

Aberdeen in twenty-thirteen

2013 National Jr. Angus Show • Kansas City, Mo.



PHOTOS BY LYNSEY MEHARG



► Brooke Harward uses a quiet moment to practice her speech.

Speaking Up

NJAA members use public speaking to tell the beef industry story.

compiled by **Kasey Brown**, associate editor

Being able to get a point across is a skill that is necessary in the real world, though even some adults are scared of public speaking. That didn't seem to be a problem with these winners of the National Junior Angus Association (NJAA) Prepared Public Speaking Contest. They competed during the National Junior Angus Show (NJAS) in Kansas City, Mo., July 5-11.

Junior and intermediate division contestants could speak on any subject pertaining to Angus cattle or the beef industry. Exploration of, and insight into, any and all phases of the industry were encouraged, with the topic prompts of current affairs, policies and trends. Senior division contestants were asked to address

the current cow inventory and its impact on the beef industry.

Speeches in the junior division were to be between 4 and 6 minutes in length, and intermediate and senior division speeches were to be 6-8 minutes long.

This year's winners were Alexandria Cozzitorto, Lenexa, Kan., junior division; Jera Pipkin, Republic, Mo., intermediate A division; Cooper Sadowsky, Eagleville, Mo., intermediate B division; and Lauren Adcock, Moweaqua, Ill., senior division. Adcock won a \$1,000 scholarship from the *Angus Journal* for her senior division win. The winners of the younger divisions each won \$125.

Here are their winning speeches.



How Beef Production is Sustainable and Good for the Environment

by **Alexandria Cozzitorto**, junior winner

Sustainability. Going green. Eco-friendly.

These are the buzzwords we hear on talk shows and see in political and industry news every day, where we are asked to do our part to protect our environment. For those of us in the agriculture industry, this is common sense and common practice.

“Improved genetics, nutrition and management have considerably reduced the environmental impact of modern U.S. beef production,” according to Jude Capper, Washington State University. But, somehow, this message has been lost by many outside of the agriculture world.

Hello. My name is Alexandria Cozzitorto. Today, I am talking about “How Beef Production is Sustainable and Good for the Environment.”

Unfortunately, beef agriculture has lost some of the trust and confidence from consumers. Many consumers are questioning the eco-friendliness of our agriculture practices and our commitment to raising beef responsibly and sustainably. What they do not realize, and I believe it is our responsibility as beef advocates to tell them, is that beef production is one of the greenest technologies available on our planet.

That’s right, beef production is a sustainable agriculture practice. We are producing more beef for our world while using fewer resources.

Examples

Now I will highlight three examples of sustainable practices being used in the Angus industry today that tell the truth of our story, our way of life and our commitment to responsibly doing more with less.

First, let’s talk about expected progeny differences, also known as EPDs, and their relationship to sustainability.

EPDs are the prediction of how future progeny of each animal are expected to perform.

The idea that EPDs are “green” and promote sustainability might be a new concept for some, but Angus producers have been using fixed amounts of resources in conjunction with EPD technology to produce more beef per cow for over 40 years, longer than any other breed.



Alexandria Cozzitorto

In fact, Angus producers who select for increased weaning and yearling weight EPDs have effectively increased weaning weights from approximately 300 pounds to

over 700 pounds ... and harvest weights from 900 pounds to over 1,300 pounds, all while using less land, less water and less feed.

In addition to EPDs, producers have also identified other technologies to promote beef sustainability on their ranches.

Cross-fencing is another one of these technologies. Cross-fencing is a method of taking a very large pasture and dividing it into four or five smaller pastures. This method gives the grass about 21-35 days to rest between grazing periods. By using this method, the feed in those pastures actually doubles in production.

Finally, there is DNA technology.

“By simply taking a blood or hair sample from the animal, we are able to predict with 95% confidence how these cattle will perform on the ranch and in the feedlot,” according to Scott Bormann, former director of animal genetics at Zoetis.

Beef producers can now select for cattle that eat less feed while still growing at the same rate. DNA technology is well on its way as a tool for Angus producers to use.

