



Blue Collar Business

Panther Creek works hard for commercial customers.

by Barb Baylor Anderson

Panther Creek Ranch has created a successful formula for meeting the needs of its commercial customers — only offer hard-working, high-performance cattle. The no-nonsense, do-the-job approach even prompted the Illinois Beef Association Seedstock Breeder of the Year to expand numbers to keep up with growing commercial buyer demand for high-quality bulls and females.

“We raise the kind of Angus cattle that will

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meet the needs of our bull buyers and put the right females back into our herd,” says Mike McClelland, one of the owners of the Bowen, Ill., based operation. “We focus on the traits our commercial customers want, and we treat our cows like you would in a commercial herd. We want them to breed, calve and wean in the same setting that they would on the commercial farms that buy our cattle. That proves they can do the job.”

Success breeds growth

Panther Creek Ranch includes Mike and Kati McClelland and family, Steve and Valerie Peterson and family, and Karol McClelland. The ranch has been in the seedstock business for more than 50 years. The operation has grown from a two-heifer herd known as McClelland Angus Farm in 1953, to 430 females, including 300 brood cows and 130 bred heifers, in 2009.

Panther Creek calves about 90 head in the fall and the rest of the herd in the spring. In addition, about 100 replacement heifers are

managed with a Missouri heifer development contract producer. The cattle are kept in 10 separate locations within a 15-mile radius of Bowen. Of the operation’s 3,000 acres, half is in hay and pasture and half is in row crop production.

“We focus a lot on our bull production, since most of our cows are bred naturally. The only AI (artificial insemination) we really use is with heifers. We flushed our first female for embryo transfers (ET) this year,” Mike says. “On the bull side, we have to know that our herd bulls can perform in the pasture. We want to be confident the bulls we sell will perform in commercial operations.”

24/7 customer focus

If sale success is any indicator, Panther Creek bulls do perform well in commercial settings. The operation replaced strictly consignment and private sales with its annual “Workin’ Kind” production sale in 1994. The average sale price for bulls has risen in all but two of those years.

“While the bull sale average price has been moving higher, we don’t want to price our customers out of the market. Last year, we averaged \$3,600 on 50 bulls. We topped out at \$5,500, and the cheapest sold for around \$2,200,” Mike says. “We want to keep our average price where everyone who wants to buy a bull, can. I don’t want to have any buyers go home empty-handed because we did not have enough bulls to sell or we priced them out of the market.”

Offerings in the Workin’ Kind sale have expanded from 100 head sold in 1995 to 250 head sold in 2009. Besides the 50 bulls, the sale includes 50 registered cow-calf pairs, a few open heifers and up to 50 commercial first-calf heifers. The ranch sells all of its 7-year-old spring-calving cows every year to purebred and commercial operations in both Illinois and Missouri.

“We averaged \$1,800 on our pairs last year, and found that solid commercial cow sales hold up the bottom end of our registered cow sales. Our commercial cows are not always cheaper than our registered cows, either,” he says. “Adding commercial first-calf heifers has helped our bull sales, too, by attracting buyers that want cows that have already calved. Our cow buyers sometimes end up leaving with a bull, or at least with exposure to the type of bulls we sell.”

Panther Creek offers some fall bulls in the sale, which Mike says has been a good niche for commercial producers wanting a 2-year-old bull. He adds that only about three or four bulls during the entire history of the production sale have been purchased by seedstock producers. Most bulls are sold to customers within a 70-mile radius, with several repeat customers. They also like to have bulls on hand at home for sale, and sell about 20 bulls per year privately.

“Our customers buy off weights, EPDs (expected progeny differences) and eye appeal,” he says. “We don’t focus our genetics on the carcass characteristics. Our customers do not want that type of animal because they are not selling on the grid. We’ve also found that ultrasound does not pay for what our customers want. The best thing we can do is keep the herd young and genetics current for performance.”

Mike explains that while customers are interested in birth weight EPDs, interest has waned the last three or four years. Rather, he says, they want yearling and weaning EPDs, scrotal circumference and udder conformation data. Low-birth-weight, high-growth cattle are in demand. All of the data are run through the American Angus Association’s Angus Herd Improvement Records (AHIR®).

“We work hard to get customers to

attend our sale for the first time, and then we generally see them back the next sale,” he says. “We get four or five new prospective customers each year.”

Fringe benefits

Panther Creek has other strategies for attracting and meeting customer needs to keep a steady stable of potential buyers at the ranch’s annual production sale.

“We offer our bull customers the chance to participate in a feeder-calf sale at the local sale barn each January. The year after our first feeder sale, we saw a \$400 increase in the price of our bulls at our sale,” he says. “We sell 700 to 800 head of black cattle from 15 to 20 commercial cow-calf producers. The feeders are all certified in the Merial SureHealth program.”

Panther Creek found another successful activity in its first customer-appreciation open house last September. The event was on a Sunday evening and included a band, refreshments and a hamburger meal. In addition, the family brought in a speaker and had a “judging contest” for both the under 40 and over 40 crowds. Cattle were placed on display for the contest, which provided an excuse for guests to go out and look over the cattle and offer some feedback.

“We try and take care of our customers,”

Mike says. “You have to be hands-on. Any time I can drive by a customer’s house and stop in to check on the cattle is a win. Commercial producers appreciate when you come to their place and talk about how the cattle are working for them.”

He continues, “We have never lost a customer over lack of communication. I always ask buyers to call me if they have problems, not complain to their neighbor, and we’ll make it right.”

Mike stresses that while advertising is necessary to maintain a presence with potential customers, word of mouth and performance are what sell Panther Creek cattle.

“Selling cattle is always a work in progress. Advertising is something you should and need to do, although I don’t think that is the primary way we attract customers,” he says. “I would tell other producers they just need to give their marketing ideas time to work and not get impatient.”

“We may try and offer more cattle in the future, but the main thing we want to do is take care of our customers,” he continues. “We will continue to do what we do best — improve our cattle and take care of our customers — and we will try and do it even better.”

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► Katie and Mike McClelland of Panther Creek Ranch focus on the traits their customers want and treat their cows like they were in a commercial herd.