

Getting the Signal

Paul Bennett says to remain competitive in the beef industry, service your customers.



Virginia Angus breeder Paul Bennett believes to be successful in the cattle business you have to go out on a limb and try new and innovative ideas.

Like road signs along the curvy Virginia countryside, seedstock producers have to react fast to the signals they are receiving from other segments of the beef industry chain. Paul Bennett from Knoll Crest Farm, Red House, Va., listens to his commercial bull buyers and produces what they are demanding.

Paul has always been interested in the cattle business and collecting performance data. At a young age he made a long-term commitment to collect objective data that allows him to reduce the guesswork involved in cattle business decisions.

After graduating from college in 1983, Paul returned to the family farm. Today Paul's dad, James, and his two brothers, Jim and Brian, are also involved in the operation. Each family member has his specialty or interest within the operation. Paul's responsibilities include the management and marketing of the cow herd including breeding decisions.

Located only three hours from the Atlantic ocean in south-central Virginia, the Bennett Family manages 900 head of purebred cattle and 2,400 acres of land. Their farming operation includes corn, barley and oats, which are all used as feed for the cattle.

The Bennetts have been in the seedstock business since 1944 when Paul's grandfather bought his first registered Polled Herefords. After getting their feet wet in the business they set the goals of collecting performance data and tracking beef improvement in 1963. Since that time they've added two breeds to their program and have been committed to keeping total performance records on their Gelbvieh and Angus herds as well.

The Bennett Family has

managed the Red House Bull Evaluation Center, a Virginia Beef Cattle Improvement Association sponsored test, since 1970. Each year approximately 140 bulls compete in the 112-day evaluation on their farm.

Through their involvement with the bull test the Bennett Family recognized the demand for Angus bulls. This is one reason they expanded their operation to include Angus in 1990.

Paul says another reason they have three breeds is because they firmly believe their commercial bull customers need to be crossbreeding and benefiting from heterosis.

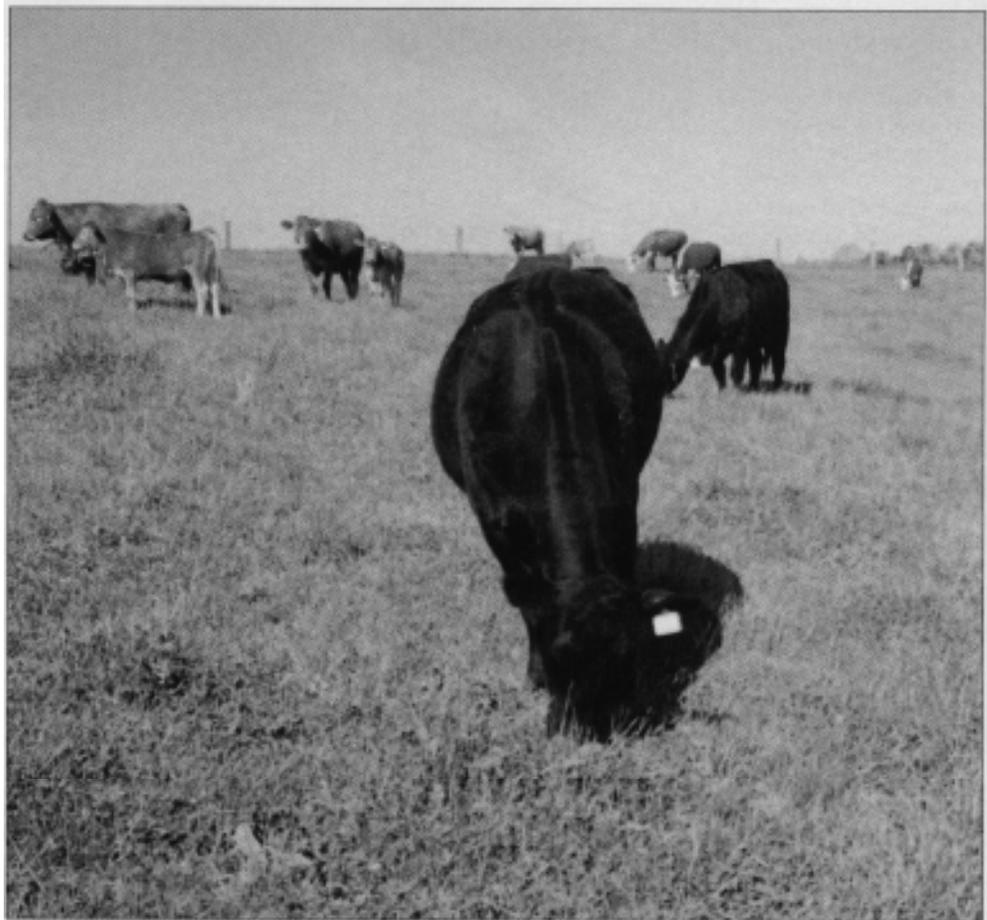
“There are very few commercial operations that wouldn’t benefit from hybrid vigor,” he says. “We don’t want to necessarily sell what we have but rather provide our customers with what they need. We believe the three breeds complement one another.”

