

or clients; then engineer for those needs; and produce in such a way that we can stay in business, and customers can afford that product. Only fools begin to produce a product and then later look for a buyer. Good businessmen identify a need, produce for that need, and budget their inputs so that there is a profit after the selling.

There are many things that go into merchandising. I think it helps to be a good educator, meaning that you must have a very good grasp of the business of livestock production, and as good a grasp of the business of genetics. After all, that is our business.

I think you also have to be a good stimulator. If you are not proud, pleased and educated in a heads-up, realistic way about your own product, it's difficult to sell it. One of the great incentives of having a genuinely useful, honest, predictable, quality-controlled, genetically-engineered critter is that you can sell it with conviction. There's nothing that rubs off more than enthusiasm and depth of conviction . . . unless it's pessimism. Those that give excuses initially probably turn off more sales than through any other means.

I think it's also useful to understand that sometimes our customers may not be as interested in our product as we are, just as we may not be as interested in computers as is a computer engineer and/or salesperson. Therefore, we have to understand people, their motives, things that turn them on and things that turn them off. We have to be an observer of people and human nature, be sensitive, listen and then understand. Then we must go ahead and find a way—through the rational, emotional, ego, competitive forces or whatever—to allow that person the greatest opportunity to buy a product that he or she may need. After all, I don't think any business in the world is good enough that people will actually beat a path to your door if you produce more than just a few.

Over the years, I think the greatest merchandisers are those with conviction, a policy and a depth of sincerity and integrity that gives them a track record that other people either want to emulate or be part of. In all probability, very few short-cut artists last. The reason is because people need to believe in the people from whom they purchase a product.

One thing we need to be very careful about in merchandising our product is that we don't judge ourselves by somebody else. We are who we are. Our

MERCHANDISING . . .

goals are sometimes very different from others, as are our expectations and our inputs, and I think some of the great frustrations arise from people wanting to be someone other than who they are. With that, you don't sell as well.

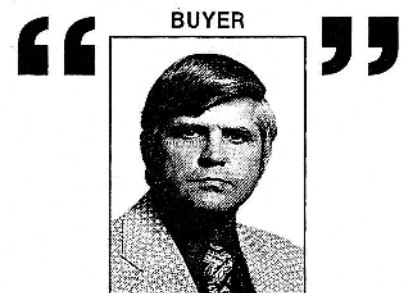
Also, this business of raising cattle—or anything else, really—should be made a joy. That joy is the reason many people—especially those with other interests than agriculture—come into our business. We need to allow it and help foster it. Often, little things

like visiting with people at sales, shows, get-togethers or annual meetings are important. People there for the first time, or those who still know very few people and are nervous and uncomfortable, are the people we need to take time with. We need to make them feel comfortable, listen to what they have to say, give them a feeling of confidence and of well-being. Many times they can become our best customers, simply because we made them feel like they were needed, wanted, part of it.

Lots of times just plain, simple compliments to somebody who may have come out of the show ring in 10th

place with an animal that you liked can do so much good. A little note after someone's sale, congratulating them on the sale or something that impressed you, may be important. Little things really help because all of us thrive on encouragement and people noticing such little things. These things build rapport and friendships and customers and clients.

We are in an added-value business. Our cattle are worth no more than they are downtown or wherever. The value added to that basic price is what we make those cattle worth through our own initiatives, through our merchandising power, and through the extra genetic power that we demonstrate in the cattle we sell.



Ron Davis
Three Bar D Ranch
Newberry, Fla.

“Purchases were made from ranches within our vicinity in order to eliminate adverse effects due to relocation.”

The Three Bar D Ranch (located in Newberry, 15 miles from Gainesville) began its purebred Angus operation Sept. 12, 1983, with the purchase of 15 cows and 14 calves at side from the Stardust Ranch near Micanopy, Fla. Purchases were made from ranches within our vicinity in order to eliminate adverse effects due to relocation. The ranch was previously a commercial operation which had grown from 27 cows in 1973 to 225 cows in 1983.

We have joined the American Angus Assn. and the Florida Beef Cattle Improvement Assn., and we maintain animal performance records with AHIR. I became an avid reader of the Angus Journal and have found it to be my primary source of information with regard to performance data and trends within the industry.

The goals for the Three Bar D Ranch are: 1) develop a 250-head Angus cow herd within a five-year period; 2) become one of the recognized producers

of high-performance animals within our region; and 3) become a ranch with the reputation that sells only high-quality animals that perform in accordance with the performance data presented to the purchaser.

To attain these goals, we selected the Stardust Ranch and Graham Angus Farm at Albany, Ga., as our major sources of seed stock. Since then we have endeavored to select animals based on their performance data rather than just appearance. As a result, approximately 10 percent of the mature cows within our herd are Pathfinders. We culled approximately 25 percent of the mature cows purchased within the first year of operation in order to retain only high-performing cows. We fully realize that the attainment of goal number 3 will be the most rewarding and will come only after many years as a producer of quality Angus cattle.

In addition to educating ourselves through reading, we felt a great deal could be achieved by visiting other Angus producers. Consequently, we visited 10 Angus farms in Florida, Alabama, Missouri, Iowa and Illinois last summer. Following our five-state visit, we began a massive program of artificial insemination using herd sires

with proven records of high maternal traits. Weaning and yearling weights are currently being looked at in a secondary manner, but are considered to be extremely important in our program. We feel that weight and size will be achieved if proper consideration is given to maternal characteristics.



Bill Borrer
Tehama Angus Ranch
Gerber, Calif.

"I must identify the needs of my potential customers and continually adjust my breeding and development program to fulfill those needs."

Merchandising for me means building a total program which will garner

the respect of my potential customers. I must identify their needs and continually adjust my breeding and development program to fulfill those needs.

My main merchandising effort centers around an annual on-ranch sale. I publish an informative catalog with complete, accurate, and meaningful performance records. I go to some length explaining my philosophy of breeding cattle and the importance of using performance data to achieve my goals.

I do everything possible to prepare the cattle (health, fertility tests, and guarantees) to ensure complete customer satisfaction. If any problems do develop—the customer is king.

I have been active in BCIA work, local and state cattlemen's associations, and breed association activities. This is a great help in demonstrating my commitment to helping create a better beef industry.

I consign to the leading bull test in our area (Cal Poly) so my customers can evaluate my program in competition with other programs.

Developing customer confidence is the key to successful merchandising; they must have confidence in me, my program, and the cattle being offered.

MERCHANDISING . . .

OBSERVER



Bill Roche
Galt, Calif.

