

Taking Care of Business

Catering to customers and marketing their cattle are top priorities for Galen and Lori Fink. They know what customer satisfaction is and how to achieve it and that way of thinking is paying off.

BY SUSAN SHOUP



Just take care of the cows and someday they'll take care of you." This proved to be some valuable advice given to Galen and Lori Fink when they were getting started in the Angus business 15 years ago.

Since that first cow in 1977, Fink Angus of Manhattan, Kan., has developed into a herd of high maternal, performance-bred females with proven genetics, the kind of cattle that are in demand by commercial producers and registered breeders alike.

Both growing up in Angus circles, Galen and Lori originally set out to breed the Denver champion bull, but then reality set in. They knew that breeding the Denver champion was a long shot, and until it happened, something had to pay the bills. After all, they were starting the herd from scratch, trying to build up cow numbers and saving to buy a ranch.

"It didn't take long to figure out that to pay the bills, breeding bulls for commercial cattlemen may be a little more profitable," Galen says.

That has been their marketing objective for the last 12 years, and it's the commercial bull trade that's a staple of this Flint Hills Angus ranch.

But getting started wasn't easy.

"We thought if we produced them, people would want to buy them," Galen explains. "We got a rude awakening. That's the

biggest mistake new people in this business make...they go out, spend a lot of money, do this and do that, and say here they are, come buy them."

Unfortunately, it's just not that simple. "To develop a reputation takes a long time," Lori says. It takes years to establish a customer base and for people to get to know you and know you're a person they can trust.

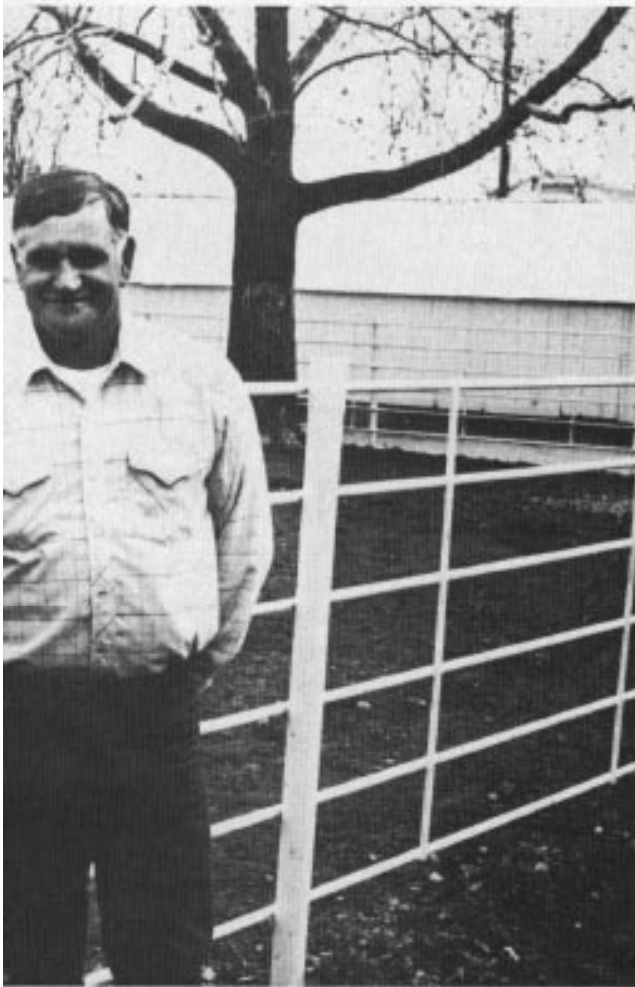
To build a good reputation, Finks knew they had to get their bulls used. Galen says when they were getting started, "we sold a lot of bulls cheap just to get them in people's herds and get them used." They also consigned a lot of bulls to bull tests. The bulls did well, and that was a great marketing boost.

"After we sold animals, we made a lot of herd visits and phone calls to check on the animals," Galen says.

"We don't want any problems, but if and when they do occur, we want to make it right," Lori says. The Finks keep close tabs on their customers, too. If there is a problem, they want to be the first ones to know.

She adds, "When there were problems, like a bull that wouldn't work, we would give them a replacement. We just want them to leave a satisfied customer."

Galen says being honest goes a long way in building trust. "If you don't tell any lies, you don't have to remember what



SUSAN SHOUP PHOTOS

(l) Lori and Galen Fink and their daughter, Megan, check cows in one of their Flint Hills pastures. It's the solid, working Angus cow that this herd is built around.

you've said," he says.