Sharing the beef story

I use EPDs, cross-fencing and DNA technology in my own herd. I also share my farm story by explaining that the beef product is sustainable, healthy and good for the environment because we use these tools available to us. I give speeches here at the National Junior Angus Show, and I bring

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this information to my classroom, educating those who are removed from the farm.

The future is very bright for the Angus breed, which is doing its part to successfully protect our environment while growing our brand.

In fact, the popularity of the Angus breed among cattle producers has sky-rocketed over the last 40 years! According to *BEEF Magazine*, “In 2013, 78% of all commercial cattlemen will purchase and use Angus bulls.”

With regard to taste, the Angus breed is very popular with the consumer. In fact, Certified Angus Beef LLC has been the largest branded-beef program in the world since 1978. Licensees currently sell nearly 1 billion pounds of Angus beef per year.

The bottom line is ... we are all called to be stewards of our environment ... including farmers and ranchers. The time has come for us to get this conversation started — sharing our story — that beef production is sustainable and our agriculture practices are eco-friendly. I am doing my part to help educate one person at a time. Now, I am challenging you to do the same.



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Cumulating Corn Prices and the Livestock Industry

by Jera Pipkin, intermediate A winner

‘H e just takes the tractor another round and pulls the plow across the ground and sends up another prayer. He says, ‘Lord I never complain, I never ask why, but please don’t let my fields run dry underneath this bright Missouri sky.’”

Jason Aldean couldn’t have said it better. The recent drought has taken a huge toll on Missouri farmers, but the drought alone shouldn’t get all the blame. Consider the Missouri Renewable Fuel Standards Act. Since its passage in 2008, corn prices have skyrocketed, causing feed rations to be cut and livestock to be sold.

You can see the worry in his eyes. The bank statement sits on the counter; the feed bill is in his hand. My father gazes out the window as the drought-stricken land gasps for water. Corn is the mainstay of his feed ration. According to *The New York Times*, in 2012 alone, federal and state renewable fuel regulations required the blending of 13.2 billion gallons of corn ethanol with gasoline. This required 4.7 billion bushels of corn, 40% of last year’s crop. Left with 60% to distribute to farmers, export and put on the shelves, prices rise.

The pencil taps on the table. The feed bill has gotten so high, we must revise our ration to stay afloat. Corn prices have peaked to over \$8 a bushel this year and have been more than \$7 a bushel in previous years. According to Purdue University, since mid-June 2012, corn prices have jumped by 60% and soybean meal prices by 25%. The manufacturing of corn has increased by four times in the last 10 years. Add that to the drought and it only leaves room for prices to increase. The difficulty comes in finding an equivalent to corn’s 10% crude protein. My father and grandfather stare blankly at the product sheet. It all boils down to this — we must sacrifice protein in order to support our cow herd.



Jera Pipkin

The slightest adjustments still do not help. Corn continues to rise, and with it the feed bill. Cattle trot up the ramp; they’re bound for the stockyards in the morning. The USDA’s mid-year cattle inventory report showed beef cow numbers dropped by 3% in the last year. Compared with a year ago, beef cow numbers, at 1.857 million head, were down 8,000 head, or 1%. With the passing of the Missouri Renewable Fuel Standards Act in 2008, cattle numbers have shown a consistent drop.

Because the act requires a minimum of 10% ethanol in gasoline sold in Missouri pumps, less corn and other biofuel products are available to the remaining public. This act reduces the amount of corn and other feedstuffs available to livestock producers, exports to build the Missouri economy, and,

to some extent, portions of the Missouri food supply. The bottom line: corn prices rise overall because of the amount set aside for ethanol.

With no waiver in place, the same amount of Missouri’s corn crop must be put to the biofuel each year. Inflated by the recent drought, corn production has dropped significantly. In low-production years, this leaves less and less corn to be distributed. The lack of available feed and the high prices for what is available has forced many producers to cull their herds.

Producer survivability

As my father and I drive down the highway in the old beat-up Chevy, a tear streams down his face. I think of not only our operation and how much we are struggling, but also of the thousands of other farmers across Missouri. We are not alone. Dairymen, hog farmers, commercial cattlemen, poultry producers, even food and beverage manufacturers are suffering from the high prices of corn.