"Successful merchandising is like a good golf swing: It's the follow through that helps improve the distance."

Successful merchandising is like a good golf swing: It's the follow through that helps improve the distance.

Many trade tools properly used contribute to a successful program. A well planned yearly advertising budget is necessary, and repetition is the key.

There are several sources of help in formulating an advertising program—staff members of a good breed or livestock publication, ad agencies, and sales management firms are among such sources.

The most successful herd sales programs that come to mind use the above tools, but they have one more great ingredient—the "follow through." They have a good breeding program, their advertising is adequate, and they wisely choose the sales to which they consign . . . but they don't stop there.

Different tactics are used in the "follow through." One of the most effective ones used is personal delivery of cattle from a sale. It puts the seller on the buyer's ranch and gives him a first-hand knowledge of the buyer's operation for future reference. It's a great way to build repeat customers.

I know one well-known rancher who personally delivers bulls to buyers who attend his very successful annual sale. If he cannot make a complete delivery trip, he has his hired man drive part way to the buyer's ranch and he flies or drives to meet the truck to complete the delivery on the ranch. The success of his sales and list of repeat customers attest to personal delivery effectiveness.

Another important tool used by several producers is the "follow through" herd visit. Two or three well planned

trips, generally in the summer months, can cover several stops at former buyers' and new prospects' establishments. The seller that shows a first-hand interest in his buyers' programs, and in the performance of the animals he has sold, is very likely to have good repeat customers.

The use of consignment sales as a showcase for the herd is often overlooked by breeders. Too many breeders I have known bring in thin, underdeveloped, poorly groomed cattle and expect a good pedigree and some feat of magic by the sale manager to sell the consignment at a top price. A sale should not be used as a disposal. Buyers equate an entire herd with the consignment they see from that herd at a sale.

Using good consignment sales to sell a few of the best cattle from the herd can establish a herd's solid reputation. The small or new breeder generally is not equipped to do extensive showing, but he can consign top cattle to good sales and accomplish as much or more than by showing at a well-known show.

In the final analysis, each breeder is responsible for his own success. He can draft some help, but it is his own initiative and ingenuity that makes a successful merchandising program. It's the "follow through."

BUYER



B.G. Barby
Woodward, Okla.

"I began using the Angus Sire Evaluation Report with the first issue and have carefully followed each later report . . . I am most impressed by the records an honest registered operator keeps."

There is no better way to ensure a profit in cattle ranching than using bulls that sire performance-proven calves. I began using the Angus Sire Evaluation Report with the first issue and have carefully followed each later report. Since I have a commercial cow herd (550 cows, 400 stockers) I focused attention on selection of a bull that would

produce the best replacement heifers with high weaning and yearling weights. In 1982, these traits seemed to be concentrated in Schearbrook Shoshone, who still ranks at the top in maternal traits and ranks respectably high in weight records (WW +32 lb. and YW +54 lb.).

In order to ensure clean bloodlines and quality dams, I purchased sons of Schearbrook Shoshone from a wide cross section of top breeders in the Midwest. I attempted to buy only the best bulls from each breeder based on performance records. The next bloodline was selected the same way with more emphasis on height and quality, but I still stressed weight and maternal traits.

The strength and quality of registered Angus operations during these hard times is amazing. I am most impressed by the records an **honest** registered operator keeps. Of course, reputation and service are equally important.

It is my opinion that a good bull is still cheap at \$2,500 or more when measured in terms of total calves he produces. If each bull can breed for five seasons and then is sold by the pound, his calves will bear \$11 of cost for this outstanding semen. If one-half of the superior genetics are inherited, he then adds 27 extra pounds to his yearlings, and the net gain is \$5 per yearling.

I believe the Sire Evaluation Reports have fantastic potential for improving the Angus breed. However, continued use of the Report will probably narrow the predominant bloodlines to the point that inbreeding problems could occur.

“ BUYER ”
Bob Rylaarsdam
Camas Prairie Angus Ranch
Grangeville, Idaho

“A person has to set his own limits as to what to pay for an animal. You need to look at your own operation and see just how and where you can market your animals, and to whom you will be selling them.”

We buy, and have bought, most of our cattle through production and consignment sales. The first place we go for information on the cattle is the sale catalog. We look through the catalog for pedigrees that fit into our operation.

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We also read the footnotes in the catalog for any pertinent information they might contain to help in the selection of the cattle. Good pictures of the cattle for sale can also be an attraction, not only in the advertisements, but especially in the catalog. If you see a good picture it will draw you to the sale. Just the same, poor pictures can discourage people from going to a sale. We also watch for ads in the Angus Journal, Western States Angus News, and other cattle publications.

The first and most important thing we look for in the animal itself is the quality of the animal. He or she must fit in with the rest of our herd, and really should be able to help improve the herd.

For information, we turn to the owner himself, sale manager, and the Association's regional manager. Most all are very willing to give you their opinion of the cattle. What better person to ask about the cattle than the owner himself? Most owners are very willing to give you their honest opinion of the cattle as they not only want you as a customer, but also a repeat customer.

The reputation of the breeder from whom you are purchasing is important. If there is a problem with an animal you purchase, you need a very honest and reputable breeder to stand behind the animal, and to make an adjustment if need be.

Price of animals does and doesn't

make a difference to us. We buy according to quality, pedigree and records, but at the same time you need an animal that can make **you** some money. A person has to set his own limits as to what to pay for an animal. You need to look at your own operation and see just how and where you can market your animals, and to whom you will be selling them. Will it be to other purebred breeders, the commercial cowman, or a combination of both? This will make a difference for each individual breeder as to what he pays for animals.

“ SELLER ”



Doran Bollman
Pulaski, Iowa

“If you are going to get buyers to travel a long distance to come to your herd, you have to convince them you have something special.”

The first requirement for a successful merchandising program is belief in your own product. This is definitely true

when it comes to selling cattle. If you know your cattle have the traits the buyer needs, it is easier to have the enthusiasm and sincerity necessary to sell them.

Your advertising program should fit the cattle you have to sell. If performance is your long suit, emphasize that and develop ads to appeal to the breeders most likely to want your kind of cattle. If the frame, correctness and eye appeal of your cattle make them competitive in the show ring, emphasize that and point your ads toward people looking for show prospects or for a herd bull or replacement females that can produce show prospects.

