

Forging Trails

A student of the cattle industry, Jarold Callahan was well-equipped to help lead the American Angus Association through uncharted territory.

Story & photos by **Shauna Rose Hermel**

From a bird's-eye view over central Oklahoma, one can see trails cut deep into the landscape by the Longhorns and the cowboys who drove them north along the Chisholm Trail from Texas to the rail cars in Abilene, Kan. Virtually indiscernible at ground level, the trail's eastern path cuts through what is today Express Ranches, Yukon, Okla.

"As the story goes, and I think it is true," says Jarold Callahan, ranch president, "they would cross the North Canadian here, lay over and graze these hills. This is where the Indians would come and extract their one or two steers for letting them cross."

Visiting with the 112th president of the American Angus Association, it's obvious that he embraces Oklahoma's history — the cattle, the oil and gas barons, the politics and the pivotal events that helped shape the landscape for agriculture today.

It may seem an odd fascination for one so otherwise single-mindedly focused on the cattle business, but for this Oklahoma native, it's part of understanding the industry that is his passion, which, in turn, helps him navigate the terrain today.

"He loves history," says fellow Board member Phil Trowbridge, Ghent, N.Y. "He doesn't want to live in it. He wants to create history, and I think he has."

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► "To be in this business you have to love it, and you have to be interested in it. You have to be to be very successful at it," says Jarold Callahan. "I think that's one of the neat things about the Angus business. It's not only a business, but people have a passion about what they are doing."

► Above:

“In retrospect, his years on the Board have been challenged with some of the toughest decisions the Association has ever had to contend,” notes former Association President Ben Eggers of Sydenstricker Genetics, Mexico, Mo. From advances in technology for genetic prediction and information distribution, to economic recession compounded with genetic defects, the Association Board forged trails through uncharted territory during his tenure.

As echoed in “Peer Review,” the Board, staff and membership looked to Jarold for his industry knowledge, business savvy, power of observation and leadership as they made decisions that will prove pivotal turning points in the breed’s history.

Roots in Oklahoma agriculture

That well-rounded background began on his family’s farming and cattle operation near Welch, Okla., where Jarold developed a love for the cattle industry.

“My dad told me when I was young, find something you like to do so well you’d almost do it for free, and then figure out how to make a living from it. I’m that way about cattle,” he shares, adding that he’s glad there is no mandatory retirement age for cattlemen.

“I will probably own cattle until the day I die,” he says, admitting to what he calls an addiction. “I’ve had chances to do other things outside of agriculture, but I like cattle.

I like commercial cattle. I like registered cattle. I like running steers. I like feeding cattle. I like watching them grow.”

His addiction began at an early age.

“I grew up totally commercial,” says Jarold, noting that the family’s commercial cow herd varied in inventory from 100 to 500 cows. Typical of other farmer-feeders in the area, they backgrounded 500-1,000 stockers,



▶“One of the things I’ve always loved about the cattle business is that we respect experience and age,” says Jarold, noting that’s unique to the livestock industry. “If you have an 80-year-old producer who’s still going strong in the cattle business, he is pretty well revered, because he has seen the droughts, and he’s seen the cycles, and he’s seen the ups and downs of the cattle business, and he’s survived.”

feeding some of them out in their own feedyard and marketing them as fed cattle to the small packing companies available in Oklahoma City and Coffeyville, Kan. Others they fed at commercial feedyards like Neill Cattle Co. Feedyard at Welch and Hitch Feedyards in western Oklahoma.

With his dad and brothers more interested in farming, Jarold took the lead with the cattle enterprise.

“I started buying stocker cattle for my dad at sale barns when I was 15 years old,” Jarold recalls. “I’d get a ride after school to the Welch sale barn, and I’d buy stocker cattle. He’d come in that night from sowing wheat or something and pick me up and the cattle that I’d bought.”

The oldest son of five children, Jarold also gained experience supervising his dad’s employees. In doing so, he shares, he learned a valuable life lesson.

“Some of those employees were not well-educated, but all of them knew more about something than I did. I could learn something from every one of them,” says Jarold, recognizing that their expertise resulted from experience and an interest in what they were doing.