Nationwide, the number of farmers has declined from 13.8% of the workforce in 1947 to less than 2% in 2012. Over the course of the past five years, numbers have dropped significantly, likely due to complications with the drought and high feed prices. In an interview with backgrounder and cow-calf producer Cody Gariss, he stated that the last few years for his operation could be summed up in one word — debt. He has been forced to take in fewer cattle and pay higher feed bills than ever before.

As Dad shifts the old Chevy into park, I sit there quietly, taking in the beautiful sunset as it reflects off the creek. I could never imagine losing this place.

The next morning, the gas truck stops by to refill the tank.

“That will be \$687.47, Mr. Pipkin.”

Prices continue to rise. Our bill is \$50 higher than last month. Still, there are both pros and cons to producing ethanol. Corn is indeed a renewable resource, but ethanol has



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a far lower yield relative to the energy used to produce it.

Looking at all sides

According to *The New York Times*, ethanol actually yields about 3% less energy per gallon, reducing mileage considerably. While ethanol is environmentally friendly and lowers carbon dioxide emissions, the cost it takes to produce it combined with lower corn yields the last few years has actually forced Missouri plants to shut down. The requirement of ethanol in Missouri gasoline is indeed making the environment more eco-friendly, but we must consider the effects it is taking on all end points.

Dad looks at me and shakes his head. "Jera Anne, we're left with not many options," he says. "To stay afloat, we have to adjust that feed ration and sell some cows."

Corn is such an irreplaceable resource that finding a solution to the problem of high corn prices is nearly impossible. As corn production decreases and the Missouri Renewable Fuel Standards Act stays the same, prices rise and force producers to reevaluate their operations. So the question is, how can corn fit farmers' wallets and federal regulations?



The Hunger Games: Angus Edition

by Cooper Sadowsky, intermediate B winner

Congratulations, you have all been chosen to participate in the annual Hunger Games! Have a happy Hunger Games, and "may the odds be ever in your favor."

How many of you have ever heard of *The Hunger Games*? Though I was originally skeptical of the publicity the book drew, after I had read it, I could understand why.

For those of you who haven't heard of *The Hunger Games*, it's a popular book that portrays a socialistic country where the government is in control of the food supply and uses it as a weapon. You see, the people in the book were starving.

This made me think about our role as Angus breeders in producing food for the growing world. Today you will get to experience the Hunger Games: Angus Edition. I will explain how the game is set up and share with you the object of the game, our opponent and our strategy to victory.

Growing population needs food

Like the story, our game has already been set up for us. Looking at the bigger picture for a moment, we see that as agriculturalists, we need to produce more food using fewer natural resources. Why more food? There are

two main reasons, the first being our growing population. You know, people have done a tremendous job of growing and thriving! Just recently, we've reached a world population of 7 billion. Demographers have projected that by the year 2050, there will be 9 billion people inhabiting earth. That is 9 billion people that will need food, fuel and clothing.

The second reason is hunger. Have any of you ever been truly hungry? I'm blessed to say that I never have. Hunger isn't just something that you hear about in underdeveloped countries. It is alive and well in the United States, the most privileged country in the world. According

to Feeding America, one in six Americans faces hunger. Studies by Monsanto suggest that over the next four decades, the world will need to double food production to combat hunger, malnutrition and meet the needs of a fast-growing population.

But let's bring it back down to our level as Angus breeders, because, believe it or not, we can make a difference. You see, we have a game within a game, and the object of the Angus game is twofold. To do our part in feeding the growing world we need to, first,

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PREPARED PUBLIC SPEAKING CONTEST



► Winning the junior division are (from left) **Alexandria Cozzitorto**, Lawrence, Kan., first; **Victoria Gerken**, Cashion, Okla., second; and **Joshua Brannon**, Ellsinore, Mo., third.



► Winning the intermediate division A are (from left) **Jera Pipkin**, Republic, Mo., first; **Keegan Cassidy**, Normal, Ill., second; and **Quanah Gardiner**, Ashland, Kan., third.



► Winning the intermediate division B are (from left) **Will Pohlman**, Prairie Grove, Ark., third; **Will Harsh**, Radnor, Ohio, second; and **Cooper Sadowsky**, Eagleville, Mo., first.



