

True to an Ideal

Performance Breeders stand for something bigger than any one ranch.

by Steve Suther

When neighbors west of Bozeman, Mont., decided in 1987 to hold a joint bull sale the next April, the rest of the country was skeptical. Registered Angus breeders just didn't do that outside of association sales. Except for family ventures, they always promoted their own programs.

The Performance Breeders were different. They owned that common label by force of reputation, invested in logo design, scheduled annual production sales and pledged to be true to the big picture above all. (See also "Strength in Number" in the June-July 1990 *Angus Journal*.)

Dave and Yvonne Hinman had been planning their first bull sale after a dozen years of private treaty sales when they

► Jennifer (left) and Bill Davis of Rollin' Rock Angus, Sidney, Mont., saw the chance to participate in the Performance Breeders bull sale as an opportunity they couldn't pass up.

talked to John and Vickie Hamilton, who had recently had a bull sale. That led to discussions with Dale and Carol Davis of PAPA Ranch and Dale's son, Bill Davis, and Bill's wife, Jennifer, of Rollin' Rock Angus, which had reduced numbers from a partial dispersal.

"It was an opportunity none of us could pass up," Bill says.

After other dispersals, the Hinmans and Bill and Jennifer Davis remain as Performance Breeders Inc., winners of the

2005 Certified Angus Beef LLC (CAB) Seedstock Commitment to Excellence Award. They accepted the honor at the CAB



annual conference Aug. 20 in Baltimore, Md.

"The first year we had a huge crowd (nearly 700), because a lot of people just wanted to see how bad it was going to blow up," Bill says. It didn't, of course. In fact, the sale average on 156 bulls beat what any of the members had averaged in past years, and greater successes lay ahead.

This was no gimmick. Rather, the venture was built on bedrock by breeders who knew how to use expected progeny differences (EPDs) and work together on something bigger than any of them.

Moving north and east

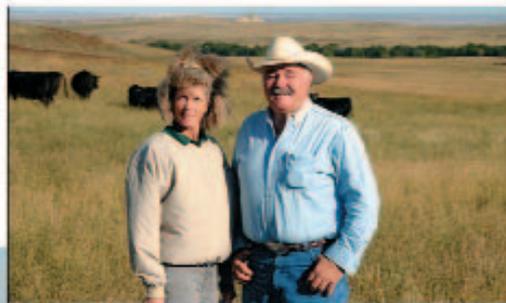
The remaining members have relocated within Montana, partly because the scenic land north of Yellowstone Park wasn't cost-effective per animal unit. Hinman Angus, now including daughter Heidi and son-in-law Billy Lulloff, expanded with the purchase of an 8,000-acre spread near Malta, 40 miles south of Canada. Rollin' Rock came to a stop amid 30,000 acres of plateau, bluffs and bottoms in the Yellowstone Valley south of Sidney, near the Dakota border.

The sale moved from Belgrade to Sidney, where they sold 450 bulls last spring. New geography didn't faze the program.

"We haven't changed anything in performance and carcass trait selection," Dave says. "But we are more aware of structural soundness, and all of the functional traits have become more critical. Things can change fast up here, and with February calving, a calf has a very short window to get from birth to nursing."

Progeny testing for carcass merit was an early staple for the partnership, which kept it grounded in the feedlot sector. That's one reason Nebraska order-buyer Don Vannatta (See "Sourcing the Right Kind" in the February 2004 *Angus Journal*) began purchasing animals at the 1989 sale.

The next year, Harrisburg, Neb.,



PHOTOS COURTESY OF BILL AND JENNIFER DAVIS



ranchers and cattle feeders Gary and Emilie Darnall bought their first bulls at the Performance Breeders sale. They kept buying and went on to build a commercial herd with son Lane and his wife, Robin, that headlined the 2004 National Angus Carcass Challenge (NACC).

As evidence of the two-way benefits, Darnall Feedlot, a CAB-licensed partner since 1999, nominated its seedstock customer for the annual CAB award. Darnall feeds a lot of cattle with Performance Breeders genetics, including many of those coordinated through Vannatta. A “real-world summary” on nearly 13,000 progeny in the April 2005 sale book showed why Darnall appreciates the genetics (see Table 1). Achievements included a 50% CAB and Prime grade level.

Such results are not possible with genetics alone. They require adherence to a program and a long-term approach to customer service.

“Of course, the quality of their bulls is second to none,” Gary says. But, that’s not enough to win respect and loyalty. “We look at the Davis and Hinman families’ commitment to the Angus breed and their



PHOTOS BY STEVE SUTHER



► Dave (left) and Yvonne Hinman, Malta, Mont., note the importance of agreeing on guidelines when joining a partnership.

drive for excellence in service,” he says. “That’s why we keep coming back year after year.”

All for one

It all began with the Performance Breeders’ initial philosophy and structure, Dave explains. “We had to agree on some guidelines before anything else. We calved in February, so we would all precondition and

wean in September,” he says. “Then all the bulls would go to the same local feedlot into contemporary groups by age and size, on the same high-roughage ration. Our bulls would be evenly distributed so that we have the same percentage in each group.”

Ultrasound data was added as soon as it became available from the pilot program.

“In the end, we put all the information in the sale catalog,” Dave says, “and you know it’s not all good. But, we don’t leave anything out or add a lot of comments. There are no holes in the data. We really believe in that and always have.”

Partners have to act as if they own each other’s bulls in the sale. “You get your turn,” Bill says, “and it adds credibility when you have the third-person effect, recommending your partner’s bull, and vice versa.” Attitude has to be backed by detailed knowledge in order to make those calls. Delivery is free up to 1,000 miles, and it makes no difference if all or none of the bulls on a partner’s route come from his ranch.