You should develop your advertising program for the entire year. We try to put out a quality sale catalog and good sale ads for our annual production sale. This not only attracts more buyers to our farm on sale day, but it makes it easier to sell semen and cattle at private treaty the rest of the year. Advertising can have a cumulative effect. Someone impressed by a picture of a bull or female in a sale catalog or magazine advertisement may not buy from you now, but the impression can plant a seed that can be harvested at some later date when that individual needs breeding stock and remembers your herd.

Good pictures are the most valuable tool in our selling program. The purebred Angus business is very competitive today. There are many production sales and cattle for sale constantly at private treaty. If you are going to get buyers to travel a long distance to come to your herd, you have to convince them you have something special. Pictures are the best way to do this. We try to breed cattle that are not only big, but clean, correct and straight-lined with completeness and eye appeal. The best way to show people you have this product is with quality photos. Once you secure good pictures, make them the central theme of your ad. The volume of copy or size of type should not be so large that they overpower the pictures of your cattle. Good pictures tell more than words, anyway.

Your ads should be informative, but not burdensome to read. In a one-page ad, emphasize no more than three or four main points. If you try to put too much in your copy, there will be a lot of fine print and the reader will become bored and turn to another ad.

We try to develop cattle advertising that has some style and flair. Style and flair can attract attention, but must be

backed up by substance. You can call a bull the "Bull of Tomorrow," but you'd better be prepared to tell why he is so, by emphasizing traits that are really important to the serious cattleman—performance, frame, correctness, fertility, calving ease, etc.

“ **OBSERVER** ”
John Tyner
Tyner Sales Management
Randolph, Iowa

“ . . . the top salesman is dedicated to his own program, the Angus breed, and to his customers. And he is in the merchandising business 365 days a year.”

The successful merchandisers of registered Angus seed stock seem to have many characteristics in common. They know we have a great breed of cattle; they know that the success of the individual breeder depends on the success of our breed; and most of all, they know their past and prospective buyers are important to them 365 days a year, not just at the time of sale. These salesmen are always seeking to

improve their herds through selection, A.I., etc., and their dedication to improvement never wavers.

Today, it seems that the data available through the Angus Sire Evaluation Report, AHIR and the presentation of all the facts to potential customers is more important than ever before. And the top programs provide such information.

Successful cattle sellers are involved in shows and performance field days with the full realization that our breed and the continuing success of our breed is an integral part of their own future. These breeders also realize that fellow breeders and programs of fellow breeders need to be successful for the good of the Angus breed and Angus breeders.

One thing we see that never varies is that consistently successful merchandisers are highly interested in their customers, not just on sale day or when the sale is pending, but 365 days a year. They take a genuine interest in customers because, in the final result, their success is directly tied to the success of their customers.

In closing, we feel that the top salesman is dedicated to his own program, the Angus breed, and to his customers.

And he is in the merchandising business 365 days a year.



Fred Blades
Blades Angus Farm
Holliday, Mo.

“The worst advertising is a dissatisfied customer. They can void many dollars worth of paid advertising, so we stand behind our cattle 100 percent—even if it means taking back a sound animal.”

Our merchandising program has developed over the years through a trial-and-error process, and essentially is still developing as we try to keep up with a changing industry.

Our breeding program is built

MERCHANDISING . . .

around raising bulls that will go into commercial herds, and bred heifers that can go into either commercial or purebred herds. The bottom 75 percent of our bull calves will be steered, back-grounded, and either sold as yearling feeders or fed out at home. They usually top the market and are our most effective advertising.

Classified local newspaper ads have been excellent buys for us; the phone usually starts ringing the same day the ads run. We cover all newspapers in a 50- to 75-mile radius of our farm. The Missouri Ruralist and The Drovers Journal ads have also worked well.

The worst advertising is a dissatisfied customer. They can void many dollars worth of paid advertising, so we stand behind our cattle 100 percent—even if it means taking back a sound animal.

My dad is probably my best salesman. He is no longer active in the cattle business, but is still very interested and many weekends will find him attending local sales. In his work, he covers much of our trade area and his personal contacts have resulted in many sales for us.

We consign cattle to at least one local association sale; we participate in local cattle shows and our children have all shown home-raised Angus steers. While the commercial man doesn't give the show ring much credibility, showing does get your name in the paper. It has also been helpful to host an occasional field day, and to provide cattle for 4-H and FFA judging teams.

The hard part of selling cattle is getting the customer to the farm, but we have very few people who come to look that don't buy. We try to have the cattle ready to look at when a prospective buyer comes to the farm: Cattle are sorted by age; bulls are semen tested and females pregnancy tested. We have typed sheets listing the bulls with their ear tag, tattoo, birth date, birth weight, AHIR information, sire, dam and price. Birth weights have become increasingly important to buyers wanting bulls to use on heifers.

At our farm, the buyer who says he wants a cheap bull will get the same consideration as a buyer looking for a better bull or a truck load of bulls. Many of our "cheap bull" customers have become steady customers for better bulls.

Essentially we have tried to identify our market; aim our advertising toward

that market; produce a top-quality product at a reasonable, realistic price; and stand behind that product.

Fred Blades also mentions this point in his letter to the Journal: "Our major failure in merchandising is probably in the area of follow-up via personal visits to the herds using our bulls. Because of the dollars and time involved, we haven't done this to any extent." We hope readers take the tip from Fred, and also hope his comment encourages others to pinpoint their merchandising weaknesses—after all, that's the first step in correcting them.

“ SELLER ”



W.D. Pipkin
Clearwater Farm
Springfield, Mo.

"Satisfied customers spread the word by mouth and also exhibit our product to potential customers."

For us here at Clearwater, our most rewarding merchandising program is satisfied customers. Satisfied customers spread the word by mouth and also exhibit our product to potential customers. This has been accomplished over the years with a large percentage of private treaty sales, supplemented with numerous local and state association sales and performance-tested bull sales.

We have used local and state fairs of the Midwest over the years as an excellent source of "sight of your product." More recent exposure has been added through participation in trade fairs or "Farm Fests" which have been successful in our area.

Advertising in the Angus Journal plus some local weekly newspaper ads keeps our name in front of people constantly. In addition, we try to introduce a small ad campaign in a different paper in another locality every year for coverage of a new territory.

However, no matter how much we advertise, the cattle still have to speak for themselves. Presentation of the cattle at their potential to a prospective

customer is a necessity. Animals must be in the correct condition, not over conditioned but with enough flesh to have the eye appeal that is pleasing to a buyer, and allow them to continue to grow and be attractive in the future. If they are excessively fat at time of purchase, too many buyers will be disappointed when they lose the fat or lose their bloom. Good dispositions and sound feet and legs are a must for making repeat sales.