An eye for good stock

Jarold soon realized one of his interests when he was introduced to livestock judging through his involvement in FFA. In addition to sharpening his skills at evaluating livestock, he says participating in livestock judging helped him to develop the ability to think critically and to verbalize those

Peer Review

Fellow directors offer insight into Jarold Callahan’s contribution as a director and officer of the American Angus Association.

What has Jarold Callahan contributed to the American Angus Association and its members during his tenure?

Jarold has brought leadership, direction and guidance to the American Angus Association and its membership during one of the most unsettling times the Angus breed has ever known. — *Terry Cotton*

Jarold has a businessman ideology in a cowboy’s body. He has a financial view that is not just unique to our Board, it is unique to people. That vision has been his biggest asset to the Board. — *Phil Trowbridge*

Jarold’s experience in the business world has advanced our Association staff and leadership into a business structure appropriate for our size. He has left a great example of execution of this business model to the executive management team and future boards. — *Steve Olson*

Leadership! Jarold’s knowledge of the beef industry and his ability to analyze issues rank high in his contributions to our Association,

but what sets him apart is his ability to lead Board members to think independently and logically to reach the best decisions for our members. — *Cathy Watkins*

Jarold is certainly one of the sharpest and most talented individuals in the entire beef industry today. — *Jim Rentz*

A consummate visionary, consensus builder and analytical thinker, Jarold’s tenure will long be remembered for his discernment of issues confronted by the Board, listening to all views presented, then helping guide the Board and staff to strategically arrive at the best solution for our members, always keeping their best interest in mind. — *Milford Jenkins*

His broad overview of the entire beef industry is like none other — from feeding cattle to selling hundreds of bulls, to the showing and his realization of its importance to juniors. He has that unique vision. — *Charlie Boyd*

Serving on the Board under President Callahan was much like attending your favorite class, led by one of your most challenging, thought-provoking, yet fun, teachers. Jarold is one of the most knowledgeable, strategic, visionary and articulate leaders in this beef industry. — *Kevin Yon*

Examples of Jarold’s positive influence ...

When I first came on the Board four years ago, there were a lot of major issues — including the finance situation and genetic defects — that we needed to get up to speed on so we could make decisions. Along with his expertise and ability to understand the situation,

thoughts as he explained his decisions — skills he would use throughout life. His high school team excelled, winning the National FFA Livestock Judging Contest, in which he placed third overall as an individual.

He continued to pursue that passion, participating on the judging teams at Northeastern Oklahoma A&M College (NEO), where his team won every contest in which it competed, and Oklahoma State University (OSU). Competing in six senior college contests, Jarold placed in the top three individuals five times. His team won the collegiate judging contests at Denver, Fort Worth and Houston.

Developing an eye for cattle starts with a love of animals that feeds an interest in their structure, their movement and their behavior, says Jarold, adding that people generally have it or they don't. Interest sharpens your powers of observation, and helps you continually add knowledge through experience.

It's an ongoing process, he emphasizes. "You have to be a student. I am continually learning."

An excellent student at that, Jarold finished among the top 10 seniors in the College of Agriculture at OSU, graduating with a bachelor's in animal science in 1976.

That fall, at the age of 21, he began teaching introductory animal science and coaching the livestock judging team at NEO, obtaining a master's degree in animal science from the University of Arkansas-Fayetteville while he was at it. Jarold excelled at both teaching and coaching and was promoted to



►A true cattleman, Jarold says the part of the Angus business he enjoys the most is evaluating which matings worked best as new calves are being born in the spring. Making those mating decisions is a task he holds onto.

head NEO's Department of Animal Science.

He returned to OSU as assistant professor of animal science in 1981. With a 100% teaching position, he taught beef cattle production, coached the judging team and managed the purebred beef cattle herds, which included Angus, Limousin, Simmental, Brangus, Hereford and Polled Hereford.

"Jarold's unique skill set, combining a knowledge of livestock beyond his years, a passion for competition and unparalleled ability as a leader, molded his teams into fierce competitors with a winning mentality," says Mark Johnson, associate professor and current livestock judging coach at OSU. Johnson competed on Jarold's 1985 team,

which won competitions at Wichita, the Louisiana State Fair and the American Royal before finishing as Reserve National Champion.

