want to make an assessment of the market for Angus cattle in your trade area. And along with this, take a close look at your herd advertising and promotion program. The breeders who get the most business in the years ahead will not only be the ones who have the best cattle but the ones who do the best job of advertising and promotion, as well. 