Lori and Galen also believe being involved in industry organizations — like the Kansas Angus Association and the Kansas Livestock Association — helps build a reputation. "Whenever we're on a committee or volunteer, we want to do a good job," Lori says. "Customers are involved in those organizations and they see what we do."

They also try to attend national events like the National Western in Denver, the North American in Louisville, and the Beef Improvement Federation's national meeting. That's good exposure for them.

Recently the Finks have marketed more than commercial bulls — their females and embryos. "We're exploring every avenue there is," Galen says. "Some Angus breeders look at bull sales as their only income, but to me that's just half your income." The development of these segments is largely the result of an extensive embryo transfer (ET) program.

Because Fink Angus Ranch is also home to a custom ET facility, their ET work is convenient and economically feasible. The lab is the northern unit for Cross Country Genetics, headquartered in Texas. The facility has the capacity for 35 to 40 cows. Galen credits the Cross Country staff, particularly Dr. Kirk Gray, for the success and efficiency of their ET program.

The program allows them to capitalize on the genetics of their high-maternal females. They transfer those embryos into neighbors', often customers', commercial cows, a system modeled after Clyde Nelson's in Idaho.

Using other producers' commercial cows for recipients is the only way an extensive ET program would be possible for them. "Physically, we don't have the pasture or resources to take care of recipients," Lori adds. "It's more profitable for us to use other people's cows for recipients."

"Those recipient cows are often sired by bulls we've sold so they're a known entity," she says. "We know they have good genetics behind them."

Finks pay the transfer fee for putting the egg in the recipient, the synchronization cost, and help with the labor. After calving, they pay the recipient owners top market price plus a premium for all healthy ET calves in the fall.

They began their current embryo transfer program in the spring of 1990 by taking their eight best females representing their best cow families out of production to synchronize and flush them.

The program just grew from there. This spring Fink genetics were placed in more than 200 recipient cows. That doesn't include the 50 females they artificially inseminated. All of their breeding is AI or ET; they never use clean up bulls.

The ET program allows them to propagate genetics and multiply good performance traits. Galen believes Fink Angus offers some of the most stacked, genetically up-to-date pedigrees with proven influence in the industry.

"Proven" is a word he uses quite a lot. By that he means proven bulls that have at least 100 daughters in production and high accuracy values. "We may sample a young sire every once in awhile, but 80 to 90 percent of the bulls we use are proven," Galen says. He also wants proven cows that have known genetics for several generations.

"That's real important to me," he says. With that kind of selection criteria, "we're pretty sure the bulls from our ET program are going to be saleable. Basically, the whole flush is marketable so we have a market for the cattle before they're born."

"In the early '80s cattle were generally getting bigger framed and were losing some maternal," he says. "To us, it was really obvious that we needed to keep these traits (moderate frame and good maternal) in the Angus breed."

Despite most of the industry's emphasis on size, Finks continued to emphasize maternal and growth traits, the same traits they emphasize today. "We weren't searching for 10 frames, but we weren't looking for 3's and 4's either," Galen says. "We have always culled hard on udders and disposition; any cows with problems go to the sale barn."

Galen credits a lot of success to the purchase of an interest in AAR New Trend in 1983. "He was a 6.5 frame score bull with a good maternal ratio," Galen recalls. "And that was a time in the industry when bigger was better. We didn't like the way things were headed."

"You have to look at what product you have and how you can change that product so it can be more useful to the total cattle industry five or 10 years down the road."

"The kind of cattle demanded by commercial cattlemen really hasn't changed that much," he says. "They want about a 6

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— Lori Fink

frame bull with length, thickness and a moderate birth weight. If he was good in 1977, he's still good today."

The biggest change is the use of expected progeny differences (EPDs). "EPDs make their job of bull buying a lot easier," Lori says. "EPDs and the information that's available have helped solidify what the commercial producer wants."

An innovative marketing idea to entice commercial customers was used by the Finks in their open house bull sale in the fall of 1990. The sale was quiet and calm with no hype or fast talking. The relaxed atmosphere was intentional because Galen and Lori knew their commercial bull buyers weren't comfortable with fast-paced auctions.

Prior to the sale, they told customers in a letter about the sale's format. The letter also told them to leave their trailers at home because they offered free delivery within a 150-mile radius.

