

# Board Meeting Highlights

Board of Directors Meeting — Sept. 16-18

- Staff authorized to implement Angus Beef Records Service
- First preliminary research EPD report based on ultrasound data released
- Consultant will review Association's strategic emphasis and allocation of resources

Pursuant to notice, the meeting of the American Angus Association Board of Directors was called to order in the board room of the American Angus Association, Saint Joseph, Mo. The following officers and directors were present:

William Borrer, president  
 Bud Smith, vice president  
 Howard Hillman, treasurer  
 Keith Arntzen  
 Leroy Baldwin  
 Henry Bergfeld  
 Jim Bradford  
 Minnie Lou Bradley  
 Steve Brooks  
 John Curtin  
 Joe Elliott  
 Ben Eggers  
 Jot Hartley  
 Brian McCulloch  
 Cecil McCurry  
 Lowell Minert  
 Abbie Nelson

The following is a review of action taken during the meeting of the Board of Directors held Sept. 16-18, 1999.

## ■ EXECUTIVE COMMITTEE

Staff reported on the status of a membership that had been suspended by the Executive Committee. No correspondence has been received from the member at this time.

Jim Shirley, regional manager, thanked the Board for the opportunity to have a regional managers' representative report to the Board of Directors of the American Angus Association at each Board Meeting. Their goal is to serve as an information resource to Board members. Regional managers feel they have more contact with Angus breeders and the commercial industry than anyone else. They hope to bring ideas, thoughts and concerns to the Board and, in turn, to represent the Board

and the American Angus Association more effectively.

Bill Borrer presented a letter received from a member with complaints concerning work handled at the Association and the *Angus Journal*. After discussion, Dick Spader was directed to investigate the allegations and to respond to the breeder.

Ben Eggers expressed concern voiced by several breeders regarding the Association's current policy on registration and transfer of ownership of embryo calves. Staff was directed to review the policy and report to the Executive Committee at the next Board meeting in November.

Association counsel Paul Donnelly provided a preliminary review of certain marks currently used by the Association. No action was requested.

## ■ ACTIVITIES COMMITTEE

Randy Daniel, Colbert, Ga., will judge the Hill show at the 2000 National Western Stock Show in Denver, Colo., with Quintin Smith of Lebanon, Tenn., as associate. The carload and pen judges are Rob Thomas, Baker City, Ore.; Mark Gardiner, Ashland, Kan.; and Rex Harl, Hollister, Mo. Expected progeny differences (EPDs), ultrasound measurements and weights on the bulls and females will be given to the judges the day of the respective shows.

James Birdwell of Fletcher, Okla., accepted the invitation to be auctioneer at the 2000 National Western Angus Sale. Judges will be Phil Trowbridge, Ghent, N.Y.; Brad McCurry, Mount Hope, Kan.; Dick Hubman, Central Point, Ore.; Dave Holden, Dupuyer, Mont.; and Ryan Cotton, Clarksville, Ga.

Forty-seven consignments have been received at this time.

Dean Janssen of Bartonville, Ill., has been confirmed to judge the Roll of Victory (ROV) show at the 1999 North American International Livestock Exposition (NAILE), with Jack Ward, Lagrange, Ind., as associate judge. EPDs and weights on the

## Policy Statement of the American Angus Association

Set forth below are those rules that the American Angus Association has adopted for use at its national, regional and regional preview junior Angus shows. The Association would like to use this space to publicly reaffirm its commitment and dedication to these shows of the National Junior Angus Association. Junior Angus shows are primarily held to foster the interests of the participating junior members in the Angus breed, as well as to provide them with a special hands-on opportunity to breed, raise and show Angus cattle. The intended emphasis in the junior shows has always been on competition among peers, as well as the development of leadership skills, decision-making skills and a sense of responsibility.

Some of these rules are necessarily based on the honesty and integrity of the participating junior member, as well as his or her parents. Many of the most basic rules of the American Angus Association are similarly based. If any participating junior member has any question or concern about what a particular rule means, he or she should write to the director of junior activities at 3201 Frederick Ave., Saint Joseph, MO 64506-2997 to obtain an interpretation. The Association will periodically report on significant interpretations of these rules in the *Angus Journal*.

## Eligibility of Exhibitors and Entries

Junior-member exhibitors shall maintain actual possession of their entries from the ownership deadline through the final day of the show. However, family possession of the entries shall also be permitted.