"With high expectations for all students, Jarold was an outstanding teacher and mentor, as well as the most successful and respected livestock coach and cattle judge of his era," adds Johnson, who Jarold convinced to stay at OSU for a master's degree and to assist in coaching the 1986-88 teams.

He literally wrote the book on livestock judging — a 97-pager entitled *Animal Science Livestock Selection Manual*, which OSU published in 1984. Often asked to judge

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Jarold could relay ideas, and he was always open to ideas that anybody else might have. — *Doug Schroeder*

Jarold has a great perception of what others are trying to say and the ability to find the root of the issue that really needs to be discussed. — *Steve Olson*

He has been a leader on establishing sound policy and promoting new innovations to strengthen the Angus breed. He was an early promoter and adopter of DNA technology, and helped AGI and AAA become the industry leader in the use of genomics in the seedstock and commercial cattle business. — *Doug Parrett*

He has been at the forefront of the genetic recessive issues. He realized that our commercial customers needed protection and reassurance, first and foremost. He also realized that breeders need to be supplied with the tools to make good decisions. — *Ben Eggers*

What makes Jarold a good leader?

Jarold Callahan is one of the best leaders the American Angus Association has ever had. To me the reason is very simple. He has the ability to look into the future of not only the AAA, but the beef industry as a whole. He is passionate about the Angus breed and the AAA and is one of the few people I know who wants to do what is right for the breed and Association and doesn't have to have the credit. — *Bill Davis*

He has an uncanny ability to put his arms around very complicated situations and explain them in terms the whole Board can understand. — *Darrell Silveira*

From Jarold's varied experience as a cattleman, teacher, coach, executive director of the Oklahoma Cattlemen's Association and president of Express Ranches, he came on the Board being able to understand all facets of what it takes to run and manage the largest beef organization in the world. — *Minnie Lou Bradley*

Jarold has a unique ability to make things move forward. Many times in the boardroom there will be a wide range of ideas being discussed and cussed, with no real direction being taken. Jarold will take different ideas, put them together and move us forward to a decision that we are, for the most part, happy with. — *John Pfeiffer*

The thing that impresses me about Jarold is his knowledge of the Angus breed and all segments of the beef industry. He brings a wealth of information and passion to the Board meetings and the breed. — *Scott Foster*

He has a unique ability to see and fend off a problem before it becomes an issue. — *Charlie Boyd*

Because he lives the cattle business every day, others respect his input, and because he is a clear thinker with good vision, people like to work with Jarold. — *Doug Parrett*

Like any good livestock judging coach, Callahan expects you to see it, make a decision, and be able to back it up. He also demands your very best. Angus breeders and our commercial customers alike have been the beneficiaries of Jarold Callahan's service to the American Angus Association. — *Kevin Yon*

shows across the country, there was a period of 15 years during which he would have judged, on average, 100 shows a year. Among them were national shows of most of the significant beef breeds and some of the largest market lamb shows.

"The last five years I coached I was national coach of the year," he notes, adding that he had reached tenured status, the first and maybe the last candidate to do so without a doctorate. "We'd won all the contests multiple times."

A fresh challenge

When friends encouraged him to take the executive director position at the Oklahoma Cattlemen's Association (OCA) in 1991,



►Jarold's wife, Jennifer, and son Ryan, both partners in Callahan Cattle Co. of Edmond, Okla., share his enthusiasm for the cattle industry. Now a director at McAfee & Taft law firm in Oklahoma City, Jennifer was raised on a small farm in northern California, showed cattle and sheep, and judged successfully for Cal Poly. She has taken the point in managing the Callahans' stocker-cattle enterprise, which at one time comprised 20,000 head and 20 employees. Ryan, an eighth-grader, is becoming more active in junior Angus activities and having success in the showing with his bred-and-owned seedstock. Jarold's two older children were also involved in the cattle operation when they were growing up. Son Brian lives in Plano, Texas, and works for an intellectual property (IP) company in Dallas. Daughter Tracie Pogue lives nearby and has her own dance studio in Yukon.

Jarold decided it was time for a new challenge.