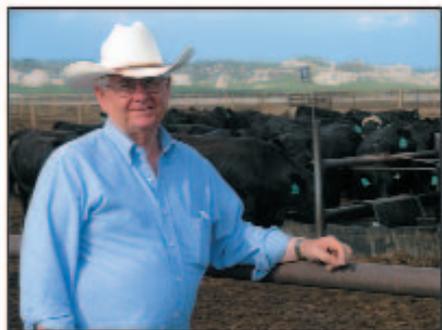


PHOTO BY LANCE ZIMMERMAN

► Gary Darnall of Darnall Feedlot, Harrisburg, Neb., works with Performance Breeders to reach a 50% CAB and Prime grade level.

Table 1: Real-world summary
Whole-herd closeouts of 12,984 progeny from Performance Breeders bulls:
90% calf-fed, 10% yearlings
84% Choice or better
9% Prime, 41% CAB
3.55 lb. average daily gain*
5.98 lb. feed conversion ratio*
*DM basis, from available closeouts.

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There is no controlling interest based on volume. The organization began with four votes and frequent even splits — even more common today with two votes — so, then as now, discussions go on until logic or fatigue pushes a choice one way or the other.

“We see things so much alike,” Dave says, “that if 10 things come up, we quickly agree on eight of them. The other two may take some time. You don’t always get your way, but you do what’s best for the partnership. We can discuss things pretty thoroughly while going down the road. No matter how strongly we feel, when we get all done we shake hands and never look back.”

The partners started with and maintain similar philosophies, but the differences are an advantage, too. “It helps to have another point of view,” Bill says. “We might discuss a promising idea and find holes in it that you wouldn’t have come up with if it was just you thinking about it. Being able to kick ideas around with them all the time is a hell of an opportunity — one of the things that makes Performance Breeders more than either of us alone.”

Having it all

There are few differences over the core philosophy: Angus cattle can do it all, given the opportunity, honest use of measurements and communication through the system. “You have to be honest with yourself before you can be honest with others,” Bill points out. “You can’t adjust anything to give one calf an advantage over another because you think his momma is better.”

Customers may hear about bulls that gained 5 pounds (lb.) per day or had phenomenal yearling weights, but the Hinmans and Davises just ask, compared to what? “Actuals don’t mean a thing,” Bill tells them. “If you use contemporary groupings to take environmental effects out of the selection process, then the differences are genetic and give you a chance at improvement. It can be rapid at first; when you get smaller improvements you know you have made progress.”

In describing how they moved their own cows 350 to 400 miles to new environments, both families marvel at the adaptability of their cows. They gave up nothing in any trait

“You can have your cake and eat it, too, but it can’t be just the topping. If you go for the top 1%, it’s usually more of an ad gimmick, and nature will pull you back. But if you try for the top 15% in a number of traits and above average in some others, you can move your middle up.”

— *Bill Davis*

area. “Not only can you develop carcass genetics alongside growth and cow herd function, but once you get it there, it stays,” Dave says. “That’s exciting. With all of our data and customer data showing we don’t lose ground, I see no reason why anyone would choose one area of selection over another.”

Some producers worry about antagonistic traits, but the key is to avoid extremes, Bill says. “You can have your cake and eat it, too, but it can’t be just the topping,” he says. “If you go for the top 1%, it’s usually more of an ad gimmick, and nature will pull you back. But if you try for the top 15% in a number of traits and above average in some others, you can move your middle up.”

After so many generations of bulls and replacement heifers in customer herds, many are essentially straightbred. “Some people think they need to keep moving between breeds and breeders,” Bill says, “but we argue that is not the case, that the longer we build on our relationship, the more advantage for your cattle.” It’s part of the customer service commitment that Darnall lauded.

“We keep track of who is using what lines of bulls and help them consider outcrosses to stay with Angus,” Bill explains. “If you have used our bulls for a while and we can see how the bulls have expressed themselves in their daughters, we can use our experience with what has worked in other customer herds to find options for the next step.”

A future together

As an American Angus Association Board member, Bill appreciates all the Angus advantages. “The breed itself has the inherent carcass traits that fit today’s market,” he says. “When you add in innovations like open AI (artificial insemination), CAB, AHIR (Angus Herd Improvement Records), and now the dollar value indexes and AngusSourceSM tags, there are a lot of tools to work with.”

Of course, with many of these tools widely available, opportunity for similar genetics is great all across the world. “We are trying to create more opportunities for marketing,” Dave says, “like the commercial female sale we started a couple of years ago for customers.” His brother Dan is one of several cattle feeders who buy Performance Breeders customer cattle and help return closeout information. “We don’t solicit customers to feed because it may not suit everyone,” Dave adds, “but if they want to, we will line them up with somebody to partner or buy.”

“We’re not telling people how to market,” Bill says. “We’re just giving them reasons to keep buying our bulls. With the help of other customers, like Vannatta and Darnall, we help them discover what comes after weaning.”

“The Darnalls have always shared closeouts with us,” he notes. “If they didn’t, Dave and I would spend a lot more time traveling around in the fall trying to find out how customer cattle are doing. You can’t just assume everything you are doing is working. You have to get out and look and get the feedback, and when people have concerns, you better do something.”

When you stand out for customer service, word gets around. “People talk at the coffee shop and say they got their information back through Performance Breeders, and that is as important as personal contact,” Bill says. “It’s not enough that you stand for something. People have to be familiar with your program and where you are going.”

As a brand name, Performance Breeders says a lot. Like any brand, it is a promise. Hinman Angus and Rollin’ Rock Angus are the promise keepers.