NOTE: It is the intent of this rule that the junior-member exhibitor should be the individual with primary responsibility for the actual day-to-day care of the entry. This rule recognizes situations may arise where the care and/or possession of an entry may also be shared by a member of the immediate family of the junior-member exhibitor.

bulls and females will be given to the judges the day of the respective shows.

The Western National Angus Futurity will host the 2002 National Angus Show in observance of its 50th anniversary.

The National Western Livestock Show & Rodeo will be the National Angus Show for 2001.

Due to geographical locations of the super ROV point shows, it was approved that the All-American Angus Breeders' Futurity be a recognized ROV show and the American Royal, a super ROV point show, beginning with the 2000-2001 ROV show year. Points would be distributed geographically to give exhibitors a more equal chance for accumulating points.

The following persons will be inducted into the 1999 Angus Heritage Foundation: John Crouch, Saint Joseph, Mo.; Bill Graham, Albany, Ga.; Robert Neumeyer, Bonners Ferry, Idaho; Eli & Bette Votaw, Wellfleet, Neb.; and L.E. and E.B. Laflin, Olsburg, Kan. (both deceased).

The 2000 Western Regional will be held in Reno, Nev., on April 16-17; the 2000 Eastern Regional in Lebanon, Ohio, June 23-25; and the 2000 National Junior Angus Show (NJAS) in Des Moines, Iowa, July 12-15.

The 2001 NJAS will be held in Denver, Colo., July 9-14.

The Atlantic National was approved as a regional preview junior Angus show for 2000.

The request from the Idaho Junior Angus Association to hold the Northwest

Regional Preview Junior Show in Filer, Idaho, was approved.

A request from the Texas Junior Angus Association was approved for the site of the Southwest Regional Preview Junior Show in Tyler, Texas.

The request from the Western States Angus Association that the 2001 Western Regional Junior Show be held at Reno, Nev., was approved.

The 2001 Eastern Regional Junior Show request from the Mississippi Junior Angus Association to host the show at Tupelo, Miss., was approved.

The possession requirements for junior shows were discussed. The policy statement (see sidebar on page 256) was unanimously approved.

#### ■ FINANCE COMMITTEE

The Finance Committee reviewed the financial reports for the 11-month period ending Aug. 31, 1999. The cash balance on the consolidated report was \$1,834,352.93. The investment portfolio consisting of government notes, government-backed agency notes, bank certificates of deposits, bond mutual funds and stocks managed by Chase Investment Counsel Corp. totaled \$8,922,432.07. The note payable for building expansion was \$1,129,738.19. Our excess of revenue over expenses for the period was \$2,866,383.78.

The committee adopted a breakeven budget for the American Angus Association fiscal year ending Sept. 30, 2000, with total revenue and total expense of \$7,299,000.

#### ■ PUBLIC RELATIONS COMMITTEE

More than 5,300 requests for the *Angus Plan for 2000 and Beyond* packet were received as a response to the 1998-99 advertising campaign. Final layouts for the 1999-2000 campaign were reviewed, which included three four-color spreads and corresponding one-page black-and-white ads. A new response packet will be offered, which will include a copy of the American Angus Association's *Sire Evaluation Report*, the *Bull Buying Strategies* booklet and a condensed version of the report "Trait Selection — The Impact of Selecting for Marbling on the Cow Herd." The committee also reviewed banner ads for Internet advertising.

A revised advertising media schedule was approved by the committee, which reflected the addition of \$10,000 to the overall budget, a result of action taken at the June Board Meeting.

A report was given on the 1999 National Angus Conference and Texas Angus Tour, which were recently held in Amarillo, Texas. Approximately 300 people attended both the conference and the tour. Ideas and suggestions for the 2000 National Angus Conference and Tour were discussed.

Susan Waters reported that efforts for the Public Awareness/Consumer Education (PACE) Program are underway. The first "Setting the PACE" column appeared in the September 1999 issue of the *Angus Journal* and will be a regular monthly feature in the future. Producer information kits are under development and will be available soon. The PR department is also working with the *Angus Journal* to publicize the 1999 Land Stewardship Award winner.

Shelia Stannard reported that a one-minute survey returned from juniors who received black-and-white photos after the NJAS showed that 80% of the juniors had seen some type of publicity or photograph from the show in a local paper, state agricultural publication or Angus publication.