A concern for your customer's program is another necessary aspect of proper merchandising. Obtaining an idea of the customer's needs will enable you to present the cattle that will best fit his program objectives.

One other thing we do that can't be determined in dollars and cents, so to speak, is using our cattle for 4-H and FFA judging contests. Colleges and high schools also come to the farm for class discussions on a regular basis.

“ BUYER ”



Billy Moss
Thomson, Ga.

"Breeders with a 'total cattle management program'—where pressure is applied to make the females produce—are the ones I feel breed the kind of cattle commercial producers can buy and make money with."

As a commercial producer, I have purchased only Angus bulls. I buy bulls from breeders who I know are honest, and who I think share the same philosophy of cattle breeding as myself.

Breeders with a "total cattle management program"—where pressure is applied to make the females produce—are the ones I feel breed the kind of cattle commercial producers can buy and make money with.

Performance records that indicate honesty are much more important to me than winnings in the show ring. Some Angus breeders are striving so hard for total height in breeding cattle that they have lost sight of the importance of real economic traits that in-

fluence profitability to the commercial industry.

“ OBSERVER ”



Tommy Williams
Colmar, III.

“... the most important part of Angus salesmanship is knowing your potential customers and their needs, then building your purebred Angus herd to best fulfill those needs.”

“I can't sell my cattle!”

Yes you can! Know your customer—know your product—work hard.

One of the comments most often heard or made is “My cattle are great, but I can't sell them.”

With every business enterprise, salesmanship of your product is probably the most important factor governing the success of your venture. In my opinion, the most important part of Angus salesmanship is knowing your potential customers and their needs, then building your purebred Angus herd to best fulfill those needs. A thorough evaluation of your market area and volume potential, and a realistic evaluation of prices which customers feel are affordable, automatically dictate the course of action your Angus herd must follow. These are the same principles every successful business applies today.

If analysis of your expected income on cattle produced indicates an average selling price of \$1,000 or less per calf produced, then you know embryo transplant is not financially feasible for your situation. Extensive A.I. and embryo transfer are for the very few with exceptional cattle and exceptional promotional budgets at their disposal. Most importantly, remember your market area 95 percent of the time, is within 75 miles of your farm location. Most of us would like to buy a car from the hometown dealer we know and trust—so do most cattle buyers, particularly bull buyers. Speaking of bull buyers, a program that markets male animals at a profit is essential. No business can survive expecting to sell half the pro-

duction at a loss. Males can be marketed at a profit in a variety of ways, including specialty freezer beef; explore all possibilities and come up with a workable plan for your situation.

Once you know your market, many factors concerning your management and breeding program are answered for you. For example, if a need for 30 Angus bulls in your market area is indicated, don't try to merchandise 100. We all know what happens with the over-saturation of any market. A good bull, carefully selected on sound genetic and performance evaluation, will produce cattle easily merchandised to your

customers.

Remember, cost of production is going to be one of your keys to profit, since your research should already indicate realistic prices your customers feel they can afford. It will be easier to control your production costs than to change the buying attitudes of the customer. Knowing your customer means taking time to become personally acquainted. A half day spent on a potential customer's farm will do more good than pages of advertising; make sure he knows you care. Listen carefully to your customers, be sure you understand fully what he expects from his

motion of a non-competitive complimentary product or service. Examples: "Buy a Flight to Hawaii and Receive a Free Kodak Camera," "Buy a New Car and Win a Free Kodak Camera." The cost of the camera is absorbed in the item being promoted. You might wonder how this marketing approach can be used by the registered Angus breeder, since he is not usually in a position to give away his product. I would like to share with you how you, a registered Angus breeder, can use some of the marketing techniques that have proven successful for major corporations.

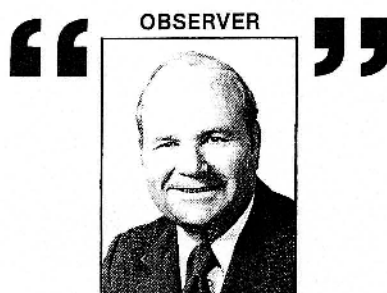
The following examples of marketing strategies are those that I have used or will use in the near future, right here in my local community. Local feed stores usually have an annual anniversary or special sale of some kind. We have a new feed store in our town that recently celebrated its first anniversary. Since I buy feed there, I found out that the owner was going to invite manufacturer representatives from the feed suppliers and vet suppliers to be on hand for his anniversary sale. Why not include my livestock? The feed store owner agreed, and gave us free advertising on radio and in the newspaper. The exposure we received was more than I expected. Several hundred people, all who buy feed and animal supplies, were there. They all saw my yearling bull! How many people do you think visited the Pascalar Angus Ranch that Saturday? None! My time was much better spent by taking my product to the people rather than waiting for the people to come to the ranch.

When people in your community think of cattle, they should think of you and Angus. Don't pass up good opportunities to get involved in promoting your ranch. Some of your best marketing events can be found in or near your own community. Your only investment is the time it takes you to wash and clip your animals.

There are many ranch promotions that can easily be tied in with promotions run by local businessmen in your community. Get to know these businessmen and the various sales themes that they promote throughout the year. When your local foodstore runs a major beef sale, that's the time for you to set up an exhibit of your steers in the store's front parking lot. The owner of the store will be pleased to give you the free advertising and space, since it will draw customers—and you will be given the chance to show and talk about your cattle to hundreds of people.

Whenever you participate in community events of this kind you will be able to take advantage of free advertising and free space given by the business sponsoring the event.

Don't restrict your promotional efforts to only traditional approaches. Be willing to utilize different outlets as long as they are willing to promote beef.



E. Ham Wilson
Alabama Cattlemen's Assn.
Montgomery, Ala.

"Early to bed, early to rise, work like hell and ADVERTISE."

Merchandising must be a top priority for a successful purebred breeder! Far too many breeders overlook the importance of a good advertising and promotion program. You can produce the best cattle in your area, but unless you can sell your product for a fair return on your investment, you will not be successful.

In my 33 years of working with cattlemen, one of the most difficult problems I have encountered is getting breeders to realize the importance of solid advertising and a promotion program.