"I always thought coaching the judging team was something for younger people," he says, smiling. "I didn't think I would enjoy riding around in a 15-passenger van with 19-year-olds when I was 55 years old."

Working for the OCA allowed him the time and opportunity to start his own registered Angus operation and brought new experiences, including lobbying.

"In that job — by far of any job I've had — I learned the most, because I knew absolutely nothing about it when I started," Jarold chuckles. "I was on a pretty quick learning curve. We got a lot of things accomplished — more because I was there at the right time than anything I did, but it was a very eye-opening experience for me."

At OCA he gained experience in member relations and association finance from a staff perspective.

"If I would have known what poor financial shape [OCA] was in, I probably wouldn't have taken the job," he says. The positive of that, as an officer suggested to him, is that trade associations are generally most responsive to the membership when they are financially strapped, which can spur progress.

While at OCA, Jarold coordinated a purchase-donation of the B&L Ranch at Shawnee, Okla., for Billy Yarborough, who was wanting out of the business. The OCA Foundation purchased the B&L assets, later selling the cattle, equipment and land to Bob Funk, owner of Express Personnel Services and Express Ranch Limousins.

"It was one of those win-win-win deals," Callahan says. The deal put \$1 million in OCA's foundation; Express got into the Angus business at a reasonable price; and Yarborough was able to support the foundation while retaining more of the sale value than he would have selling the operation outright.

"It was a fun project to work on," says Jarold. "It took a lot of time and a lot of thought, a lot of tax attorneys' help, but I pulled that off, and it was a good way to get Billy out."

Following the herd

Express bought the B&L herd April 1, 1995, Jarold says, raising his eyebrows at the irony of the purchase date. The agreement was that he would "help with the Angus." While still working at OCA, Jarold regularly

visited the ranch to consult with then general manager Bill Couch to plan matings and provide insight for the Angus enterprise.

In 1996, when Bob was in need of a COO, he turned to Jarold.

"I really didn't have many plans to go to work for Express," Jarold recalls, "but Bob recruits and employs about 300,000 people a year, so I guess he knew how to recruit."

Although Jarold had built a fairly successful purebred Angus operation of his own, it was small — compared to Express. The resources and the ability to do things on a larger scale intrigued him.

Asked the key to their working relationship, Bob quips, "He tells me where to go all the time."

"I spend literally a third of my time trying to keep him out of trouble with limited success, but I'll never run out of work," Jarold retorts in a characteristic banter. "Seriously, we trust each other, and we're real candid with each other. I know pretty well what he likes and doesn't like — and pay attention to it most of the time."

"Once in a while," Bob counters with a sideward glance. "We have a great relationship. My style of management is to hire people and let them do what they do best. Hire the best people you can and then let them function almost independently, as if it were their own."

Pleased with Jarold's performance, Bob named him president of the ranches in 2002. With the inclusion of the UU Bar purchased in 2005, Express Ranches now includes 15,000 acres in Oklahoma and 185,000 acres in New Mexico, as well as about 3,000 purebred cows, 2,000 commercial cows, and yearlings as pasture is available.

A notable change, only a handful of the purebreds are Limousins, Jarold says, stressing it wasn't his razzing that encouraged Bob to gradually convert. He looked at the bottom line.

Having experience with the genetics in his own herd, Jarold built up the Angus herd at Express with heifers from Bill Davis of Rollin' Rock Angus, Sidney, Mont., and Jay Leachman in Montana.

"When I came to Express, I told Bob he probably had a poor location to sell 100 bulls, but he had a great location to sell 1,000 bulls," Jarold recalls, explaining Oklahoma's three big cow areas — northwest, northeast and south-central.

With three interstates (I-40, I-44, I-35) running through nearby Oklahoma City, he

Jarold attributes his success to past failures. "There is no replacement for experiences, and lots of times you learn more from when you fail than from when you win."

observed, Express Ranches was located within three hours' drive of any part of the state. Selling fewer than 100 bulls would narrow the market to local wheat-pasture operators who primarily graze stockers and maintain a small cow herd on the side. Selling a volume of bulls, they could still satisfy the local market, but they could also attract the bigger, cow-calf-focused ranchers, who are typically more aggressive at buying bulls.

