

March meeting finds outlook optimistic



HIGHLIGHTS

- ✓ Mousing will be conducted at a major show
- ✓ Association revenue reflects increased activity
- ✓ Solicitation of new members having impact
- ✓ Sales of Association software exceed expectations
- ✓ Certified Angus Feeder program guidelines drawn
- ✓ Junior activities will include two leadership conferences
- ✓ *Angus Beef Bulletin* will expand scope
- ✓ Certified Angus Beef adds to staff

EXECUTIVE VICE PRESIDENT'S REPORT . . .

Executive Vice President of the American Angus Assn., Richard L. Spader, expressed his impressions concerning the financial health of the organization and the general tone of the membership and Angus business.

Spader cited a positive financial situation for the Association after five months of Fiscal Year 1987. He also noted little turnover in office and staff personnel during the period and described the turnaround time of daily work and work flow through the processing department as excellent.

An extensive audit by the Internal Revenue Service indicates a favorable judgment for the Association's system of auditing.

Spader shared his impressions from visiting the field where membership attitudes appear highly positive and optimistic concerning the Angus business. Demand from both registered and commercial markets have been encouraging with averages appearing to range from \$300 to \$500 above 1986 figures.

Within his review of the registered seedstock business, Spader reminded the board of the impact from gradually declining beef cattle numbers and the effect upon registered markets.

"From 1975, the general trend has

been toward a decreased cow population, so it may be no great surprise that most established breeds have seen a decline to follow."

Spader pointed out registration trends for major breeds over the past 15 years have declined significantly from a peak of nearly 1.2 million head in 1968 to 685,000 in 1985.

"These figures reflect the challenge we have as a breed association in maintaining our programs, personnel, and momentum in a time of declining business," Spader pointed out. "I think our challenge has been and will continue to be an effort to take a bigger share of the market. I believe we do this through our various programs and efforts in public relations, advertising, youth, breed improvement, Certified Angus Beef, activities, and member services and communications."

"Optimums," "consistency," "predictability," "specification seedstock," "branded products," "quality" were among the terms Spader told the board he heard often from and throughout the industry. "Basically, this dialogue from an industry standpoint gives me the feeling we've been on track with our performance, branded beef program, and promotional efforts," said Spader, declaring a "turnaround in our registered Angus business."

EXECUTIVE COMMITTEE . . .

Approved an Article VII of the Association By-Laws procedure regarding the case of a registered steer with sire exclusion and unusual blood type.

Rejected a proposal by the Red Angus Association of America regarding its request to consider certain coordinated efforts between the two Associations.

Reviewed and advised staff on a breeder concern over transfers of animals involved in a breeder dispute.

Discussed proposal by American Bankers Insurance Group and Blue Cross/Blue Shield regarding a life and hospital proposal for the American Angus Assn. membership. The committee advised the staff to review other proposals before a decision is made.

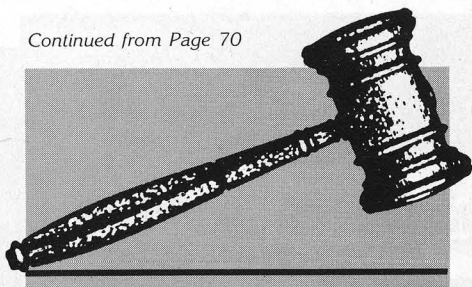
Approved mousing at at least one major show in 1987.

Reviewed letters from the Montana Angus Assn. and breeders concerning Angus breed type and show ring selections.

FINANCE COMMITTEE . . .

The Finance Committee reviewed the Financial Report for the first five months of fiscal year ending February 28, 1987. Primarily, because of increased activity in registrations, transfers, A.I. certificates and CAB income, the Association is showing an excess of revenue over ex-

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penses of \$487,755.60 as compared to \$109,692.42 for the same period last year.

The Association is currently undergoing an audit by the Internal Revenue Service. No change in the Association's tax exempt status is anticipated.

RULES & ARBITRATION . . .

The Rules & Arbitration Committee discussed a dispute between two breeders regarding a bull's capability of breeding cows by natural service. The committee reserved a decision on this matter until additional information could be gathered.

It was the opinion of the committee that staff and legal counsel study various methods of clarifying the Association's policies on procedures for the handling of applications for transfer. These methods will be reviewed at the June meeting of the board of directors.

PUBLIC RELATIONS . . .

The 1987 advertising program has generated 3,669 responses so far for copies of the Sire Evaluation booklet. Some 1,798 ad coupons have been filled out and mailed to the Association. The other requests came through reader response cards in magazines. Each person receives the Sire Evaluation Report and a Beef Train brochure.

