

# Lead In

by Richard Spader, executive vice president



## The power of a paper

This week we received an e-mail message from a member asking for the American Angus Association opinion on the advantages of transferring registered Angus bulls to commercial bull buyers. The inquiry came to Bill Bowman, director of commercial relations, and the question was one we've heard many times. Bill's response was worth attention in this column, and I believe it serves as the basis of our involvement with registered Angus cattle.

I know it's easy at times to say, "Let's save a few bucks and not register or transfer bulls this year." For registered producers, that may be a self-defeating practice if your goal is to let buyers know you're in business.

First and foremost, when you register and transfer bulls, the bull buyer receives a formal document indicating the pedigree, performance, current expected progeny difference (EPD) information and the ownership of his new purchase. The registration paper is similar to the warranty tag on a bag of seed corn, serving as a reminder that the buyer purchased reputable, well-documented, predictable genetics.

Second, the transferred registration paper serves as a valuable and visible tie linking the registered bull to the farm or ranch of origin and the largest beef breed association in the world, the American Angus Association.

**The registration and transfer fee** help fund an aggressive national advertising program that promotes the advantages of documented Angus genetics. This has value not only for the Angus breed, but it also builds demand for every Angus farm or ranch in the country.

In some ways I liken it to national advertising for farm and ranch trucks. Most national truck ads focus on the benefits of the vehicle and what it can accomplish for you, the user. It's the local and regional advertising that brings you to a particular dealership to purchase the vehicle of your choice.

Nonmember bull buyers or commercial producers who have bulls transferred to them also receive a subscription to the *Angus*

*Beef Bulletin*, which is published four times a year. The *Bulletin*, with its articles on management, genetics, marketing and current industry issues, is an excellent source of information for the commercial producer. Starting last month, each *Bulletin* mailing label will indicate that the subscription was made possible by the transfer of a registered Angus bull from your farm or ranch. Again, this reminds the purchaser of one more service from you, the producer, and the Association.

Nonmember buyers also receive a copy of the American Angus Association *Sire Evaluation Report* each spring as we attempt to provide the most current genetic evaluation tool and information to the beef industry. With each update of the *Sire Evaluation Report*, more commercial producers ask when the next one will arrive.

This spring more than 91,000 copies of the *Sire Evaluation Report* were mailed, and more than 70,000 of them went to commercial producers. Again, that mailing list was made possible when you listed the buyer's name and address on your transferred registration certificate.

**An increasing number** of calf buyers, alliances and other markets are starting to demand registration numbers and EPDs for sires of calves being offered for sale. Providing this information through programs like the Angus Resource Clearinghouse Network (ARCNet) has created a greater awareness of the value of a registered Angus bull. As source verification begins to pay more premiums, the genetic data on sires will continue to gain value when it's time to market calves.

From an industry overview, I believe specification buying by commercial bull buyers will become even more of a reality in the years ahead, and that's one more reason to transfer pedigrees. Those buyers will start to rely on the predictability of the Angus database that you as seedstock producers have used to build your breeding programs.

The Angus database is the envy of the industry and one of the greatest opportunities for farsighted and aggressive seedstock producers. More registered and

commercial cattle producers also will accept their role as producers for a consumer-driven industry, and Angus will lead the way in that movement.

What's more, the National Beef Quality Audit (NBQA) 2000 unveiled at the spring Cattle Industry Annual Convention again emphasized the need for uniformity and consistency in our end product. Specifically, the audit called for higher quality grade and higher lean meat yield with elimination of Standard carcasses. The role that genetics play through the Angus breed or any other beef breed in this endeavor is paramount.

**If you believe** in the registered seedstock concept, I'd encourage you to demonstrate it to your customers. This past year registered Angus breeders reached a new milestone as 42% of the 271,222 registrations for fiscal year (FY) 2000 were bulls — the highest percentage ever. This fact tells me that Angus breeders believe in their breed and in the importance of transferring important performance data and pedigree information to their commercial customers.

Although some segments of our industry have struggled for profitability, most Angus breeders have a tremendous opportunity to increase the use of Angus bulls in the commercial industry. But it means that we will need to work hard to provide the genetics that commercial producers need. Fertility, calving ease, growth and carcass quality are some of the major traits we need to consider and to keep in balance.

At a time when lots of black, polled breeds are available, I firmly believe commercial cattlemen who want the advantages of Angus genetics will seek out highly predictable, performance-backed Angus and the registered breeders who produce them. You can differentiate your program from the others by offering your commercial bull buyers something that's unique to the Association — an official, highly predictable, performance-backed registration certificate.

*Richard J. Spader*