When looking to get started in the Angus business the Bennetts searched for groups of females from programs with similar backgrounds and philosophies like theirs. He bought groups of half sisters with stacked performance pedigrees.

Today their program has grown to 200 Angus females, 250 Gelbvieh females and 125 Polled Hereford females.

Knoll Crest's management and marketing design is geared toward servicing the commercial producer. Paul says everything they produce other than commercial bulls is a by-product of their program.

Dedicated to producing what their customers demand, the Bennetts have been breeding low birth weight cattle with high birth to growth spreads, optimum maternal traits and positive scrotal expected



The Bennetts manage three breeds to meet the demand of their commercial bull buyers. The cow herds are managed together with alike breeding philosophies.

progeny differences (EPDs).

To fit this demand a typical Angus cow in their program has a birth weight (bw) EPD of 0, a yearling weight (yw) EPD of +45 and a +20 milk EPD. In their herd they have less than five Angus females with a bw EPD of more than +3 and 55 females with a negative bw EPD. Paul demands a moderate-sized cow that will wean a high percentage of her own body weight.

He spends a lot of time analyzing the sire summary looking for bulls that fit his specifications. Only highly proven bulls with balanced EPDs are used. He believes optimum levels of traits are

more ideal than extreme EPDs in any trait.

The Bennetts do incorporate the use of carcass merit in genetic decisions. “We believe you need to give correct priority to carcass traits; Paul says. “We do question the extent we need to single-trait select for marbling.”

With their Angus herd they are committed to an artificial insemination (AI) program. Their goal is to have more than 85 percent settle AI.

They also are using embryo transfer (ET) in their management scheme. Last year 80 cows from the three breeds were flushed. A majority of the

eggs are exported to Australia and New Zealand.

In the future Paul foresees the opportunity to more aggressively export embryos to other countries as well as increase the use within their herd.

Another management decision based on customer demand is a split-calving season. Some Knoll Crest customers like to use long-yearling bulls, an older bull but not quite a two-year-old.

It also allows the Bennetts to split their management. Paul admits the spring calving cows are more economical because the fall cows require more supplementation, but they are

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dedicated to providing what their customers want.

To keep costs low and to offer more one-on-one attention the Bennetts sell a majority of their bulls private treaty. On the first Saturday of April each year they host an open house with all spring-born bulls on display. Each bull is pre-priced. The offering starts at 1 p.m. If more than one person is interested in a bull Paul will serve as auctioneer and take bids on the bull. The fall-born bulls are offered private treaty in November.

They have several buyers who don't attend the open house but participate in the bidding via a conference call. This past year 16 people bid on cattle over the phone.

Knoll Crest sells a lot of bulls sight unseen. Paul attributes this fact to the reputation of the Knoll Crest program and the confidence producers have in the Bennett Family. Buyers include producers from Virginia and other states in the Southeast, plus many bulls will sell to producers who live west of the Mississippi River in the Dakotas, Wyoming, Colorado, Texas and New Mexico.

James Bennett has preached to his sons that the customer is always right. "Dad has really tried to instill in all of us that you always give priority to your long-term goals rather than your short-term goals," Paul



The Bennetts allow Mother Nature to sort the good females from the bad ones. An optimum cow for Knoll Crest Farms would be a Pathfinder, weigh 1,200 pounds, frame score 5, body condition score 6, EPDs of 0 bw, +50 yw, +18 milk, and be stacked four generations deep of sires with high accuracy. Their herd is a result of breeding "like to like" cattle.

says. "If you do, you'll be more successful in the long run. The key is not just making a bull sale this year but developing a repeat customer clientele."

