

LEAD IN

by Richard L. Spader, Executive Vice President
American Angus Association



Happy Angus Times Are Here Again

The American Angus Association's fiscal year ended Sept. 30. For the seventh consecutive year we recorded increases in nearly every area of activity. It has been a good year for the Association and, more importantly, for Association members.

Demand for Angus cattle has increased in recent years. This is reflected in the average prices paid for registered Angus seedstock at the 398 auctions reported to the Association during the fiscal year. Prices for both bulls and females set new record highs. Bulls averaged \$2,453 per head, an increase of \$64 over last year. Female prices increased \$224 per head over last year to average \$1,967.

The strength of the Angus business is reflected in other statistics. For example there were only 13 dispersion sales in 1993. This compares with 62 in 1985. That year registrations were down 10 percent from the year earlier, and would drop nearly 15 percent in 1986, with another 57 dispersions, before starting the current seven-year growth trend. The best news is it shows no signs of ending anytime soon.

Registrations in 1993 totaled 193,401, an increase of more than 10 percent from last year and more than the next two leading beef breeds combined. Transfers of 116,312 were up well over 7 percent from 1992.

What's more, there are an increasing number of new Angus herds being started, based upon the membership statistics. For the 12-month period 2,445 new regular memberships were issued, up 14 percent, and junior memberships were up 19 percent at 1,296.

Demand for Angus cattle has been improved by growth in the Certified Angus Beef Program. Sales of Certified Angus Beef™ product during the year set another record, totaling 125 million pounds. The biggest gains were in retail sales. The 76.5 million pounds sold over the meat counter were up 47 percent. Restaurant and other food service sales hit 37.9 million pounds, up more than 14 percent. Export demand grew by 32 percent, to 10.6 million pounds.

To sustain growth like this we will need to increase the number of predominantly black, Angus-sired feeder cattle going to market. That will take continued sales pressure on the part of all of us to get more Angus bulls in commercial herds.

We also need to breed even better cattle if we are to further increase our share of the bull market. Fortunately the fiscal year figures show that Angus breeders are working hard to do this. For the first time ever, Angus breeders recorded and processed more than 400,000 birth, weaning and yearling weights in the AHIR program. The total for the year was 408,518 — an increase of 7.8 percent.

But easy-calving, efficient cattle aren't enough. We will need more cattle with the bred-in ability to marble and produce a high yielding, USDA average Choice or better carcass in order to continue to expand the Certified Angus Beef Program. I am happy to report that Angus breeders are testing more bulls for carcass merit and many of them are subsequently used in breeding programs.

Some 17 Angus bulls had 1,000 or more A.I. offspring each registered with the Association during the 1993 fiscal year. Of the 17 bulls, 12 have expected progeny differences (EPDs) for carcass merit, six of which are positive for marbling. This includes the most used A.I. bull which had 2,641 of his progeny registered in fiscal 1993. In all, these six bulls with positive marbling EPDs produced nearly 10,000 offspring registered during the 1993 fiscal year.

Many of these bulls with positive carcass and growth traits are being sought out by commercial cattle producers. These business people have learned the value of producing steers which grade USDA Choice or higher. In some cases they learned their lesson by seeing many of their steers, which were fed out under retained ownership, fail to earn an additional \$50 or more per head because the carcasses failed to grade USDA Choice.

It is a powerful selling point for Angus. To take advantage of this point the 1994 fiscal year Angus advertising campaign addresses this situation.

It is pleasant indeed to top off 1993 with the kind of statistical information I am able to report here. We have made solid progress during the past year. Many challenges remain for us, but as a breed we can deal with them from a base of strength.

A handwritten signature in cursive script that reads "Richard L. Spader".