The first Beef Sausage Packs have been sent to non-member Angus bull buyers as part of the bull buyer incentive program. Each 100th non-member buyer will receive the gift announced by a personalized letter from Dick Spader telling them the gift is from the Association and from the individual who sold them the bull.

The committee reviewed and updated the membership solicitation packet that goes out to each non-member buyer. The aim will be to convert more non-member buyers into Association members or at least *Angus Journal* subscribers.

Follow-up mailings are planned for those responding to the Association's advertising program to be conducted later in the year. Nearly 29,000 copies of the March issue of the *Angus Beef Bulletin* were mailed to non-member buyers who had Angus cattle transferred to them in the previous 24 months. Each *Bulletin* contained two postage reply cards readers

could return to join the Association or subscribe to the *Angus Journal*.

Keith Evans, director of communications and public relations, reported the new publication, "Consistent Performers—Angus Sire Evaluation Helps You Find Them," is receiving wide distribution and acceptance. The committee agreed it is a timely publication, and with increased publicity, more and more commercial buyers are requesting EPD information on the cattle they purchase.

It was announced the Association's Spanish language brochure, "Angus Americano" won first place in the foreign marketing section of the advertising and promotion awards contest sponsored by the Mo-Kan Chapter of the National Agri-Marketing Association. The brochure is now in competition for a National NAMA award.

It was reported also that the Association's use of the Certified Angus Beef display at the National Cattlemen's Association trade show in Reno, Nev., attracted excellent traffic.



PLANNING & INDUSTRY . . .

Director of Data Processing Bob Chern reported both interest and sales of the new Angus Herd Management computer software for ranch micro computers have been greater than anticipated. Good attendance at Association sponsored demonstrations of the software at Louisville and Denver further verified the fact Angus breeders want to computerize their recordkeeping. The committee then made recommendations for future marketing strategies to insure the continued success of this endeavor.

Chern reported to the committee the software offer has prompted more than 200 inquiries with over 70 demonstration packages sent out and 27 sales accomplished.

Membership programs enacted to encourage new members to join the Association were reviewed and new ideas discussed. It was suggested when Angus breeders sell animals to non-members they take out a membership for this buyer whenever possible.

The use of computers in tabulating judging at shows was considered, but it was determined the merits gained did not appear to outweigh the costs involved.

BREED IMPROVEMENT . . .

The Certified Angus Feeder (CAF) program was made an extension of AHIR, and authorization to place a full-time person in charge of this program was made.

General guidelines were adopted for CAF.

It was pointed out by Dr. Benyshek, University of Georgia, that prior to setting any sort of carcass evaluation scheme into motion, endpoints must be clearly defined. The CAB program has, in fact, defined endpoints for the Angus breed, said Benyshek. He also suggested research with regard to the genetic aspect of carcass evaluation is rather limited, hence extreme caution should be exercised to avoid mistakes that could cause lasting consumer influence. It was pointed out future technology might provide a more simplistic means of carcass evaluation. However, in the interim it was felt a carcass evaluation program should be organized and set in motion.



CERTIFIED ANGUS FEEDER PROGRAM GUIDELINES

The objective of the Certified Angus Feeder Program is the identification of Angus seedstock that excel in carcass traits relative to Certified Angus Beef. In order to accomplish this goal, flexible carcass testing procedures, in addition to those presently in existence, must be organized and implemented to collect the necessary carcass data required for genetic evaluation (EPD).

The following proposal offers guidelines for an uncomplicated, flexible CAF carcass evaluation program:

1. Progeny of sires in purebred or commercial herds must be identified as to:
 - a. Birthdate
 - b. Sire registration
 - c. Dam registration/identification
 - d. Breed of dam (up to three (3) crosses for commercial females).
2. All test progeny within a contemporary group must have been born within a 90-day period.
3. Progeny of the sire to be evaluated must have a contemporary group comparison to progeny of at least one (1) and preferably two (2) sire(s) which have previously been evaluated for carcass merit through designed sire evaluation. In order for an acceptable accuracy of evaluation, the minimum number of test sire progeny is 25 and the minimum combined number of reference sire progeny is 20. However, lesser progeny numbers will be processed and retained in the data base. A randomization procedure must be used in commercial herds to ensure each sire (reference and test) equal opportunity to mate comparable cows.
4. All test and reference sire progeny

(male and female) may be utilized in the evaluation, that is, all non-replacement individuals may enter this program.