"That's proved to be true," he notes.

Express Ranches is known for producing donor females and show cattle, but Jarold says commercial bull sales are the ranch's bread and butter.

"When the females got so high, yes, we tried to capitalize on that, but it wasn't the foundation," says Jarold. "For most operations in the Angus business to succeed, they have to have a foundation of the commercial bull market. Then you can build the rest of the house however you want to build it."

That outlook proved pivotal in 2008 as the Great Recession and genetic defects took their toll on the Angus business. As the defects were identified, tests developed and Association policy for handling carriers was established, the value of donor cows and embryos in inventory literally tanked, Jarold winces. "It was painful."

Yet Angus bulls retained their value in the commercial sector, largely because of the policies the Board adopted to protect the commercial customer, the technology the Board advanced to give seedstock producers the tools to address the problem and the Association's transparency in the matter.

"It's a healthier business model now. People are more selective. They are more knowledgeable. They are using all the data, resources, the genomics, EPDs and the phenotype," Jarold observes. "They are drilling down and really doing a better job of selection and maximizing superior genetics than we used to do."

Without hesitating, Jarold says Angus breeders have improved the breed.

"The commercial industry is telling us that," he says, pointing to the dominance of Angus bulls as reflected in volume of sales and in price. "The demand for Angus genetics, particularly in the commercial sector, is what has sustained us as a breed and as breeders."

Decades from now, the specific discussions and individual decisions made during Jarold's tenure will become blurred as the casual observer looks back upon the history of the American Angus Association and follows its course through time. But from a bird's-eye view, the path to where we are today was forward.



► Nearly 600 purebred females, including these 2-year-olds, sold in Express Ranches Big Event Sale in August. The Big Event is one of six sales hosted throughout the year, providing the business cash flow at regular intervals.



Key influencers

Three men stand out as to their influence in his life, says Jarold Callahan, president of the American Angus Association — his father, Joe Callahan; Robert "Bob" Totusek, who headed the Oklahoma State University (OSU) Department of Animal Science while Jarold was on faculty; and Bob Funk, owner of Express Personnel Services and Express Ranches.

"My dad is living proof there is a lot right with the U.S.," says Jarold, who describes his father as very quiet and cerebral. "He started with nothing and wanted to be a farmer and rancher. Over the period of his lifetime, he accumulated several thousand acres of land. It's paid for, and he got to do what he wanted to do. Through hard work, he was very successful."

Though neither of his parents attended college, all five children were expected to go and to graduate, notes Jarold. "Most of us have advanced degrees."

By nature impatient, Jarold says Totusek taught him patience with people and ideas — and perseverance.

"That's one of the things that's helped me on the Angus Board — to respect other people's points of view and recognize they're not always going to be the same as mine," says Jarold. "If you're convinced you're right, persevere, have patience and work with people to bring them around to your way of thinking."

Jarold says he learned how to work with diverse groups observing how Totusek managed the OSU faculty. Applicable to both his role at Express Ranches and on the Angus Board, Totusek helped him understand that, in order for a group to function properly, everyone has to respect the importance of everyone else's job.

"About once a year, when he thought everybody was fighting and feuding and fussing about turf, Dr. Totusek would give us a very quiet, mild-mannered lecture that everybody should think their job was the most important, but they needed to respect the fact that their co-workers thought the same thing," recalls Jarold. "While they might not think their co-worker's job was as important, he did, and the administration did, and that's why they had those jobs."

Jarold looks to Bob Funk as his role model for working with and supervising people.

"As a young guy, I was a little harsh in managing people because I wanted results right now," he explains. "Bob's more people-driven. Bob's more successful than I am." Bob believes in people and always looks for the best in them, says Jarold, noting that his "superb people skills" result from the fact he really enjoys people.

He embodies the power of positive thinking, and it is that enjoyment of people and positive outlook that makes Bob a great person for whom to work, says Jarold. "He'll give you as much responsibility as you can handle. Now he is going to hold you accountable, as well he should, but he will let you try about anything."

In managing people, Jarold says Bob has impressed upon him the need to find the right people, to support those people and to continually encourage those people.