

Marketing Quality

With time and space limiting the size of his operation and the complexity of his customer-relations strategies, Dale Grubbs relies on quality cattle and satisfied customers.

BY BRAD PARKER

West-central Indiana is farm country. The land is fertile, and not much of the sod has been left unbroken. Amid the corn and soybean fields, however, a few grazing pastures can be found. Though not large by Western standards, the region's cattle operations offer enormous potential. Where quantity is limited, the importance of quality becomes infinite.

Dale Grubbs farms about 1,000 acres of row crops and hay ground on the prairie near Hillsboro, Ind., but that's not his passion. Like many who are truly cattlemen at heart, he spends time on the tractor because it's necessary. The Angus cattle occupying the lots around his home and his several rented pastures are what drew him back to agriculture.

"I've always enjoyed taking care of cows and showing," the 1977 animal science graduate of Purdue University says. "The

main reason I wanted to come back to the farm was for the cattle."

The Grubbs family has been raising Angus since the early 1940s when Dale's grandfather, Alexander, bought his first registered stock. "Our family has always considered this a performance herd," Dale says. His father, Gene, showed the grand champion steer at the Indiana State Fair in 1946, and Dale had the top bull at the 1989 National Western Stock Show in Denver.

Grubbs calves about 120 females each year, and, with replacement heifers, he'll take 150 head through the summer. "That's about as many as we can get pasture for, and that's about as many as we can merchandise in a year's time," he says. "There's no use having more than you can merchandise."

Space isn't the only constraint on the size

of the operation. Labor is a precious commodity, too. Although Gene is retired, he still helps a lot around the farm. The rest is left up to Dale and Louis Meisner, who's worked at Grubbs Angus Farms for seven years.

"You can just do so much. You can spread yourself so thin, till you're not doing a good job," Grubbs believes. "I can probably run another 50 cows, but will those 50 cows make me money, or should I concentrate on making the ones I've got better?"

In his definition, better equals balanced.

He wants his customers to have options, so he tries to keep a good mix of calving-ease and performance bulls in his herd. "It would be nice if all the calving-ease bulls were high-performance bulls, but they're not," he observes.

He knows his customers' wants will depend on their feeding programs and the amount of labor they have available. Those are the things that have helped him make decisions for his operation. Some of his customers have several heifers to breed, so low birth weights are preferred; others may want higher birth weights for mature cows.

Grubbs says he learns about his customers through casual conversation. To better help them select a bull, he likes to know about their operations. With how many and what kinds of cows will the bull be used? How many heifers? Will the bull be placed with both? What's their feeding program?

Often, he says, there isn't much matchmaking required. "Most people who show up to buy bulls here have an idea of what they like," he says. He also knows it's sometimes difficult to outguess his customers from one year to the next, because their goals or strategies may change. "Especially after they've kept



BRAD PARKER PHOTOS

Dale Grubbs, a third-generation Angus producer, farms about 1,000 acres and manages around 150 registered Angus near Hillsboro, Ind. He says the availability of pastures, the local demand for seedstock and distribution of labor help determine the size of his operation.

replacement heifers out of the last bull, sometimes they want to do different things," he says.

Despite changing preferences among his customers, one trait will remain constant in the Grubbs herd. "We do a lot of culling on disposition," he says of his own sire selections. "It makes it more pleasant for everybody."

Genetics are part of raising well-mannered cattle, but management is important, too. By the time they've been hand-fed through the winter, most of his bulls are tame enough to scratch. "I've never had a customer come back and say his bull had gotten mean or is hard to handle," Grubbs says.

He believes the people with whom he does business appreciate that. They like being able to walk among their herds without having to worry about where the bulls are. Disposition also is important because many of the calves he sells go to 4-H or junior Angus members. For that reason, he won't knowingly sell an ill-tempered animal.

"If we have one that acts silly and acts like he could get mean, we'll ship him. We don't keep him around, because I don't want to sell a bull to somebody who's going to have a problem," he says. "That'll carry right through to his calves, and somebody will get hurt. It's not worth it."

Other culling decisions are made on performance. When spring comes, the animals that haven't performed well are shipped. "The only thing we keep here to sell to the breeders or the commercial people is the better bulls," Grubbs explains, adding that one-fifth to one-fourth of the calf crop may be culled, depending on the overall quality.

He knows his bull customers want cattle that will put on muscle and replacement heifers that will produce milk and reproduce. "That's where the money is for the commercial man. It's through efficiency and performance," he says.

Grubbs places a lot of emphasis on high-performance females, believing that is the secret to producing reliable herd sires, like the ones some of his customers have kept in their herds for 10 years. He wants females that show longevity, good structure and milking ability. Reproductive efficiency is another key. "If our cows aren't bred back, we ship them. We don't mess around with a lot of open cows," he says.