The Association has been represented at about 50 trade shows during the year, including local, state and national events. A report was given of the number of photos processed, news releases written and mailed, and literature requests fulfilled.

Two new pieces of literature were distributed to the committee, including a brochure for the Commercial Relations Department's Bull Listing Service (BLS) and an Association merchandise sheet.



Approximately 300 people attended both the 1999 National Angus Conference and Texas Angus Tour held in Amarillo, Texas, in September (see stories on pages 39 and 45).

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### ■ BREED IMPROVEMENT COMMITTEE

Meetings with personnel from the American Angus Association and Iowa State University will take place in early October to work out details for the merging of Canadian Angus performance data into the American Angus database. The first joint American Angus Association/Canadian Angus Association analysis will be conducted in June 2000.

The Board endorsed the concept of implementing a National Beef Cattle Evaluation Center. The purpose of this center is to evaluate, enhance and refine methodology for analyzing reproduction, production and end-product merit. The center will consider means of possibly incorporating molecular genetics into current evaluation procedures.

A research project, "Feeding Strategies for Progeny of Sires with High Marbling EPDs," presented by Pennsylvania State University was approved.

Staff was authorized to implement the newly proposed Angus Beef Records Service. This program is designed to provide commercial producers with management tools to increase and enhance reproduction, production and end-product merit. Implementation will begin

immediately. The approved first-year start-up budget is \$183,000. Commercial fees are \$2/weaning weight.

The first preliminary research report containing ultrasound EPDs on 2,153 sires was presented to the Board. The analysis, which considered in excess of 30,000 observations, is available on a request basis. An analysis of all qualifying dams and nonparent cattle will be conducted and made available to those breeders who participated in the program.

Operation of the American Angus Association Centralized Ultrasound Processing (AAACUP) Laboratory is progressing smoothly. Breeds, besides Angus, participating in the lab include Simmental, Limousin, Salers and Gelbvieh.

Staff will reply to a letter from John Whiting, Proven Sires Services, regarding genetic evaluation procedures.

### ■ INDUSTRY RELATIONS COMMITTEE

An update was given on the newly initiated Bull Listing Service (BLS), which went online Sept. 1, 1999. The site is part of the American Angus Association's Angus Resource Clearinghouse Network (ARCNet), which appears on the Association's home page. An enrollment

form/brochure is being distributed with all AHIR mailings. It was also sent with an explanatory letter to a list of university Extension personnel and instructors. The Communications and Public Relations Department has sent out news releases on the BLS, and articles on the program have appeared in the *Angus Journal* and the *Angus Beef Bulletin*. The site had been accessed more than 1,000 times in the first two weeks of operation.

Updated numbers on the activity of the ARCNet program were provided. Over the past year 286 producers have listed 30,356 head of replacement females and feeder cattle in the ARCNet program. These listings also appear on the Internet on the ARCNet site. The feeder-cattle listings and a list of Angus-influence sales are also distributed via broadcast fax or mail to a list of 219 feedlots with a total one-time capacity of 4,047,675 head.

### ■ LONG-RANGE & ADMINISTRATIVE PLANNING COMMITTEE

The Information Systems Department has been working on finalizing the programming for the fiscal-year-end runs.

Other projects in progress are programming for the Pathfinder runs, preparing to publish the new ultrasound EPDs and enhancing some of the programs for the *Angus Journal*.

In the month of August 24% of the registrations, 27% of the weaning weights and 15% of the yearling weights were processed electronically. Since RODEO started on May 1, the Association has been processing approximately 20% of the registrations and weights electronically. Last year this average was approximately 15%.

The Angus Information Management Software (AIMS) Department started shipping version 2.0 software Aug. 7. Since then, orders have been filled to total 382 upgrades and 23 new packages.

Now that version 2.0 is out, workshops will be scheduled across the country.

At the June Board Meeting a special committee was appointed by the president to investigate the possible retention of a business-management consultant or facilitator to assist in creating a better focus and/or strategic emphasis and allocation of resources for the American Angus Association. It was the decision of the Board to proceed with Phase I of a proposal from Moeller Management Consultants LLC.



The Board got the first look at the first preliminary research report containing ultrasound EPDs on 2,153 sires in the Angus breed.



### ■ CERTIFIED ANGUS BEEF PROGRAM

Brent Eichar presented the projected 1999 fiscal-year-end budget for the CAB Program. It was identified that total income was expected to meet the budget with income projected slightly (1.4%) over budget, and expenses slightly (0.1%) under budget, for a bottom line of \$266,563.55.

