

LEAD IN

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Small Breeders are Backbone of Angus Industry

Northwest Missouri, where I live, has long had a large number of “small” Angus breeders. By that I mean people who register 20 head or fewer cattle each year.

If you accent this definition of small breeders, then they make up almost 84 percent of the American Angus Association’s membership. Include the medium size breeders who record from 20 to 49 head and you add another 11 percent to the total. What’s more, these small and medium size breeders account for more than 55 percent of all cattle registered.

Only 687 members in the 1992 fiscal year recorded 50 or more Angus cattle. This group of “large” breeders are certainly important. They record 45 percent of total registrations each year. But this year’s Herd Reference Edition is dedicated to the small breeder and it is this group the backbone of the Angus breed – that we focus on this year.

Nearly every small breeder I know is sold out of bulls. If they have females left for sale, they probably are culls. That hasn’t always been the case. Times have changed. Not too many years ago small Angus breeders debated whether it would be worth the time and effort to record even some of their better bulls.

What has changed? More small breeders are actively involved in the AHIR program and through artificial insemination they have access to the best genetics in the business. Many a small breeder has discovered that his or her expected progeny differences (EPDs) are as good as, if not better than, those of many large herds. They are able to offer a competitive product to local cattle producers at a competitive price.

Another factor that has helped small breeders is the increase in demand for registered and commercial Angus females. About all a person has to do to move good females is let people in the community know they are for sale. Most Angus regional managers, state Extension beef specialists and local beef producers know someone who is looking for a few good Angus females to add to their operation or to start up a small herd.

Two factors seem to be working to drive the demand for Angus cattle. And both relate to a quality end product. Recently the spread between Select and Choice cattle has been as high as \$10 per hundredweight, or \$120 on a 2,000 pound steer. As more people retain ownership

and sell grade and yield, they see the loss they take on cattle that won’t grade Choice at market weights.

Commercial cattle producers don’t have to retain ownership to get the message, however. At auction markets they see Angus and Angus-cross steers sell at a premium over the other breeds and crosses. They go home, take a look at their cow herds and decide that they need to use Angus bulls to breed in some uniformity and quality.

And then there is the Certified Angus Beef Program. About two percent of all cattle processed are identified by packers as having the characteristics to qualify live for the Certified Angus Beef Program. Now that three of the top four beef packers in the nation are producing Certified Angus Beef™ product in their plants, this number will almost surely rise. As a result, these packers – IBP, EXCEL and National – along with the other smaller plants that are involved with the CAB Program, may need to become more aggressive than they are now in purchasing Angus and Angus-cross cattle.

Although it is a good time for small breeders, we can be sure that market conditions will almost surely change over the next few years. Today’s higher prices and strong demand for Angus provide small breeders with an opportunity to strengthen their financial position in the business.

They also allow breeders to strengthen the genetic base of their herd, and improve marketing programs. Higher prices mean there is more to spend on bull power. New customers need to be cultivated and turned into satisfied repeat buyers. They will come in handy in the years ahead.

Breeding registered Angus cattle is a full-time occupation for only a small fraction of the members of the American Angus Association. However, it is an important and profitable part of the farming or ranching operation for literally thousands of small, part-time breeders.

Without this group of important people, the Angus business and the American Angus Association would be only a shadow of what they are today. It is fitting that the *Angus Journal* has chosen to highlight this important segment of our business.

Richard L. Spader