5. Weaning weights must be taken between 160 and 280 days and yearling weights must be taken between 320 and 440 days.
6. All progeny can go on feed directly after weaning or may be stockered and placed on feed after the yearling weight is taken. All cattle must be slaughtered prior to 16 months of age or when the group averages .3 inches of backfat, whichever occurs first. Cattle going on feed immediately after weaning will be backfat probed after 150 days on feed, whereas yearling cattle will be backfat probed after 60 days on feed to ensure that cattle do not exceed .3 inches of backfat at slaughter.
7. All data will be collected through the USDA Beef Carcass Evaluation Service, processed through AHIR, and analyzed through National Cattle Evaluation procedure.
8. An enrollment fee, yet to be determined, will be required.
9. The responsibility of obtaining reference sire semen will be between the test herd owner and the test sire owner.
10. All financial arrangements will be between the test herd owner and the test sire owner.
11. The manager of CAF will coordinate testing procedures between test herd owner, test sire owner, and the American Angus Association, and coordinate all data collection.

Plans were made for conversion from EBV to EPD on daily AHIR work this fall.

A decision will be made in June regarding the publication of all milk EPD in the 1987 Sire Evaluation Report.

Funding in the amount of \$4,000 was approved for a dystocia research project in Miles City, Mont.

ACTIVITIES . . .

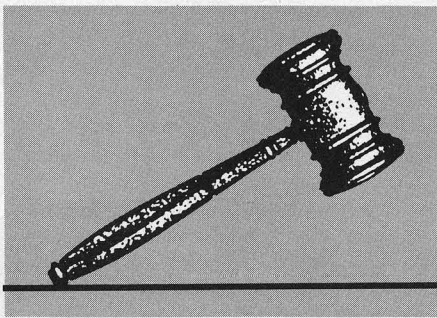
Dessie Moxley, president of the American Angus Auxiliary, presented its update. She also expressed appreciation to the Association for support and to the *Angus Journal* for space provided to the Auxiliary. She read a letter from one of the judges of the most recent Miss American Angus contest urging the Association to utilize the talents of Miss American Angus to the maximum. The committee felt this could be done through PR activities.

Mark Wyble, director of junior activities, opened his report by updating the committee on junior shows planned for the coming months.

The Western Regional Junior Show will again be held in Reno, Nev., in conjunction with the Western National Angus Futurity. Since it is difficult to bring juniors

from the western region of the country together, special activities are planned to encourage involvement and generate enthusiasm. There are 91 entries this year; last year, 85 head were entered. Steer classes were dropped due to a lack of interest. Dates of the junior activities are April 25-26. Gary Kendall will judge.

Jackson's Mill State 4-H Camp near Weston, W.Va., will be the site of the Eastern Regional Junior Show. The camp, which is where the 1978 Eastern Regional was held, will provide a relaxing atmosphere for those who attend. Activities will take place on June 26-28 and Dee Woody will judge. A planning meeting will be held on April 22 to finalize plans. Mark Wyble and Bill Powell will represent the Association there.



Three Regional Previews are scheduled for June. The Northwest Regional Preview will be held in Pullman, Wash., on June 12-13 in conjunction with the All-Breeds Heifer Show. As yet, no judge has been announced. On June 19-20, the Northern Plains Regional Preview will be hosted in Rapid City, S.D. A special trip to Mt. Rushmore is one highlight of planned events. No judge selected. Also on June 19-20 the Razorback Regional Preview will take place in Fayetteville, Ark. A special contest for showmen of all ages will be featured. Joe Bill Meng has agreed to judge.

Wyble reported the National Junior Angus Show will be held in Indianapolis, Ind., on July 7-11. This show promises to be one of the biggest and most ambitious ever.

Wyble briefed the committee on matters surrounding the show schedule and hotel facilities. Pete Sweeney will place the breeding cattle and Doug Parrett will judge steers. Two packers have expressed an interest in handling the carcass show entries. Details will be finalized in the near future. Selected as judges for the 1987 National Junior Showmanship contest are Bill Marsden, Diana Hough, and Melvin Porter.

Sites and dates for the 1988 Eastern and Western Regionals and the 1988 National Junior Angus Show have been set. They are: Western Regional—Reno, Nev., April 29-30; Eastern Regional—Columbia, S.C., June 24-26; and the National—Springfield, Mo., July 12-16. Letters have been sent to junior leaders nationwide in-

forming them of these plans so that each can plan their own events to complement rather than compete against the shows.

Following the September board meeting, Mark Wyble was instructed to solicit thoughts of the NJAA directors regarding cow/calf classes and senior yearling classes at junior shows. He reported that the junior board favored continuance of the cow/calf division. However, it was suggested that if increased participation was desired, rules might be modified slightly to allow cows that have been owned by the exhibitor for at least two years to compete. Currently, cows must be bred and owned by the junior. The NJAA directors were also in favor of the new senior yearling division. After discussion, the Activities Committee agreed to leave the rules concerning the cow/calf and senior yearling divisions unchanged through the 1987 summer show season.