► Winning the senior division are (from left) **Maci Lienemann**, Princeton, Neb., third; **Brooke Harward**, Richfield, N.C., second; and **Lauren Adcock**, Moweaqua, Ill., first.

PHOTOS COURTESY AMERICAN ANGUS ASSOCIATION

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advocate the importance of quality beef in human diets and, second, breed cattle that are more efficient with available resources. But before we can produce more efficient cattle, we have to know why we're doing it.

As Angus breeders, our top priority is our final product. While I realize that not everyone is going to raise cattle for a feedlot, we have to know our target, and that is the food on your plate. However, just like marketing the genetics of your cow herd, we must market the importance of quality beef in the human diet. The caliber of protein and nutrients that you find in beef cannot be found in any other food source, despite their proud boasts. It is a disservice to the human population to allow them to believe that the quality of protein in soy products and other manufactured foods is even comparable to that of beef. That is why we must advocate the importance of a quality protein source to the general population. Yet, we have to make that protein affordable for them, as well. By

selecting cattle that are more efficient, we require fewer resources to take our beef from pasture to plate.

Opponents

Now, like President Snow and the Capitol were the opponents of the Hunger Games, cattle producers have opponents, as well. Volatile weather, high input costs and misguided special-interest groups are all factors that cause friction in the beef industry.

Volatile only begins to describe our weather patterns. Last year we were in a drought, and this year it has been so wet that planting crops and cutting hay is quite difficult. While the weather is out of our control, it does play a dominant role in the beef industry and directly relates to our second opponent, high input costs.

As I'm sure you all know, feed isn't exactly cheap right now. The sky-rocketing prices have become a limiting factor for producers

It is a disservice to the human population to allow them to believe that the quality of protein in soy products and other manufactured foods is even comparable to that of beef.

as profitability goes down and risks go up.

At last, let me introduce to you our final opponent, recognized more broadly across the field of agriculture, otherwise known as "The Anti." I'm sure that you've heard of the Anti's, some of which include organizations such as PETA (People for the Ethical Treatment of Animals), H.S.U.S. (The Humane Society of the United States), and the Green Movement. These are the misguided organizations that seek to impede agriculture. They believe that our practices are "cruel" or that they "harm the earth."

With the help of political officials who are just as misguided, they have even passed laws that inhibit agriculture and put many technological breakthroughs into a negative light. Over the years, there have been various innovations that have allowed ranchers to produce more using fewer natural resources. The beef industry has improved tremendously, and yet, it is met with scorn.

Anti's use many of the same technologies as agriculturists. From the cars they drive to the latest cell phone and internet technologies, these people obviously enjoy their tech advances. But why is there a bias

▶ EXTEMPORANEOUS SPEAKING CONTEST



▶ Winning the junior A division of extemporaneous speaking are (from left) **Jordyn Wickard**, Greenfield, Ind., first; **Courtney Dahlquist**, Washington, Pa., second; and **Blake Long**, Big Cabin, Okla., third.



▶ Winning the junior B division of extemporaneous speaking are (from left) **Cale Hinrichsen**, Westmoreland, Kan., first; and **Nicholas Pohlman**, Prairie Grove, Ark., second. Not pictured is **Lane Egger**, Columbus, Neb., third.

PHOTOS COURTESY AMERICAN ANGUS ASS'N



▶ Winning the intermediate A division of extemporaneous speaking are (from left) **Corbin Cowles**, Rockfield, Ky., first; **Quanah Gardiner**, Ashland, Kan., second; and **Kaydee Free**, Salado, Texas, third. Cowles received a Harvey Rattey bronze sculpture in memory of former American Angus Auxiliary president Pat Grote.



▶ Winning the intermediate B division of extemporaneous speaking are (from left) **Katie Friederichs**, Walcott, Iowa, third; **Alex Rogen**, Brandon, S.D., second; and **Will Pohlman**, Prairie Grove, Ark., first. Pohlman received a Harvey Rattey bronze sculpture in memory of former American Angus Auxiliary president Pat Grote.