Because of his focus on females, Grubbs encourages his customers to retain replacement heifers from the calves his bulls produce. "I think the best way for them to measure how good of a bull they bought is by putting females back into production," he says.

For females to stay in his herd they must have performance data in the breed's upper percentiles, and he looks for good udders and fleshing ability. The best way to determine a cow's productivity is to see how many pounds of calf she weans and how long it takes her to regain weight, he says. "If she stays thin the rest of the winter, she probably isn't the kind of cow you want to sell a bull out of."

The weeks leading up to Labor Day find Grubbs preparing for his annual production sale, which is conducted the weekend after the holiday. Through that on-farm event he markets about one-fourth of his females, keeping back enough heifers for replacements.

Usually, only three or four bulls are offered. Sometimes there will be more if he sells any bull calves alongside their mothers, but he generally keeps the bulls and feeds them through the winter. The sale draws potential bull buyers to the farm, though, giving them a chance to see his stock.

Most of the 50-60 bulls Grubbs raises in a year are sold the next spring as yearlings. (He starts calving around the first of the



Grubbs doesn't castrate many of his bull calves, preferring to keep them intact so weights can be compared. This provides better maternal-performance data on his cows. "We promote the bull market more than the steer market," he says.



Grubbs raises 50-60 bulls each year, generally marketing three or four at his annual production sale, around 15 through the Indiana Beef Improvement Program's central bull test and the rest via private treaty.

year, and he has two-thirds of the calf crop by April.) Around March 1, to prepare for his buyers, he updates vaccinations and health treatments and conducts semen tests on all the bulls older than 10 months.

Although he rarely finds one that isn't ready to breed, he doesn't endorse using bulls that young. "I don't promote turning out a bull before he's a year old, and I prefer him to be 15 months — mostly for the bull's sake," he says.

A few 2-year-old bulls will leave Grubbs Angus. These are usually fall calves that didn't meet the age requirement when he last conducted semen tests.

Seven or eight of his bulls each year and most of his females are purchased by other seedstock producers, but the majority of his bull customers are commercial cattlemen. That makes a good blend of traits even more important to his operation. "We have to cater to our commercial market on the bull side, and to me, it's a purebred market on the heifer side," he explains.

Around 85% of his sales are by private treaty, his preferred way of doing business. "You get to meet the people face-to-face and talk to them," he says, adding it's important for a good marketer to know the

customers' programs and how they manage their cattle.

The bulls not retained, marketed at his production sale or sold through private treaty are sent to the Indiana Beef Improvement Program's (IBEP) central bull test, which is operated by Purdue outside Bedford. The Grubbs family has had bulls in each of the 43 semiannual IBEP tests. Often, one of them has been the top-indexing Angus.

The bull test provides an additional

marketing outlet for around 15 of his bulls each year. "I think that helps us sell bulls off the farm," he says. "A lot of people who have bought bulls from us at the bull test have come back here and bought a bull."

While the test promotes his bulls to potential buyers, it helps Grubbs determine if his breeding program is on the right track. He finds a lot of value in comparing his stock with those from other states and the best breeders in his region. "It's nice to know that your cattle can compete," he says. "For my program, it's probably as beneficial as the showring."

Grubbs says he enjoyed showing while growing up, but he's cut back on the number of shows where he takes cattle. "I don't like going out and competing against the cattle I've sold," he explains. In his mind, it's not good advertising. "As a matter of fact, it makes me happier when they beat us," he says of his customers.

That may change somewhat as his 13-year-old daughter, Kayla, and 9-year-old son, Dallas, enter the showring. He says they will still limit their appearances to seven or eight per year, focusing on their own county fair, the Indiana State Fair, Angus shows in the state and the National Junior Angus Show (NJAS).

His customer follow-up, he admits, is informal. Although he'd like to make more herd visits, he doesn't have time. A lot of his bulls are sold locally, so he frequently crosses paths with his customers at the sale barn, community functions and fairs. He says he gets to talk to most of his bull buyers that way.

He also makes a concerted effort to attend all the Angus sales in Indiana to increase his customer contacts. "Even if the combine's running, I try to shut down to

CONTINUED ON PAGE 173

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— Rita Sharma

get to the sales," he says. Those events are where he learns the most about what kinds of calves his bulls produced and if his customers are happy with their purchases.

If he doesn't get to see a customer, Grubbs will call to extend an invitation to his production sale and ask how things went. "I try to contact everybody who bought cattle from me in the last year," he says. Taking time to make those contacts, he explains, is his best marketing strategy.