Mick Colvin updated the Board on the filling of six of the 13 vacant positions, including the director of public relations, and his positive indications in filling the remaining vacancies. Colvin reported on continued consolidation in the foodservice industry and its effect on current licensees. Colvin also noted the growth at the retail level with the addition of several new retail chains.

Colvin challenged the Board to continue to evaluate the available dollars that the Program can use to service licensees and to solidify the brand with consumers. Colvin noted that in the proposed fiscal-year (FY) 2000 budget the Program has approximately \$5.2 million to devote to these efforts. He also stressed that today



**Jim Riemann was promoted to executive director, Certified Angus Beef Program, as of Oct. 1, 1999.**

nearly \$1.2 million of these funds are used for structured sire evaluation and other supply development programs, plus the contribution to the Association.

Eichar presented a positive update on initial producer feedback regarding the newly instituted program allowing use of the *Certified Angus Beef*™ trademarks at events where the product is served.

Tracey Erickson presented an opportunity for the CAB Program to be an official supplier of the 2002 Winter Olympic Games. Erickson shared the potential product and marketing opportunities and how the necessary funding could be obtained. Discussion by the Board was positive, and the proposal was unanimously approved.

Erickson also presented the preliminary CAB Program marketing plan for FY 2000.

Eichar presented the proposed FY 2000 budget reflecting a 16% increase in revenue over the previous year. The budget also included a contribution to the Association based on 2.5% of projected gross receipts (\$316,100) and a 4% allocation to contingency (\$342,703), for a budget deficit of \$233,678. Following considerable discussion of the budget, including the \$100,000 cost of the accounting fees to be paid to the Association, the deficit budget was approved.

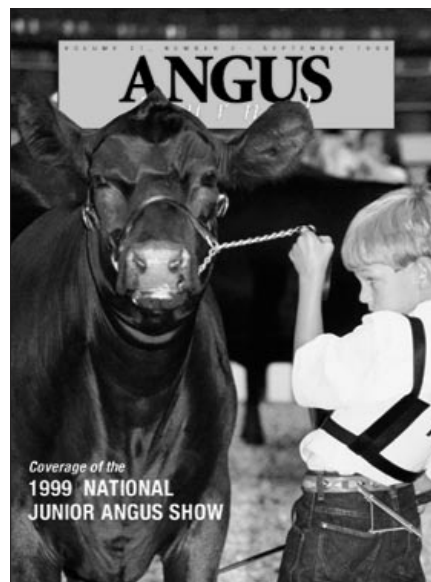
Jim Riemann, who was soon to be named executive director, presented various options to the Board regarding the opportunities to reschedule the November Board Meeting to better facilitate the election of a chairman. Following brief discussion, the Board moved to cancel the November meeting and replace it with a meeting in December to be held at the CAB Program executive office. In addition, the February meeting would be held in combination with the Association meeting in Saint Joseph, Mo. The motion passed unanimously.

The meeting was followed with update presentations to the combined CAB Program and Association boards by the CAB Program Supply Development staff and guest speakers.

### ■ ANGUS PRODUCTIONS INC.

The financial report for API ending Aug. 31, 1999, had a year-to-date total revenue of \$3,623,336.80 and total expenses of \$3,533,322.96 for a net income of \$90,013.84.

The FY 2000 budget was approved with



**The September 1999 issue of the *Angus Journal* totaled a record-breaking 870 pages including editorial, advertising and sale books glued into the magazine and inserted in the polybag.**

total income of \$4,072,400 and total expenses of \$4,052,800 for a proposed net income of \$19,600.

A year-end report was given on all departments of API. A new procedure, computer-to-plate (CTP) electronic transfer, is being used for *Angus Journal* magazine and sale-book pages. This process eliminates film output and, at the same time, will improve print quality of the *Angus Journal*.

The Web sites for *Angus Journal*, *Angus Beef Bulletin* and sale books are fully operational. General statistics for hits and for length of time users are exploring the Web site were also presented.

A list of past-due accounts of 120 days or more was evaluated, and the API Board took no action on this portion of the meeting.

An executive session of the API Board was called upon adjournment of the regularly scheduled meeting.

### ■ NEXT BOARD MEETINGS

Nov. 13 & Nov. 16, 1999 — Louisville, Ky.