▶ Winning the senior division of extemporaneous speaking are (from left) **Hannah Wright**, Spring City, Tenn., second; and **Esther McCabe**, Elk City, Kan., first. Not pictured is **Tyler Ottensmeier**, McLouth, Kan., third.

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against agriculture using technology, a bias that you don't see in any other industry? Who do these people think they are? What is the agenda of the Anti? Why are they trying to restrict food production for humanity? Who do they want to starve?

Game strategy

While the political issues of the Hunger Games were not entirely resolved in the first book, the characters had begun to develop a strategy to overcome it. Our game's strategy requires us to teach and inform humanity on the topic of beef and the nutritional power it brings. Not only should we educate on the importance of having quality beef protein in your diet, but we also need to explain how beef production works.

Our strategy also calls us, as beef producers, to select more efficient cattle. When it comes to selection, we as Angus breeders are at an advantage with our tremendous database. No other breed offers

the tools that we have. That being said, using the combination of cow energy and weaned calf value indexes, and perhaps RFI (residual feed intake), in the future, the selection of productive, efficient cattle is that much easier. Let me give a brief explanation.

The cow energy value, expressed in dollar savings per cow per year assesses differences in cow energy requirements as an expected dollar-savings difference in daughters of sires. This index determines whether the cow is energy-efficient, but it is not to be used alone. You see, you must also take into consideration the weaned calf value index, which is the expected average difference in future progeny performances for preweaning merit. This tells you how hard your cow is working.

When you combine the cow energy value and the weaned calf value, you get to see who raises the biggest calf with the best forage conversion. This is the future, the ability to ultimately produce maximum pounds of

beef with the least amount of inputs. This, along with teaching and advocating the importance of beef to the misguided peoples, can take our main opponents out of the game and bring us even closer to the win.

Today I have explained how the game is set up, shared with you the object, our opponents and our strategy to victory. You've seen how the game works. We have a growing population and limited resources. It is our job to produce and advocate the importance of quality beef protein in the human diet, and overcome the challenges and adversity that come our way. Hunger is not a game. The future rests on our ability to advocate our beliefs. Feeding people today isn't the finish line. Feeding the future is the finish line, and we have got to produce the quality beef to get us there.

Happy Hunger Games, and may the odds be ever in your favor!



The Economic Implications of the U.S. Cow Inventory

by *Lauren Adcock, senior winner*

The beef industry has overcome several significant challenges in the past, but it has a number of obstacles to still overcome. Such obstacles include the drought that has stricken much of the South Central region over the past few years; the drought that the Midwest and Plains states are still recuperating from; political constraints; rising feed costs; consumer constraints; negative media coverage of bovine spongiform encephalopathy (BSE) and lean, finely textured beef (LFTB); and the topics of water and finances that our current producers are facing nationwide.

One of the most significant and pressing challenges the industry is currently facing is the significantly low number of cows we currently have nationwide. According to the USDA, as of Jan. 1, 2013, the number of cattle

in the United States tallied in at 89.3 million head, 2% below the 90.8 million inventoried on Jan. 1, 2012. This is the lowest Jan. 1 inventory of all cattle since 1952.

Of these 89.3 million head of cattle, 32% are beef cattle. This number is down 3% from the Jan. 1, 2012, inventory. The United States cow herd liquidation has been ongoing since 1996, and the 2013 inventory represents the sell-off of roughly 6 million cows over the past 17 years, or the equivalent of about 350,000 head per year.



Lauren Adcock

Why the contraction?

The prediction is that there will be an increased demand for beef in the coming years with the rising world population and the rise of the middle class. So the question arises, how and why have we gotten ourselves in such a predicament? Much of the industry blames a large percentage of the liquidation

on the droughts previously mentioned.

However, the contraction has been occurring over a 17-year span, suggesting other factors are in play. It is a known statement the drought has affected many of the input costs, such as feed and hay, and increased the need for inputs in many areas. This changes the business environment in which we are forced to operate because the increase in short-term operating costs have impacted our longer-term decision-making.