Repeat customers are the bread and butter of Grubbs Angus Farms. He says he relies on them and local advertising. "We've been fortunate. We've got a lot of repeat customers. ... That's the backbone of any breeder," he says. "There's not enough new people out there everyday to merchandise that number of cattle; so go and make sure your customers are happy, and, hopefully, they'll come back."

That customer satisfaction is important feedback to Grubbs. Besides the data from the bull tests, that's about the only kind he gets.

"Your feedback basically comes from if they topped the sale barn or not," he says, explaining most of his bull customers' herds are too small to market calves on grade and yield. "It would be great if I had some [carcass] feedback. It would be a very important part of my program."

Gathering information on his own steers isn't much of an option, as Grubbs doesn't castrate many of his calves. He prefers to keep them as bulls so weights can be accurately compared to provide maternal-performance data on his cows. "Most generally, we promote the bull market more than the steer market," he explains.

Grubbs believes having a feedlot would be the ideal way to gather performance data and to promote bulls by purchasing calves from his bull buyers. Unfortunately, that isn't possible in his area.

Despite the lack of information, Grubbs strives to improve the carcass characteristics of his herd by keeping up on the latest genetic information and using bulls or sons of bulls with high-accuracy carcass expected progeny differences (EPDs). "Over the years we've worked really hard on the maternal side of it, so now we're trying to come back and cross that with some carcass side and get a blend without losing either one," he says. "I'm not chasing any extremes; I want cattle that will work."

Angus bulls do work for the producers in his area. Grubbs estimates 75% of the

Customer perspectives

A common mantra in business reads, "Customers don't care how much you know until they know how much you care." Customers of Dale Grubbs, who owns and manages Grubbs Angus Farms near Hillsboro, Ind., say the third-generation Angus producer knows a lot and cares a lot about their businesses.

When Rita Sharma of Mehaffey Land & Cattle Co., a registered Angus operation near Williamsport, Ind., discovered one of her three natural-service bulls had been injured, she turned to Grubbs, from whom she occasionally purchases semen, to get a replacement quickly. "I gave Dale a call, and I said, 'What have you got that I can pick up today?'" she recalls.

She took a 15-month-old bull home, put him in the pasture and got 10 calves from him. Now that sire is covering their main pasture of second-calf cows and doing duty as a cleanup bull for the ones they artificially inseminated.

She didn't call Grubbs because he was only 15 miles away, Sharma says, but because she values integrity. "I trust Dale's program. I think that he works very hard and has done a good job to bring some pedigrees into this area of the country that haven't been that prevalent."

Sometimes three or four years go between their purchases from Grubbs, but Sharma says he still goes the extra mile to help. "He realizes you may not be a customer this year, but you're always there for next year," she explains. "Repeat customers are your best advertisement, and I would have no problem at all going back to Dale at any time to buy semen or a bull."

One of Grubbs' more reliable repeat customers is Jack Ziegler, a commercial cattleman from Veedersburg, Ind. Over the years the Ziegler family has purchased more than 20 bulls from the Grubbs family, starting with their fathers.

"Dale knows my cattle out here, and I want bulls with good milk numbers that are easy-calvers," Ziegler says. "I rely on him quite a bit actually. ... I see the bulls I like, and he just tells me if they have the numbers I need."

With almost 100 females to breed each year, Ziegler keeps five or six bulls. His three Angus sires breed 70% of the herd. "We get excellent females out of them," he says. "They've got good dispositions and are good growers."

Ziegler says because they've known each other so long and live near each other, communication is never a problem. Their children are often entered in the same shows, Ziegler explains, so "he gets to see the calves, and he definitely knows how I'm getting along."

That communication has meant a lot to Ziegler because, on several occasions, Grubbs has referred customers looking for calves or older bulls to his friend down the road.

Sharma also appreciates those referrals and often returns the favor. "We have a good working relationship here, although geographically we're close and technically we're competitors," she says.

cattle in west-central Indiana are black-oriented and that Angus bulls are mainly responsible. He thinks the breed has surprised some commercial breeders. "They've used Angus bulls, and they haven't lost any performance; they haven't lost any weaning weights," he says. "They have no reason to go back to other breeds."

He credits the American Angus Association with helping its members' marketing efforts. He says by promoting weaning weights and mothering ability, the Association has increased demand for Angus genetics.

Grubbs also appreciates the Angus Herd

Improvement Records (AHIR) program, which he's participated in for years, although he believes it would be more useful for merchandising and selections if he had a larger herd. "When you're only running 100 to 120 calves per year, it's really tough to get the contemporary groups," he says, but he is able to manage his calves to get three groups annually.

He doesn't regret keeping his herd small and focusing on the caliber of his cattle. "Basically, we're sitting here working on quality and the genetics," he says. "We're always changing and improving that, I like to think." 