The question of weight limits on registered steer shows was discussed, pertaining to the North American and National Junior Shows. After discussion of possible solutions, it was moved the maximum age limit of steers at the 1988 North American Registered Steer Show be May 1 and after.

Judge selection at Junior Regional Preview Shows was discussed. The committee agreed to provide the host states with a list of judges which the Association feels qualified and appropriate. Final selection will still be the responsibility of the hosting state.

Wyble reported that as the application deadline nears, interest in the Summer Job Program is about par with last year's numbers. Twenty-one breeders have expressed an interest in reviewing applications of juniors. To date, 11 juniors have completed and returned the application.

NJAA Chairman Beth McDonald informed the group of NJAA business transacted during the junior board meeting the previous night. She reported NJAA will continue to set up the NJAA booth at selected shows throughout the country to promote Angus and the NJAA. Recognition of first-time exhibitors at the National Junior Show will be conducted. A recordbook will be made available to juniors in order to encourage better recordkeeping and greater participation by junior members.

Two junior leadership conferences are scheduled for 1987. A very interesting program is planned for June 17 at Harmony Hills Farm in Lebanon, Mo. Juniors from throughout the region, including exhibitors at the Arkansas Regional Preview, are invited to take part. Late next fall, national junior leaders from most recognized beef breed associations are expected to take part in the fourth, bi-annual Youth Beef Industry Congress. The NJAA board will again participate in the Congress and will hold the annual fall meeting in conjunction with it. Mark Wyble has

been named 1987 YBIC Chairman.

Beth McDonald reported that more emphasis will be placed on educational activities at future events and more involvement by the NJAA directors will be stressed. Finally, it was announced that an Angus Foundation Sale Heifer Advisory panel will be asked to work with NJAA leaders to better market the annual Foundation offering. The panel will consist of donors, buyers, and marketers of the Angus Foundation package in the recent past. Riverside Farm has offered to donate the 1988 Foundation Sale Heifer.

Director of Activities Dean Hurlbut was directed to add the following statement to the Participation Statement furnished to all shows in which the Association participates: "Cattle should be registered at time of entry."

The policy of the Association regarding the disposition and handling of unruly animals in the show ring was discussed. Dean Hurlbut was instructed to contact other breed associations to determine their policy, if any, in addressing the problem. A motion was carried providing only one person shall lead animals in the show ring.

Judges were discussed and names submitted for the 1988 National Western "Hill," carload and pen, and sale bull judges. Recommendations of judges were also made for the North American International Livestock Exposition, the American Royal, and the ROV shows of 1987-88.

Proposal of a type conference to be staged in Montana and policies governing registered steer shows were also reviewed and discussed.

The American Angus Hall of Fame was selected to be invited to co-manage the 1988 National Western sale. Mike Jones of West Point, Ga., was invited to be the auctioneer.

ANGUS PRODUCTIONS INC. . . .

A report on *Angus Journal* budget projections was reviewed; activity is off 18.5 percent compared to 1986.

Revenue and budget continue behind projections due to the number of major advertisers liquidating Angus herds during 1986 and early 1987 fiscal years.

Starting with the 1987 Fall edition of the *Angus Beef Bulletin*, advertising will be sold in the semi-annual publication. The circulation will be divided into eastern and western sections.

The circulation department of the *Angus Journal* is soliciting Life Members of the American Angus Association who do not receive the *Angus Journal*. A five-percent return has been achieved so far.

The readership survey being conducted by Dr. Dennis Jeffers of Central Michigan University is proceeding on schedule. Five hundred replies have been entered into the CMU computers presently. More returns are expected to enhance the reliability of the results. A complete report on the survey and correlations is anticipated at the June board meeting.

A brief discussion was held pertaining to the use of EPDs in breeder advertising; the staff will continue to monitor these numbers through the AHIR department.

CERTIFIED ANGUS BEEF . . .

Wayne Wyble was elected chairman for 1987.

CAB Director "Mick" Colvin has hired Homero Recio from Texas A&M to replace Ken Gronewald as processing coordinator. Mary Ferguson has been promoted to assistant director of CAB.

The CAB board approved the hiring of

an assistant retail coordinator to work with Kirke McKean.

The board approved a four-year lease for the CAB offices in West Salem, Ohio.

The board reviewed a letter of resignation of Fred Johnson to the CAB board. President Neely will name a replacement for Fred's unexpired one-year term.

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