Here are a few suggestions which I believe will help the producer of purebred livestock:

1. Decide how many dollars you can afford for advertising and promotion for the next year.
2. Check the many avenues available for your particular ranch. Breed magazines, state cattle publications, local papers, radio spots and direct mail are all excellent ways to advertise.
3. Determine the area in which you will sell most of your cattle. This will help you eliminate wasted money.
4. Run regular ads to keep your name before the buyers. One-time advertisements seldom produce much business.
5. Be active in your state breed association, and your county and state

MERCHANDISING . . .

purebred Angus breeder. Structure your breeding program to fill these needs. Be very knowledgeable about all aspects of the cattle you raise; be able to effectively point out their attributes and where they would be advantageous in your customer's breeding program. Most importantly, emphasize the possible: "This bull will lessen your calving difficulty." Don't agree to the highly speculative: "This bull should sire a class winner at the National Western."

It is imperative that every Angus breeder takes an active role in his local, state and national Angus associations. His involvement with every phase of Angus promotion—including shows, field days and junior activities—make him accepted and appreciated by his fellow Angus breeders as well as highly visible to his potential customers.

Print, radio, sign and TV advertising are essential to any good merchandising program. The mix and amount of each advertising form is indicated by your location, cost and availability of each advertising medium. Most importantly, check your customers to see what produces the desired effects on their attitudes.

The possibility of holding an annual sale in conjunction with one or more breeders (if your salable production is 30 units a year), or your own sale (if salable production is 60 units or more a year) is certainly one of the most viable selling tools. I will not get into the details of sales at this time since it merits an article in itself. However, I would like to emphasize that sales channel all your promotional energies to a given

date on an annual basis. This provides a two-fold benefit. A large expected annual income on a given date, which the banker likes, and the channeling of your management efforts to a given sale date each year.

As with everything we do in life, the success of your Angus merchandising program will be directly correlated to the extra effort and diligent hard work you put into it.



Martin Jorgensen
Jorgensen Ranches
Ideal, S.D.

"Credibility is so basic in establishing repeat customers, and no breeding establishment will be long-lived without the return of former customers."

We all need to sell what we produce, and seemingly that should not be a problem since most producers consider their herd to be the best. The priority of selling is having the **buyer** consider your herd as the best—that requires merchandising.

The core of our merchandising program is presenting facts of herd production measurements in an under-

standable form. The real value of breeding stock can be presented to the buyer in similar fashion to many industry products (as an example, the specifications of a tractor). I consider it very important to gain the trust of the buyer by presenting meaningful and objective measurements that are constructed with all contemporaries compared in the same environment. We therefore make an effort to expose the procedures of our production system to the buying public.

The measurement and comparison systems made available by the American Angus Assn. are one of our greatest selling tools. With their ever-increasing usage, AHIR records have made it possible to obtain a track record on sires listed in the annual Sire Evaluation Report. This available information on a broad base of our sires has introduced our program to a number of buyers.

Credibility is so basic in establishing repeat customers, and no breeding establishment will be long-lived without the return of former customers. Again, breeding stock can be compared with other products that require service centers for follow-up on sales. We communicate by visits, letters, and many personal calls; we want to know how well our cattle are working for others.

When improperly presented, advertising can be a gross waste of money. Therefore we aim our promotion to the largest base of producers, namely the commercial segment of our industry. I consider advertising as being a very basic part of our operating budget. Buyers will not search you out and quiz you about what you have for sale; this is a

very responsible part of getting your product sold. We staunchly believe in merchandising with the broad communication of livestock journals and regional radio time.

In summary, we present our program with proven production facts with the express purpose of broadening our base of repeat customers. We monitor the ability of our stock to be compatible with the environment of our buyers as well as our own; this is a must for retaining repeat sales. Finally, we communicate with buyers and prospective buyers on a year-round basis.



Newbill Miller & Sons
Ginger Hill Angus
Washington, Va.

“... new breeders, encouraged by the industry, are sure they will breed the ‘great one,’ make a big profit, and attain true savings on their taxes. Difficult, to say the least.”

Merchandising is the most important, most neglected and the most abused part of the beef cattle industry.

Our marketing program was not initiated immediately. It has evolved over the years, beginning in 1959. A long-term analysis of the market factors revealed several major factors:

1) Rapid breeder turnover—Why is there such a turnover of Angus breeders when breeding cattle is so much fun? We think industry promotion raises expectations that few breeders will attain. Most new breeders, encouraged by the industry, are sure they will breed the “great one,” make a **big** profit, and attain true savings on their taxes. Difficult, to say the least.

This factor made us decide to represent our cattle as they are. We also realized that the true, sound economic base is founded on traits that are sound for the commercial cattle industry.

2) “Bona fide sales” vs. “bogus sales”—Too often, reported high sale prices of animals are not as they are represented, i.e. cash for the animal.

MERCHANDISING . . .

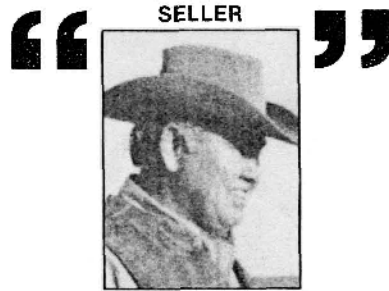
The I-buy-from-you-and-you-buy-from-me scheme coupled with other types of similar activity inflates sale price averages, giving a false appearance of a herd's value. "Bogus sales" are not the rule, but in my opinion happen often enough to distort the true value picture. How does the "bona fide sales" breeder attain the "true value" image of his herd in a merchandising program to his customers? He cannot in an advertising program, but if the cattle he sells perform and transmit true sound economic traits as represented, customer-to-customer contact will help.

The Ginger Hill breeding and merchandising program is based on a few simple facts:

- We are in the Angus business for the long term.
- Every cattle-related decision is based on long-term benefit.
- There are no breeding shortcuts.
- Sell what you represent and stand behind the sale.
- Breed cattle for traits that are economically sound for the commercial industry.
- Make bona fide sales only.

Our philosophy has attained for us

a positive cash flow, a sound herd of cattle, and we think, the respect of our customers.



Rich Peterson
Windmill Ranch
Haigler, Neb.

“Remember, bad news travels fast . . . Ranchers like to talk—especially about bad bulls and bad deals.”

Anyone who knows they have a product that has no flaws or built-in shortcuts—nothing to hide—can stand behind it. That person has something good to sell.

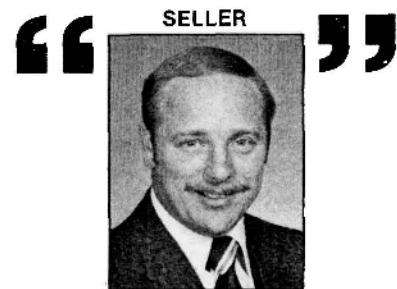
If you truly believe and know, your confidence flows outward affecting those in surrounding areas.

