



Board Action

► Highlights of the Sept. 10-12, 2014, meeting of the American Angus Association Board of Directors

Board action

Pursuant to notice, the meeting of the American Angus Association Board of Directors was convened Sept. 10-12, 2014, in Saint Joseph, Mo. The following officers and directors were present: Gordon Stucky, president and chairman of the board; Cathy Watkins, vice president and vice chairman of the board; Jim Sitz, treasurer; Charlie Boyd; Tom Burke; Scott Foster; John Elbert Harrell; Phil Howell; Leo McDonnell; Vaughn Meyer; John Pfeiffer; Chris Sankey; Arlen Sawyer; Don Schiefelbein; Doug Schroeder; Darrell Silveira; Jim Sitz; and Kevin Yon. Highlights of the meeting are as follows:

ACTIVITIES COMMITTEE

- The following individuals will be inducted into the 2014 Angus Heritage Foundation: Don Greiman, Garner, Iowa; Paul Donnelly, Kansas City, Mo.; Lawrason Sayre, Churchville, Md.; and Bob Laflin, formerly of Olsburg, Kan.
- The Western Regional, Reno, Nev., was approved as the 2016 Regional Junior Angus Show.
- The following were approved as 2016 regional junior preview shows:
 - Mid-Atlantic Junior Angus Classic (MAJAC), Harrisonburg, Va.
 - Atlantic National Junior Angus Show, Timonium, Md.
 - All-American Angus Breeders' Futurity Junior Angus Show, Louisville, Ky.
- The Committee created the 2015-2016 Roll of Victory (ROV) and National Junior Angus Show (NJAS) judges list.

FINANCE & PLANNING COMMITTEE

- The Committee reviewed the balance sheets and income statements for the period ending July 31, 2014. The financial review included the consolidated financial report and financial reports of each entity. Projections of the financial results for the fiscal year that will end Sept. 30, 2014, were also reviewed.
- The Committee reviewed the investment portfolio of the Association and its subsidiaries. The total return for the trailing 12 months, ending June 30, 2014, was a gain of 16.3%. The investment portfolio consisted of 62% equities and 38% fixed income securities.

- The Committee recommended adoption of a budget for fiscal 2015 with projected revenue of \$11,572,000 and expenses of \$11,356,000. The budgeted net income for the year would be \$143,000 after non-operating adjustments.
- The Committee reviewed the codes of conduct for directors and employees.



BREED IMPROVEMENT COMMITTEE

- Work on incorporating the feed intake expected progeny difference (EPD), which is calculated as part of residual average daily gain (RADG) EPD, into feed dollar value index (\$F) was discussed, and the research was summarized. A December 2014 release is anticipated.
- Information was presented regarding the number and size of three-generation pedigree requests.
- Staff plans to research a foot-scoring system. A recommendation will be presented for consideration at the February 2015 Board meeting.

ANGUS GENETICS INC. (AGI)

- Genomic recalibration was summarized, with a planned release date of Sept. 19, 2014.
- Also on Sept. 19, heifer pregnancy (HP) EPDs will be updated with a new model and base year and will be updated weekly thereafter.
- University of Georgia scientists presented the status of their research on future strategies for incorporating genomics into EPDs.
- A presentation was made on missing-



haplotype research being conducted at the University of Missouri.

ANGUS FOUNDATION

- Planning has begun for Tom and Lois Ames of Spruce Mountain Ranch, Larkspur, Colo., to host the "Angus Night on the Mountain" Angus Foundation fundraiser the evening of Jan. 14, 2015, in conjunction with the 2015 National Western Stock Show (NWSS).
- Contributors to the Angus Foundation for Fiscal Year (FY) 2014 will be recognized in the Angus Foundation's 2014 annual report, fall/winter newsletter and website. Contributors of \$250 or more will receive invitations to the

Angus Foundation's 2014 Supporter Recognition Event to be in Kansas City, Mo., Monday, Nov. 3, 2014.

- Contributors of \$25,000 or above in accumulative giving to the Angus Foundation since its inception in 1980 will be recognized with plaques in a special presentation at Kansas City for their lifetime giving support to the organization.
- Staff will proceed with implementation steps for the Angus Foundation 2020 long-range strategic plan. Input is welcome regarding any new programs and beef cattle research areas of interest. Other steps will include increasing communications about research and utilizing all available communications for educational purposes to communicate the positive story of the Angus Foundation's impact on members and youth lives, the Angus breed and beef cattle industry.

ANGUS PRODUCTIONS INC. (API)

- Progress was reported on the unification of API and the Association's Communications and Public Relations Department, including a review of the API management team.
- A business analysis of API was presented, including specific tactics for

strengthening API's position in the next five years.

CERTIFIED ANGUS BEEF LLC (CAB)

- ▶ After lengthy negotiations, a favorable settlement to the Puerto Rico lawsuit has been reached.
- ▶ An all-time record attendance of 686 has been reached for this year's Annual Conference.
- ▶ An update on the investigation of potential production of *Certified Angus Beef*® (CAB®) product in Russia was provided.
- ▶ The current approach to Supply Development continues to focus on communicating with the production segment and assisting them with strategies that focus on growing the number of certified carcasses for the brand.
- ▶ It was reported that while the formal Feedlot Licensing Program is being phased out, it will be replaced with activities that continue to expand CAB's impact with feedlots targeting high-quality beef production.
- ▶ The USDA was seeking comments on the current beef grading system, especially as it related to yield grade, maturity and instrument grading.
- ▶ This year the annual Building Blocks seminar hosted in partnership with the Angus Foundation will target an additional three to four young Angus leaders in addition to the National Junior Angus Board.
- ▶ A successful compromise was reached with the Aberdeen Angus Cattle Society regarding a confusingly similar mark in the United Kingdom.
- ▶ CAB demand continues to increase with sales expected to exceed 880 million pounds (lb.) for the year, an increase of 15 million lb. over the prior year. August posted the second month ever to exceed 80 million lb. in a month. An increase in certified cattle was reported, despite a reduction in the total cattle inventory due to great acceptance rates.



- ▶ In a supply update, it was reported that CAB-certified carcasses have reached 14.6% of the fed-cattle mix, an all-time high given the percent of cattle that are Angus-influenced and the record acceptance rate attributed to the quality in the cattle.
- ▶ In FY 2015, it is expected that the kill will be down 3% for the industry, but if the trends in acceptance rate and number of Angus-eligible cattle continue, certified numbers should be flat to slightly up in 2015.
- ▶ The FY 2015 budget was approved as presented.

BOARD OF DIRECTORS

- ▶ The proposed budget for FY 2015 was reviewed and adopted.
- ▶ Association member Curtis W. Long, Butler, Mo., was elected as an Outside

Representative on the Angus Foundation Board of Directors for a one-year term effective Nov. 6, 2014.

- ▶ The Board of Directors appointed a special committee to review the Association's mailing list policies.
- ▶ Staff was directed to secure dates covering the first full weekend of November annually for the National Angus Convention & Trade Show beginning with the 2016 convention.
- ▶ Staff was directed to develop and present to the Board for its review a potential approach to deal with member requests for genotypes.

NEXT BOARD MEETING

- ▶ Nov. 3, 2014, in Saint Joseph, Mo., and Nov. 6, 2014, in Kansas City, Mo.



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