Their open house bull sale eliminated quick decision making. They had an easy-talking cowboy poet announce prices. Seated on bales of straw in a circle, buyers held up their numbers as long as they were interested in purchasing the bull for the announced price.

From the start of their Angus herd in 1977 until 1989 and 1990, Galen's and Lori's jobs limited marketing their cattle. Galen was herdsman for the purebred beef cattle unit at Kansas State University from 1973 until 1991. Lori was secretary-fieldman for the Kansas Angus Association from 1979 until 1989. During this time came another change — Galen and Lori's daughter, Megan, who turns 2 years old this month.

"Then, both of our jobs came first," Lori says. "The cattle were second, and we were limited to the extent we could promote our program because we didn't want any conflict of interest. Now, we're free to promote and advertise and to do some things that we couldn't do and didn't want to do before . . ." like have a sale.

The popularity and interest generated by their first sale is evidence of the demand for Fink genetics. Held last November, the sale had 45 bred females average \$5,428. Six bull calves averaged \$3,575 and 14 pairs averaged \$7,265. More than 600 people from 25 states packed the tent sale day.

Galen and Lori were pleased, to say the least. "I still play back the VCR tape of the sale to make sure it really happened," Lori says.

Galen does admit, however, that they were optimistic before the sale. "First, the cattle market was still good, and second, we hoped we had the kind of cattle that were in demand," he says.

The demand stemmed from the genetics. All the cattle were out of proven AI sires and all the females were bred AI to well-known bulls.

Word-of-mouth also did wonders for sale attendance. "People who had seen the cattle physically liked the cattle and they



Galen watches as ET lab technician Audy Spell examines embryos under a microscope. Fink Angus practices a unique and extensive ET program. Their Angus cows are embryo & n-or-s, with neighbors' commercial cows serving as recipients.

also liked the EPDs that went with them," Galen says.

"We wanted to make sure our offering had some nice aged cows, sound uddered cows, productive cows . . ." he says. "We wanted to try to make it as nice an offering as we could without jeopardizing our future."

"Because of all the ET work we had done, we were able to offer all those cows for sale," Lori says. "We still have those genetics."

By sale time, Finks had transferred 158 embryos and had 160 others frozen. A portion of those were out of the sale cows. So selling the cows didn't mean losing their genetics.

"We knew if we wanted the female end of this thing to work too, we had to have a sale," he says. "Our bull clientele is pretty spread out geographically. We needed to have a sale to spread out our females too. We hoped the cows were good enough to go out and work well for other people."

In planning the sale, Galen thought the cattle could sell themselves if only they could get the people there, particularly the people who didn't know them or their program. That's where the sale manager, consultants and auctioneer came in.

"We tried to cover the country with those people," Galen explains. "Geographically, we wanted to cover the country with personal contact."

Because many people didn't know them, the Finks stressed a guarantee that if something didn't work, they would make it right. A promise they've made ever since they started in the cattle business, the guarantee was printed in the sale catalog and other advertising.

"I think that's important in dealing with people who don't know you," Galen says. "They don't know anything about your reputation or integrity. We have picked up some bull sales because customers didn't like the way they were treated somewhere else."

Galen and Lori were unable to pick up one sale guest from the airport. The cattleman had to rent a car and drive to the sale. After the sale, they sent him five straws of semen to show they appreciated his business and regretted his inconvenience.

Finks had their sale catalog printed in the *Angus Journal*. "If you have some cattle with pedigrees people are looking for, that can sure give you a lot of exposure," Galen says.

In the catalog and in other advertising, Finks included testimonials from satisfied customers. They followed up every catalog request with a telephone call. In short, they were trying to accommodate their potential buyers and meet their needs.

Customer satisfaction ranks high among Galen and Lori's priorities. "We try to keep customers happy and build our clientele even though the cattle may not bring top dollar," Galen says. "We're more worried about long-term, repeat buyers than we are about selling high and not getting the people back because they paid too much for it or were disappointed. It's like Wal-Mart's quote, "More For Less."

It was Oregon Angus breeder Bob Thomas who gave Galen and Lori the early advice to "just take care of their cows." Today, cattle are their only business and it's the cattle that are taking care of the Finks.



Finks' Top Five Marketing Tips

- Satisfy customers. Keep them happy.
- Always be honest and tell the truth.
- Go to events and meetings. Listen. Be involved. It doesn't matter if you have the best cattle in the world, if no one knows you.
- Strive to keep customers. It costs 10 times as much to get a new one as it does to keep an old one.
- Tradition is fine, but don't be afraid of change.