In high school, we were to learn Anthony's speech concerning Julius Caesar's eulogy. I quote: "The evil that men do lives after them while the good is oft interred with their bones." Remember, bad news travels fast. Do a job on someone, you've had it. Ranchers like to talk—especially about bad bulls and bad deals.

In the 1960s and 1970s, many sale barn operators sent me most of our bull customers. They were having a difficult time selling the ranchers' cattle, and in turn the ranchers were blaming the sale barn operator, the auctioneer and even the trucker. It was somebody's fault. Somebody else's.

The sale:

- 1) The auctioneer—first have one who is trusted.
- 2) Some purebred auctions have so many little deals going on, I'm afraid to bid.
- 3) Every auction has customers with a limited purse. Make sure they get a bull, and make sure it's a good one. Forego that extra \$500, sell quickly. It speeds up the sale. Give them full value and they go home happy.
- 4) If the rancher has any problem with my bull, I have a problem. Don't try to dodge the bullet, you can't.



Bob Pascalar
Pascalar Angus Ranch
Sweet Home, Ore.

“My time was much better spent by taking my product to the people rather than waiting for the people to come to the ranch. . . . When people in your community think of cattle, they should think of you and Angus.”

My background as sales promotion specialist and marketing representative for Eastman Kodak for over 17 years has trained me to be aware of those opportunities that will lead to incremental sales. One such opportunity lies in using tactics that will tie or combine the promotion of our product with the pro-

motion of a non-competitive complimentary product or service. Examples: "Buy a Flight to Hawaii and Receive a Free Kodak Camera," "Buy a New Car and Win a Free Kodak Camera." The cost of the camera is absorbed in the item being promoted. You might wonder how this marketing approach can be used by the registered Angus breeder, since he is not usually in a position to give away his product. I would like to share with you how you, a registered Angus breeder, can use some of the marketing techniques that have proven successful for major corporations.

The following examples of marketing strategies are those that I have used or will use in the near future, right here in my local community. Local feed stores usually have an annual anniversary or special sale of some kind. We have a new feed store in our town that recently celebrated its first anniversary. Since I buy feed there, I found out that the owner was going to invite manufacturer representatives from the feed suppliers and vet suppliers to be on hand for his anniversary sale. Why not include my livestock? The feed store owner agreed, and gave us free advertising on radio and in the newspaper. The exposure we received was more than I expected. Several hundred people, all who buy feed and animal supplies, were there. They all saw my yearling bull! How many people do you think visited the Pascalar Angus Ranch that Saturday? None! My time was much better spent by taking my product to the people rather than waiting for the people to come to the ranch.

When people in your community think of cattle, they should think of you and Angus. Don't pass up good opportunities to get involved in promoting your ranch. Some of your best marketing events can be found in or near your own community. Your only investment is the time it takes you to wash and clip your animals.

There are many ranch promotions that can easily be tied in with promotions run by local businessmen in your community. Get to know these businessmen and the various sales themes that they promote throughout the year. When your local foodstore runs a major beef sale, that's the time for you to set up an exhibit of your steers in the store's front parking lot. The owner of the store will be pleased to give you the free advertising and space, since it will draw customers—and you will be given the chance to show and talk about your cattle to hundreds of people.

Whenever you participate in community events of this kind you will be able to take advantage of free advertising and free space given by the business sponsoring the event.

Don't restrict your promotional efforts to only traditional approaches. Be willing to utilize different outlets as long as they are willing to promote beef.

“ OBSERVER ”



E. Ham Wilson
Alabama Cattlemen's Assn.
Montgomery, Ala.

"Early to bed, early to rise, work like hell and ADVERTISE."

Merchandising must be a top priority for a successful purebred breeder! Far too many breeders overlook the importance of a good advertising and promotion program. You can produce the best cattle in your area, but unless you can sell your product for a fair return on your investment, you will not be successful.

In my 33 years of working with cattlemen, one of the most difficult problems I have encountered is getting breeders to realize the importance of solid advertising and a promotion program.

Here are a few suggestions which I believe will help the producer of purebred livestock:

1. Decide how many dollars you can afford for advertising and promotion for the next year.
2. Check the many avenues available for your particular ranch. Breed magazines, state cattle publications, local papers, radio spots and direct mail are all excellent ways to advertise.
3. Determine the area in which you will sell most of your cattle. This will help you eliminate wasted money.
4. Run regular ads to keep your name before the buyers. One-time advertisements seldom produce much business.
5. Be active in your state breed association, and your county and state

MERCHANDISING . . .

- cattlemen's associations. Members of these groups will probably be your biggest customers.
6. Participate in your state BCIA program and your state purebred breeds council.
 7. Consign outstanding cattle to your breed association sales. Consign bulls to university-sponsored performance tests and sales. This is an excellent way to get your name and breed out front.
 8. Consider publishing a small, inexpensive brochure outlining your

breeding program and listing facts about your ranch.

9. Attend field days, sales, tours and educational meetings in your area. Cattlemen attending these events are potential customers.

It has been my observation over the years that producers who are doing most of the above are selling most of the cattle and are getting top dollar for their product.

A few years ago, I coined the phrase . . . "Early to Bed, Early to Rise, Work like hell and ADVERTISE." This is my recommendation to purebred cattlemen.



Wayne and Keith Stevenson
Basin / Stevenson Angus Ranch
Hobson, Mont.

"We like to spend as much time as possible on a one-to-one basis with our customers . . . they get cattle that will do a better job for them and we learn their present and projected needs."

One of the most important aspects of planning an advertising program is analyzing and evaluating the potential market with regard to the type of cattle you are raising. If you are raising an average product, you cannot expect to sell it to customers who demand a premium product. Conversely, you cannot sell a premium product for a premium price to customers who only want to pay the price of an average product.

We feel our local market area is our most important area, with most customers within a short driving distance of our ranches. Those who would specialize in selling to a more widespread area would, of course, benefit from more widespread advertising. Magazines, newspapers and to some extent radio are necessary for getting your name and important facts to potential customers.

Our two ranches, Stevenson Angus Ranch headed by Keith Stevenson, and Basin Angus Ranch headed by Wayne Stevenson, are two separate family operations, but our cow herds have basically the same breeding. We have chosen to join together for the purpose of selling cattle and semen, as this allows us to provide a selection of large numbers of cattle that excel in several ways (i.e. high maternal traits, calving ease, faster gain, etc.) that our customers might need.

The AHIR program, especially the Angus Sire Evaluation Report, is a useful tool to let our customers know how the cattle they buy can be expected to perform.