Furthermore, producers have proven far less responsive to higher prices during the contraction. Despite some relatively favorable years in the middle of the high price run, cow-calf operators did not retain heifers and/or reduce culling rates in typical fashion. To paint a picture, cattle prices have increased, making the perception the industry is on the mend; however, input prices have held step-in-step, thus resulting in an equal return-to-cow ratio over the past 11 years.

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The third factor is access to capital. The major challenge is that financial commitments are larger for producers today. After the credit crisis of 2008, the opportunity for a number of producers to access capital decreased despite lower interest rates. Agriculture, and in particular the beef industry, is a risky business and assumes a significant amount of risk on the creditor that many financial institutions do not want to accept because of the volatility.

Finally, we have to factor in consideration of producer demographics. The average age of a producer is 58 years old.

In the coming years, with the uncertainties of the ethanol policy, fiscal policy, monetary policy and trade, and the risks of weather, input prices and crop prices, our nation's beef producers will have to learn to manage their volatility as a key aspect to managing their production.

Implications

So with all of that in mind the question arises, what are the implications of this low cattle inventory on our nation's beef producers, the industry as a whole, the United States economy and from a global perspective?

Using basic economic principles, we know cattle prices typically decline during times of large inventories, but the large inventories also result in greater purchases for inputs. During low inventories and higher prices and profits, producers generally re-invest in their operations.

However, with the increase in inputs, producers are finding themselves with less-

than-expected profits to reinvest into their operations. With profit margins slimming and the inability to sustain, many small herds have been forced to liquidate; this has since had a large impact on the industry as a whole moving forward.

Many of the producers that have gotten out of the cow business in recent years find trying to get back into the industry difficult. With a reduced number of cows in the country, buying replacements are much higher than when these producers first began. With the rains in the Midwest and grass to feed these cattle, the opportunity of expansion is depleted because the cost of replacement is far too high. Producers wanting to buy females back for replacements are forced to compete with packers trying to fill orders, thus driving the base cow market up.

The economic impact of the beef industry on the United States economy was about \$44 billion in farm-gate receipts in 2012. Beef production activity supports an additional \$147.4 billion of economic output for a total of \$191.4 billion of direct and indirect economic activity throughout the U.S. economy. While much of the impact is concentrated in the agricultural sectors, economic effects are also distributed in the services and trades sectors.

With the lower cattle inventory, there are some issues that will begin to arise. First, the push is for the average American family to be able to afford a steak dinner on any night of the week, not just on special occasions. However, with fewer cattle being harvested from lower numbers, consumers might be seeing beef prices rise instead of fall. This is

going to put pressure on the industry as we compete with pork and poultry to be on the plate of the average American family.

Additionally, in 2012 beef exports totaled \$5.51 billion, equaling 1.13 million metric tons of products. The top export markets are Canada, Japan, Mexico, South Korea and Hong Kong. The industry plays a substantial role in the gross domestic product of the country and the lower numbers could

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decrease our exporting power. The goal in the coming years, as we begin to try to rebuild, is to continue to produce more with less to try to keep up with the increased demand from abroad.

As an industry we have to make sure and take necessary steps to be prepared for the opportunities that are going to rise in the coming years for exports. As the Chinese economy continues to boom, we are going to see a rise of the middle class. It is a fact that when a consumer's income increases, the first thing they do is add more meat into their daily diet. As an industry, we have to try to position ourselves to seize these coming opportunities for expansion in the coming years.

In conclusion, the cattle industry today is smaller than it needs to be. The last few years of drought have delayed the beginning of herd rebuilding and pushed the industry to extremely limited numbers. At the same time, the economic environment of the cattle industry has changed dramatically in recent years. New demands on agriculture and rising crop and land values puts a stronger forage focus on the beef industry and has significant regional implications on where cattle production can even be located.

The who, where and how of the cattle industry is changing in many respects, but unprecedented cattle and beef prices confirm that market demand, both domestically and internationally, offers opportunities and will support the rebuilding of the cow herd — however, to what extent is still not certain. All in all, the beef industry has overcome several tribulations in the past, and there is no doubt that we will overcome and come out of the current predicament we are in and return as an even stronger industry.



► Contestants in the extemporaneous speaking contest draw three speech topics and pick one of the three to present to judges.