

Lead In

by Richard Spader, executive vice president



Increased business builds the framework for service programs

It's great to be the chief executive officer of the American Angus Association when the close of the fiscal year produces outstanding figures like those we can report for 2000.

The Angus business chalked up solid growth during the fiscal year despite the fact that the beef industry was still in the final liquidation phase of the beef cattle cycle. If we don't become overconfident, we deserve a collective pat on the back.

In brief, here are the numbers:

- registrations up 3.95%;
- transfers up 11.79%;
- sales of *Certified Angus Beef*[™] (CAB[®]) product up 14.6%;
- Angus Herd Improvement Records (AHIR) processed up 6.7%;
- regular memberships issued up 11.2%;
- artificial insemination (AI) service certificates issued up 6.92%; and
- embryo transfer (ET) calves registered up 10.44%.

Registrations totaled 271,222, the most in 24 years. The increase continues a steady pattern of Angus growth that began 14 years ago. Transfers for the fiscal year totaled 169,232, an increase of 11.79% and a 23-year high.

These figures are vital to the growth of the Angus business. Every business needs new investment and new interest to grow and to prosper. The Angus business is no exception. Increased business allows us to build on existing programs and to roll out new ones to help build demand for Angus cattle.

We won't know the exact CAB Program figures for a few more weeks, but projected sales are more than 565 million pounds (lb.), an increase of more than 14.6% and another new record.

To producers of Angus cattle, these record sales mean that Angus genetics are sought by more than 80% of the U.S. packer base to fill the needs of the ever-expanding end-product-marketing program. In fiscal year (FY) 2000, nearly 10.5 million head of Angus and Angus-type cattle were identified for the CAB Program, and nearly 2 million head met CAB product specifications for marketing through retail, foodservice, value-added product and export markets.

Part of the popularity Angus cattle enjoy stems from the accuracy and quantity of their performance records. Association members obviously intend to maintain their lead in this area. During the year members reported an all-time record of 684,895 birth, weaning and yearling weights to the Association for processing, up 6.7% from a

year earlier. At the end of the year, there were 5,332 herds participating in the AHIR program, an increase of almost 4%.

New Angus herds add to the breed's growth. This year 3,012 new regular memberships were issued. This figure is up 11.1%, representing the most memberships recorded in the past 13 years, with the exception of 1980 — the last year that life memberships were offered. Junior memberships suffered a slight decline in 2000; down 11 members from FY 1999 for a decrease of 0.65%.

The growing ranks of U.S. Angus breeders used more AI than last year. The number of AI service certificates issued totaled 109,667, an increase of 6.92%.

The *Angus Journal* had a banner year. Advertising and pages increased, as did the overall size of the magazine and of the *Angus Beef Bulletin*. The *Angus Journal* continues to provide a forum for membership advertising and a way to reach the membership with timely news about the Angus and beef cattle industries.

We need to enjoy the good year we've had, yet not lose track of the fact that our competition is still looking for ways to cut into our lead in the business. We have a long way to go in order to provide the kind of beef consumers are demanding daily. Everyone who attended the National Angus Conference in Lexington, Ky., in September and who listened to the speakers understands this and realizes how important it is to continue to improve the carcass merit of Angus cattle.

If we never lose sight of the fact that the consumer is the ultimate judge of our product and determines whether we prosper or fail, and if we continue to use every means at our disposal to improve our cattle and to market them effectively, we will be able to enjoy many more years of growth in the Angus business.

Richard J. Spader

YEAR TO DATE	2000	INCREASE OR DECREASE	INCREASE OR DECREASE (%)
Registrations	271,222	10,315	3.95
ET Registrations	20,383	1,927	10.44
Transfers	169,232	17,842	11.79
Regular Members	2,780	—	—
Convert to Regular Members	232	—	—
Total Regular	3,012	301	11.10
Junior Members	1,693	(11)	(0.65)
Non-Resident Members	4	—	—
AI Certificates	109,667	7,102	6.92