Paul foresees the industry changing from just selling bulls to selling service along with the bulls. Seedstock producers will need to assist their customers in herd evaluation and helping find the best genetics to fit their program.

This cattleman is interested in utilizing any technology that will decrease the guesswork in raising cattle. Examples of this include collecting performance data on every Knoll Crest calf, reporting the data to the American Angus Association to calculate EPDs and compiling cow production records — average weaning ratios, calving intervals and weight. Using this information Paul can provide

more objective information to a bull customer who's 1,500 miles away.

Another customer service tool the Bennetts are trying is helping them market calves. In the East producers have several handicaps in forming marketing alliances, Paul says. The average bull customer from their area doesn't market more than 100 calves per year. Another disadvantage is the lack

Why a beef producer?

Satisfaction from the feeling I've done a service for mankind. Sure it's a business, but unless we can provide a service to our fellow man I think we've missed a real opportunity.

of feedlots and packing plants in their area.

The Bennetts have partnered with their bull customers, retaining ownership on their calves and providing a link between their customers and the feedyard. Their objective is to help customers get paid for their genetics.

The Bennetts are insistent on being low-cost producers. They believe their cattle should work for them instead of them working for the cattle.

“We believe as low-cost producers we do a much better job of breeding and selecting cattle by looking at longevity and production efficiencies,” Paul says. “In the long run we’ll be more successful and be able to provide genetics that will help our customers become more efficient.”

He believes the purebred industry as a whole has done a poor job of understanding production costs. An analysis of the SPA (Standardized Performance Analysis) data collected in the late 1980s and early ‘90s indicates high weaning weights do not necessarily make for successful beef cattle operations. Paul says the things that affect returns to the greatest extent are production efficiency and fertility traits, measures that are hard to quantify.

As Paul and his family look to the future they have set goals for their operation to help them remain competitive in the beef business. These goals are:

- Expand in terms of numbers and variety of cattle. Develop a more diversified product line.
- Continue to be more service oriented and explore opportunities to enhance their customers’ bottomlines.
- Be more efficient. Continue to find ways to reduce production costs.

GRADING THE INDUSTRY	
Communication between seedstock and commercial cattle producers	B
Communication between producers and feeders	C
Communication between producers and packers	F
Communication between producers and consumers	C
Industry marketing methods	D
Management/animal husbandry methods	C
Food safety	B
Environment	B
Efficiency	C
EDUCATION: Virginia Tech graduate	
FAMILY: wife, Tracy; son, Scott, 8; daughter, Sarah, 6	
ATTENDANCE/ORGANIZATIONS BELONG TO: Beef Improvement Federation Virginia Cattlemen's Association Virginia Beef Cattle Improvement Association Virginia Cattle Industry Board Regional and state breed associations	

■ Aggressively evaluate all phases of production in their cattle.

Paul sees demand for Angus bulls continuing to increase. To meet that demand and the above goals they will increase their Angus herd numbers. While building Angus numbers he plans to breed more variety into his herd. He believes as a supplier of genetics to the commercial producer they could do a better job by offering a wider variety of bull types.

“We believe we need to produce ‘specification’ cattle, recognizing no two customers have the same needs,” Paul says.

To monitor their progress Paul looks at EPDS, actual performance data, reproductive rates and stocking rates.

To monitor cow size and efficiency they weigh all cows at calf weaning time.

Paul says the challenge facing the purebred industry in the short run is that an increasing number of breeders are wanting to supply seedstock genetics to a commercial demand that is not increasing.

In the long run he says producers and feeders need to work to reduce the amount of time cattle are on feed. As an Angus breeder he believes this is the greatest benefit for selecting

plus-marbling bulls.

To succeed in the future the beef industry needs a paradigm shift. Paul believes the industry needs to broaden its paradigms if beef is going to be competitive in the market place. The pork and poultry industries operate in a much wider comfort range than beef producers.

“The greatest handicap to production agriculture is tradition. We need to take pride in good tradition and the reputation we’ve built in marketing, but we can’t afford to be bound by tradition,” he says.