

Take a Professional Approach to Marketing

I know Angus breeders who lament that they don't do business in a part of the country dominated by large commercial cow herds whose owners buy large numbers of bulls. They covet those large commercial producers who purchase 20 or 30 bulls at a time.

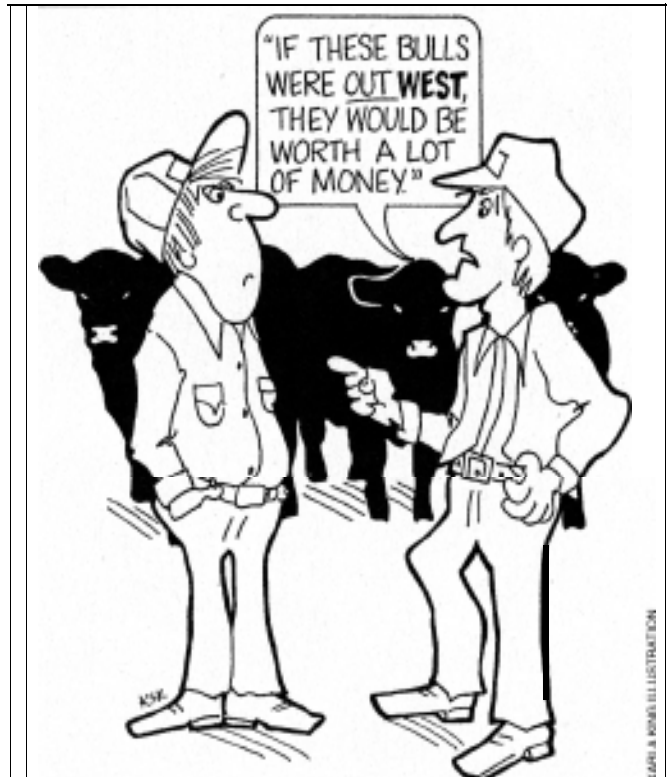
But the largest and wealthiest commercial cow-calf producers may not always make the best customers. In fact, some of these people are not good customers at all for top quality registered bulls.

I know of some large commercial producers who try to save money by purchasing commercial Angus bulls rather than registered bulls. It is a real temptation for a volume producer, to reduce bull costs by \$1,000 or more per head by buying commercial bulls. Multiply \$1,000 by 20 or 30 and the short term "saving" is significant.

A few large producers try to cut bull costs by purchasing a few registered cows to form the nucleus of a herd used to produce their own bulls. Many of these producers end up using home-raised bulls that they would never have bought from someone else.

Other large producers use artificial insemination (AI) extensively. They buy semen from the best bulls they can find, then clean up with purchased bulls. Since they expect to save replacement heifers from the AI cows, they may not be as selective on the bulls they do buy. Some even use home raised bulls, sired by AI from their commercial cows, for cleanup.

Furthermore, it's not a given that "The West" is the best place to market bulls. There is great opportunity for



registered Angus breeders in nearly every part of the United States.

For example, I know of breeders in Missouri who are as successful as breeders in Montana. There are relatively small Midwestern breeders who produce and sell top quality registered Angus bulls for profitable prices. Their market is almost entirely small commercial cow-calf producers.

It's not true that all small producers have no interest in buying and paying for superior genetics. It's true, however, that virtually all registered Angus breeders who get top price for their bulls have a sound marketing program. They position themselves as serious breeders of top quality Angus seedstock, and they demand

and get competitive prices for their bulls. They never sell cut-rate bulls just to get rid of them. Unsold bulls at the end of the marketing season (and there haven't been many lately) go to slaughter, not to someone looking for a cheap bull.

Success often seems to be related to a breeder's attitude. Many Angus breeders are farmers or get a major part of their income from other sources. The most successful of these breeders look at themselves as registered Angus breeders, who also farm or do other things. On the other hand, many less successful breeders seem to consider themselves farmers who run a few registered Angus.

The person who doesn't view himself as a business

person who breeds and markets registered Angus is less inclined to market properly. One reason for this is that farming is a production business. Farmers can hedge prices and buy options, but essentially they sell commodities for whatever price is offered. It's difficult to add value to corn, beans or cotton. About the only way to increase income is to boost production and/or lower costs.

However, the breeder and marketer of registered Angus is in a different situation. Income can be increased by doing a more intelligent job of cattle breeding and marketing. Profits can be increased without boosting cattle numbers or acres operated. To do this, though, requires that the breeder be market oriented.

So the next time you feel a twinge of envy for a successful fellow Angus breeder in another part of the country, stop and think. First, they may have more competition for the bull buying dollar than it first appears. And second, much of their success is built upon a professional approach to marketing and customer service, not location.

There may not be any 500-plus commercial cow herds in your trade territory. However, there are likely more commercial cows per square mile in your area than in most of the West. If so, a market is available; it only needs to be developed with professional marketing and customer service.

by Keith Evans, Director of Communications and Public Relations