Personal contact with our customers is of prime importance to us. We like to spend as much time as possible on a one-to-one basis with our customers to assist them in selecting cattle that

will perform well for them. This benefits us both, as they get cattle that will do a better job for them and we learn their present and projected needs.

We feel that it takes 70 to 80 percent repeat customers to build a lasting program. We feel honesty in regard to the potential of the cattle is essential, even if it means not making a sale. Selling an animal that is not what is needed benefits no one. A satisfied customer is definitely the best kind! Word of mouth from satisfied customers is the best form of advertising available. Personally, we have spent over 25 years developing our herds and with it our reputation for quality cattle and fair dealing.

“ OBSERVER ”



Steve Radakovich
Radakovich Cattle Co.
Earlham, Iowa

“The lack of aggressive merchandising has been a silent but heavy drag on genetic improvement.”

The following appeared in livestock publications as Steve's "Thought for the Month" when he served as president of BIF in 1983.

Why does the seed stock industry breed by fads and traditions? What is popular—right, wrong, or indifferent—is easier to merchandise.

Why has it taken performance testing 20 years to be only partially accepted? Very simple, we have not been paid for our efforts.

Why do breeders resist change? A new or different product requires independent merchandising. “My customers will never accept a change, or that type of cattle, or that kind of bull.” I’ll bet I’ve heard that a thousand times from breeders using poor merchandising as an excuse for complacency.

How about the big genetic antagonism, breeding cattle for the economic good of the industry vs. breeding what is popular for easy merchandising. How many intelligent breeders do you know that would breed cattle more realistical-

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ly today if they thought they could merchandise them? A confident effort in proper merchandising would go a long way in eliminating this costly trade-off.

The lack of aggressive merchandising has been a silent but heavy drag on genetic improvement. I strongly urge universities, breed associations, breeding organizations, and individual producers to correct this shortcoming before we charge on to new and improved concepts that will require costly time for acceptance, if accepted at all. Plans are only worth the paper they are written on, until they are put to use.

“ “

BUYER



Lynn Ballagh
Burwell, Neb.

"I like to think of buying cattle, particularly bulls, as an investment and not an expense. They can either increase or decrease the profitability of my herd."

In buying Angus cattle, I seek to select those that will be the most efficient in my herd in order to be more competitive and to increase my profit opportunities. This means cattle which

will improve my herd through their performance. Thus, I like to select on the basis of some objective measurements that are taken for specific, important traits. These economic traits (such as reproduction, growth, carcass cutability, maternal ability, longevity, etc.), many of which are highly heritable, are things I key on when selecting cattle.

I like to buy from someone with a program that doesn't follow fads or trends, but has goals similar to mine. I find that superior cattle are a result of a planned, consistent program; one that has a purpose.

To me, the Sire Evaluation Reports are very beneficial in this respect, as they provide information from birth weights to maternal values. By knowing the traits in which my herd is weak, I can improve them through use of bulls listed in the report. The bull test station results are also helpful in showing which cattle are getting the job done because they provide an equal comparison of many different herds.

In buying cattle, I most often select on the basis of performance and genetic potential because of the high heritability of these. The more performance records that are available on the individual and his ancestors, the more confident I feel in my selection and the more I am willing to spend.

I like to think of buying cattle, particularly bulls, as an investment and not an expense. They can either increase or decrease the profitability of my herd. Therefore it is important to me to select cattle from someone that is honest and committed to standing behind his cattle, and is confident of the job they can do to improve my herd.

“ “

SELLER



Bob Browning
Executive Director
Arkansas Angus Assn.

"Put a price on everything that you own. If you really want to keep her, then price old 'bossy' such that the pain will be eased if they should load her up."

The marketing and merchandising of cattle is the greatest shortfall that affects most Angus breeders. There are so very few that have had reasonable success in selling their cattle. There are several assumptions that I would make before addressing the vital area of merchandising. Among these assumptions are that you know the pedigrees of your cattle; that you are concerned with and apply good health measures in your herd; and that you are knowledgeable of bovine nutrition.

There are several practices that would vie for first place, so let me enumerate several and you be the judge of their importance. First, you must somehow make the buyer aware of your desire to sell. Equally important, you must create a desire in potential customers to become interested in what you have to offer. Advertising is certainly one obvious means to do both.

In my own case, I advertise every month in the Angus Journal because the repetitive ad is the one that becomes more ingrained in more minds of readers. I also advertise in my state cattlemen's publication and in every issue of the Arkansas Angus Newsletter. Also, let me state at this point that my comments are addressed to the average Angus breeder and not to the millionaire businessman with a hobby herd or a tax deduction. He can fend for himself.

Most publications are more than willing to assist the advertiser in the wording and compiling of his ad, and the breeder should definitely take advantage of this expert help. Just tell a representative briefly what you have to sell, and listen to his suggestions for a heading, body and signature for your ad. Don't expect miracles after running only one ad. Advertising your herd is just as important to your success as the care you give to selecting your herd's feed and your pasture management. You should also give an eye to the market served by the publication in which you will advertise. Do you specialize in raising bulls, steers, club calves, show heifers, or replacement seed stock? Tell the world about it!

O.K., so you've advertised and the phone begins to ring. Know your product thoroughly. Put a price on everything that you own. If you really want to keep her, then price old "bossy" such that the pain will be eased if they should load her up. Be prepared to answer—without hesitation—all questions about any animal's pedigree and performance data. Before your guest arrives, have written down on a single sheet of paper each animal's ear tag number, birth date, sire, sire of dam, EBVs and price. Do not apologize for the price, but present it matter-of-factly.

Take a good close look at your farm entrance because your caller will soon see it if you've given him good, clear directions to your farm. Is the front attractive and neat, are the fences in good repair and do you have a nice sign near the entrance? You'd better if you want to improve your chances. You should try to make an appointment with each caller so that you can be on hand and presentable when he knocks on your door. Greet him pleasantly and then ask him if he would like to come in for a cup of coffee (or maybe after viewing the cattle would be a more appropriate time).

Take the customer to the penned group or groups in which he has shown

an interest, and don't hesitate to begin talking about the animals as you move through them. Encourage him to comment because a pleasant exchange enhances your chance to sell. The customer needs to feel welcome if he is to spend his money. Of course you have cattle that you are offering for sale in good flesh (not fat) and healthy. They should have good, shiny hair coats and should be in an area where your customers can conveniently view them on foot. You must be confident to inspire confidence. You should be prepared to offer your customer transportation for any purchase. If you don't have a trailer, pre-arrange with someone who does. Quite often this service will clinch the deal.

