

Making Choices

Cattlemen's College® offered 25 educational session choices.

by *Kasey Brown*, associate editor; *Kindra Gordon*, field editor; & *Troy Smith*, field editor

The Cattlemen's College® has a reputation for being the educational arm of the Cattle Industry Convention & NCBA Trade Show, and in its 22nd year, 2015 was no exception. The program has grown to include a hands-on section, a barbecue dinner, a keynote speaker, a wrap-up speaker, plated lunch and seven tracks of topics integral to the future of the beef business for a grand total of 25 educational sessions. The tracks included rebuilding the nation's cow herd, the future of beef production, animal and ranch management, business, customer relations, the vision of young cattlemen, and keeping the beef story alive.

Look for more from the Cattlemen's College in future issues of the *Angus Journal* and for complete coverage in the Newsroom of the *Angus Journal* Cattle Industry Convention coverage website, www.4cattlemen.com.

Wealth management: Protecting profits

In ranching, like any business, achieving success or something less hinges on the choices you make. According to rancher Homer Buell, it depends on how you choose to use ranch resources.

Buell explained how he and his brother came to share management of Shovel Dot Ranch and grow the north-central Nebraska operation originally established by their great-grandfather. He told how they chose to utilize their most abundant resource, Sandhills rangeland, to produce home-raised yearlings and market them through a well-established local auction market.

While their feeder cattle typically are sold during late summer, Buell explained how the yearling enterprise lends marketing flexibility. When forage supplies were limited by drought, choosing to market calves reduced forage demand and allowed cow herd numbers to remain relatively constant.

"Grass is our biggest resource, and we have to manage it well," stated Buell. "To do a better job, we used grazing-management software. It was a good move for us."

Buell said the purchase of computer software to aid financial and managerial accounting was another good investment that helped him and his brother be better businessmen. To become better cattle managers they sought research-based information like that produced at the U.S.



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Meat Animal Research Center (USMARC) at Clay Center, Neb.

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Buell said he and his brother also chose to address estate planning early. They divided ownership of land while still operating the business in partnership. That move served them well when the time came to end the partnership so grown children could be brought into each brother's respective operation.

Buell shared his belief in investing in the local community to help keep it viable and attractive to young people. He urged



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audience members to invest both leadership and money. For the latter, he recommended that ranchers consider donating a small percentage of their estates to their own communities.

Following Buell, Nebraska certified public accountant Larry Kopsa advised cattle producers in the audience to use care when investing their profits. He advised collaboration with a team of advisors to minimize tax burdens and choose wise investments.

"Expenditures should be made to make money and make you more efficient. Don't overspend on things that just make you happy," counseled Kopsa.

— by Troy Smith

The role of ground beef in today's market

The versatility of ground beef for use in a variety of recipe and meal options keeps it a popular food staple that most families have in their refrigerator, pointed out National Cattlemen's Beef Association (NCBA's) John Lundeen.

From burgers and meatloaf to spaghetti and tacos, ground beef offers consumers ample options for use in multiple recipes — especially ones kids like, Lundeen noted. Other attributes of ground beef for consumers include its moderate price, quick and simple preparation, and ease in portioning.



35 Keys to Success
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PHOTO BY KINDRA GORDON

► Ground beef now represents nearly 60% of total volume of beef sales. However, ground beef is consistently only about 20% of total value from beef at the wholesale level, noted Top Dollar Angus' Tom Brink (left) and NCBA's John Lundeen.

"I think the closest competitor is the chicken breast," Lundeen noted.

He shared market research indicating consumers very much prefer the taste for beef. In a survey comparing ground beef to ground turkey, results showed a preference for beef with a 10-to-1 margin.

"We like to have this data to support checkoff efforts and to stay informed of what consumers are looking for," Lundeen said.

Because of the continuing popularity of burgers, Lundeen noted that there are many who are trying to compete with market share for ground beef — from tofu and Boca burgers to plant-based burgers made from chickpeas.

"We want to continue to work to defend our market," he said. To aid consumers with recipes for ground beef, special recipes and resources are featured online at www.beefitswhatsfordinner.com/groundbeef.aspx.

Also during the Cattlemen's College session, Tom Brink shared thoughts on whether more young cattle should be fed specifically for the ground-beef market, which was a premise getting much discussion after Rabobank AgriFinance published the paper *Ground Beef Nation* in early 2014 highlighting consumers' increasing consumption of ground beef during the past two decades. Ground beef now represents nearly 60% of total volume of beef sales.

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the wholesale level, noted Brink, who has worked in the beef industry all of his life. "We are both a ground-beef nation and a fed-beef nation. We can be both. They are not in competition. Both have a role in our industry."

He added, "With our younger cattle, we are focused on a fed-beef nation for economically driven reasons. ... If someone wants to try to short-feed cattle for the ground-beef market, I can guarantee they will only try that one time ... because the money won't be there."

He concluded, "Ground beef is very important, but I believe it's secondary and will remain that way."

— by Kindra Gordon

Balancing work and life

Those in the cattle industry wear a lot of hats. Oftentimes, cattlemen lament that they wear too many at one time — those of laborer, manager, owner, mother or father, husband or wife, and more. However, Robin Falkner and Mike Nichols, both veterinarians with Zoetis, said being conscious of the hats worn is more important than the number of hats worn.

All too often, when we step back and evaluate our performance as one of those hats, say a laborer or manager, the distracted performance would have gotten a hired employee fired, Nichols explained. That distracted performance also affects the amount of time spent with family in higher dimensions of thought.

Falkner and Nichols explained the progression of dimensions of thought. A financial example is that the first dimension



PHOTO BY KASEY BROWN

► What really lights up a cattleman's eyes is talking about the legacy of the ranch, or whether they are a fifth-generation rancher, says Zoetis veterinarian Robin Falkner.

is simply cost and cash flow. The second dimension in this example is the return on investment; the third is efficiency, or true accounting. The fourth — where personal life typically comes in — is time. The fourth dimension in this example gets beyond science, accounting forms and work getting in the way of family life, Nichols noted. Sometimes we get so focused on the squeaking wheel that we lose sight of the bigger picture.

In the bigger picture of the ranch, they explained, the seven dimensions of thought progress from laborer to manager, then owner, family member, neighbor, industry leader, mentor, legacy and eternity — though some titles reside in more than one dimension of thought. The earlier dimensions are those in which you count, then progress to account, and once you hit the fourth dimension, that turns into being accountable.

Falkner and Nichols said cattlemen should strive to reach past the fourth dimension in which we care for our neighbors or mentor young people. Nichols gave the example of the FFA motto, "Learning to do, doing to learn, earning to live, living to serve." The last line, living to serve, is the investment of time that can really pay dividends in importance, he added. Who knows what opportunities would come of opening yourself to others?

"Quit spending time and start investing time," Nichols recommended.

Falkner said cattlemen don't often talk about the "soft stuff," and they talk about the money aspect. However, what really lights up a cattleman's eyes is talking about the legacy of the ranch, or whether they are a fifth-generation rancher.

Commit to and make time for important family occasions, whether that is a vacation, fishing or spending every Wednesday at home with family.

"We have a lot of money wrapped up in our ranches, so we think that all of our priorities should be on the business, but that is not necessary," Nichols concluded.

— by Kasey Brown



Editor's Note: This article includes Angus Journal coverage of the 2015 Cattle Industry Convention & NCBA Trade Show. Comprehensive coverage of the event is available in the newsroom at www.4cattlemen.com.