To sum up, you should be just as prepared as you would expect any professional to be that you would choose to deal with. Think about it!

“ BUYER
Sam Hands ”
Triangle H Grain and Cattle Co.
Garden City, Kan.

“If we have performance to back it up . . . price is of less concern in purebred purchases. The most expensive bull we can buy is one that doesn't live up to expectations.”

This is a family operation with four partners. We're both a farming operation and a commercial cattle operation. Most of our operation is tied around a commercial cow-calf crossbred program. About two-thirds of our calf crop is A.I.-sired and we keep our own replacement heifers. We retain ownership on our calves, and buy stocker and feeder cattle as well.

My number-one selection criteria in selecting bulls or A.I. sires is performance. An operation needs some type of performance records—whether it's through their own testing at home, through AHIR or the extension service, or whatever—so that as a buyer I can get some idea in black and white whether to expect that seed stock to make improvement in my herd. I still rely a lot on visual appraisal, but I first evaluate performance data, breeding data, pedigree and so forth, then I look at breeding values. That really narrows my list as far as individuals to select from, and then I'll make the final selection based on trying to avoid any genet-

ic or physical problem that might be apparent in the cattle (so that we don't come into a structural or performance problem).

In our operation, yearling weight ratios, average daily gain, feed efficiency and weight per day of age are all important. I look at weaning information from a maternal standpoint. Calving ease is important in a commercial operation, too; we're using Angus bulls on our replacement heifers, so it's even more important there. (Angus, Simmental and Maine Anjou bulls are used on mature cows; sire summaries are studied extensively.) I would like to see a lot more on carcass values. We follow our cattle through to the packer, collect data on them, and trace that back to cow families, bloodlines and breeds of bulls that may or may not be satisfactory.

I would like to see breeders put more emphasis on performance. I'm not against the show ring—I think it has its place in setting trends, displaying to the public what the industry needs to be looking for, helping breeders avoid structural problems, and as a source of advertising and promotion. To me, though, there's been far too much emphasis on the show ring; I could care

MERCHANDISING . . .

less if a bull won the National Western, but if he can be "top on the hill" with his progeny in the feedlot or his daughters in a commercial cow herd, then the purple ribbon was worth it. For my selection needs, an outfit that leans hard on the show ring is at a disadvantage; too often they don't have the performance to back up their cattle.

A reputable, honest service is of particular importance in selection of breeding stock. (It's also important when we buy stocker and feeder cattle, but there price is the major factor.) If we have performance to back it up and records to give more accurate anticipation of what to expect a bull to do, price is of less concern in purebred purchases. The most expensive bull we can buy is one that doesn't live up to expectations.



BUYER

Lyle and Donna Fuller

Salmon Tract Angus
Twin Falls, Idaho

" . . . The most important feature we look for in any operation is the friendliness and sincerity of the people we meet."

We are mainly commercial cattle people. We have always used registered bulls, and when the person we bought from quit selling cattle we started looking for a new place to buy. Then this year we needed to replace some cows and decided to try some registered ones because of the improvement in the breed and also the record keeping done on the cows. We also plan to raise a few of our own bulls and replacement cows, and sell the rest.

We bought our first cattle at the Twin Falls Sale, and from the "thank-you's" and association with consignors, we learned of other sales. We were personally invited to attend these sales and did—not expecting to buy, just to look at the cattle—and we came away with a truck load. We have since learned of sales by personal invitation, livestock

journals, newspapers and catalogs sent directly and unsolicited to us.

Price plays an important part in what we buy. We cannot pay \$1,500 or up for replacement cows; a good bull, yes. We look for good cattle at a fair price, and search for those bred to calve when it fits our program. We calve from Feb. 15 to April 15, thus we want cattle bred for this time and we have had to pass up some very good cows because of when they were bred. We do look at the service sire, but this isn't always a deciding factor.

We look for the friendliness and reputation of the sellers whether we buy one, 20 or none. Awards do not mean that a person has good cattle or that they will fit in our operation. At the moment, we are not too familiar with area breeders and their cattle, so we are attending all possible sales and events to better acquaint ourselves with the people, their cattle and operation. We will probably attend more as observers, and the most important feature we look for in any operation is the friendliness and sincerity of the people we meet. We like being treated as equals even if we are not big time show winners, if we cannot attend all events and if we do not buy something at all sales or events.



OBSERVER

Murray Fretz

Secretary Manager
Western States Angus Assn.

"An effective salesman will present his sale offering in the best surroundings possible, and will not have his "keeper" cattle anywhere around."

Many factors are involved in effectively merchandising anything—whether it be cars, clothing or registered Angus cattle—but there are three or four that seem to be common to all successful programs.

Know your market—Perhaps more than any other thing, this is a must. It is futile to spend time and money producing cattle for which there is no mar-

ket. Successful breeders first find out what is needed, and then produce for that need.

Recognize what you have—With today's artificial insemination and embryo transfer usage, every breeder has equal access to the industry's leading bloodlines, so it takes more than just a popular pedigree to command the top dollar. Successful breeders with a track record of effective merchandising have traveled widely, studied the subtle difference between "good" and "great," and learned to recognize it in their product. Then . . .

Promote your program—You may have the greatest set of calves in the history of your breeding program, but it will not make any difference if those looking for a new herd sire or set of replacement heifers don't know about them. The successful merchandiser knows his market so he can effectively place his advertising where it will reach the maximum number of potential customers. It makes no sense to try selling show heifers through a magazine going strictly to ranchers who only buy range bulls. Likewise, advertise your range bulls in the papers the range bull buyers read. Promotion is also more than just print advertising. Successful merchandisers attend their local and county cattlemen's functions, and every field day possible; and they support the 4-H and FFA chapters in their area.

Present your cattle effectively—After the advertising has brought prospective buyers to your ranch, have the sale cattle sorted for uniformity and age. Nothing is more disheartening than to go through a pasture of cattle and select several head, only to be told those are not for sale. An effective salesman will present his sale offering in the best surroundings possible, and will not have his "keeper" cattle anywhere around. The sale cattle will also be priced to reflect the current market. There will not only be profit for the producer reflected in the price, but there will be value and profit potential for the purchaser.

In summary, effective merchandising is a matter of knowing what to produce for the market you have; recognizing when you have a really great one to sell; promoting the fact that you have great ones to sell; and properly presenting them to a prospective buyer. A reputation for honesty and reliability, standing behind the cattle you sell, and follow-up with your customers are also necessary ingredients in being a successful merchandiser. **AJ**