

The Right Stuff

Experts agree, today's commercial beef producers want more than bulls from their seedstock suppliers.

Story & photo by Ed Haag

Seasoned beef production specialists from North Dakota, Ohio and Oklahoma are listening to what their commercial cow-calf operators say they want from seedstock producers, and what they're hearing is "service, service and more service."

The requests might differ by region, but the common denominator is that calf producers have less interest in one-time bull purchases based on visual presentation and more interest in establishing long-term working relationships with seedstock producers who can consistently supply them the information and the animals they need to help their businesses grow and flourish.

"There are high expectations of service related to the selling of bulls," says Steve Boyles, beef production specialist at Ohio State University. "Many of our bull sellers realize they are as much in the marketing business as they are in the seedstock business."

He notes that it is the relations established through the bull seller's ability to provide the "extras" that motivates a calf producer to purchase bulls from the same person year after year.

"I have heard producers say that they go back to buy bulls from a certain seedstock producer because they like the bulls and they like the person that sold them the bulls," Boyles says. "Their reputation sold the bulls as much as the bulls sold themselves."

He adds that a reputation is built on selling quality bulls and offering additional services when necessary.

According to our three beef specialists, these services might involve:

- ▶ providing additional information on a bull that allows the purchaser to make a more calculated decision on whether the animal is right for his or her operation;
- ▶ providing established customers with assurances that the right bull, at the right price, will be available when it is needed; and
- ▶ providing after-sale bull management expertise to those who might require it.



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Want more information

Boyles is not surprised that producers are demanding more information on bulls. "This is a major investment in their business," he says. "Beyond just the dollar value of the bull itself, one must consider the financial impact it is going to have on the herd."

He compares the purchase of a bull with the purchase of another big-ticket ranch necessity — the new pickup truck.

"Most producers are very specific in what they want in a pickup truck," Boyles says. "The information they need to make that decision is printed on a sticker they can see on the vehicle."

While Boyles does not recommend turning a bull sale into the equivalent of a car lot, he does think seedstock producers can take a cue from the auto industry in providing potential customers with all the information needed to make an intelligent bull-purchasing decision. "I think what the commercial guys around here are looking for is a more comprehensive sticker on the side of that bull," he says.

Boyles has been observing bull-purchasing patterns for almost two decades, and one of the most obvious trends he has seen in recent years is the growing demand for carcass information.

"Producers are asking more about carcass than they did in the past," he says. "It is about EPDs (expected progeny differences) related to carcass. How do we find those bulls with the right genetics, and how do we identify them?"

Kris Ringwall, North Dakota State University Extension beef specialist, says

seedstock producers could use EPDs and other universal criteria more effectively in their marketing programs rather than relying so heavily on sire names and bloodlines. He notes that in a recent beef publication, out of 76 bull ads featured, only 35 presented EPD information. The remainder relied only on sire names and key words to promote their cattle.

Ringwall says these ads represent the failure of some seedstock operators to understand the fundamentals of targeted marketing. He notes that rather than providing the information most useful to the majority of their customers — commercial cow-calf producers — these seedstock operators seem to be writing their ads for others in the seedstock business.

"That is my criticism of a lot of today's bull ads," Ringwall says. "They are just talking to themselves instead of targeting the commercial producers."

Where's the program?

For Ringwall, the first step to understanding what commercial producers want in a bull is to understand who they are. He points out that a large number of successful commercial producers in his region have recognized that economy of scale does apply to raising cattle.

"Those who are really anchoring into the beef business are putting out calves in semi-load lots," he says. "As volume producers, they need trouble-free bulls that give them what they need to produce potloads of quality animals."

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He notes that as commercial producers' operations grow larger, they are required to devote more energy to actual calf production — their specific source of revenue — and less time to spend on equally important ancillary issues such as making sure that the bulls they purchase are sound.

Ringwall adds that commercial people are responding to this issue by seeking out breeders who offer a comprehensive bull development program.

"If there is a trend, it is more about commercial people wanting to develop relationships with seedstock programs," Ringwall says, adding that these relationships require the kind of assurances and recordkeeping that comprehensive programs bring. He cites, as examples, the issues of biosecurity and animal health.

"If I am a large commercial operator, the last thing I want is for you to call me six months from now and tell me there is TB (tuberculosis) or some other health-related problem with a bull you sold me," he says, adding that a good program guarantees the animal has been the recipient of all preventive and diagnostic measures necessary (to the extent possible) to ensure the purchaser is receiving a disease-free bull.

The same applies to fertility, Ringwall says. "As a commercial producer, I don't have to worry about whether or not the bulls I buy are fertile because the program is there," he says. "I know those bulls are fertility-checked. It is part of a uniform program."

Availability assured

One assurance that more commercial producers are seeking when they commit to a seedstock producer's bull development program is that replacement bulls will be available when needed.

"There is a growing demand, on the part of commercial producers, for quality and consistency," Ringwall says. "They want a dependable supply of upper-cut bulls so they don't have to wonder where the heck they are going to get their bulls this year."

This is particularly true for successful commercial producers who have regular customers depending on the delivery of high-quality animals every fall.

"If I am a commercial guy working with a purebred producer, I don't want to necessarily gamble with the fact that I can lay the most money out at an auction," he says. "What I really want is predictability in quality, price and availability."

He cites as an example bull programs that focus on improving ribeye and marbling.

"If I, the commercial guy, commit to working with a particular purebred producer to increase marbling and ribeye, I don't want to get sold down the river in three years when that purebred producer's reputation brings 50 more people to his sale and his average bull price goes up \$2,000," Ringwall says. "It is very frustrating to have to start all over with someone else."

Ringwall admits that historical precedence weighs heavily in favor of selling bulls at public

auction, but he says there are viable options for those willing to look beyond tradition.

"It is a change in attitude on how we do business," he says. "What would be wrong with a commercial beef producer saying to a seedstock guy: 'These are the bulls I need. Can you supply them at 20% over your average five-year bull price?'"

Expertise welcome

While all of our experts agree that today's commercial beef producers want more than bulls from their seedstock producers, what they want specifically is often predicated on regional needs. Glenn Selk, Oklahoma State University Extension cattle reproduction specialist, notes that in his part of the country, there are a growing number of small, part-time commercial beef producers — those with 50 or fewer mother cows who have not made a career of beef production.

"A lot of these folks were perhaps raised on a farm as kids, went off to college, made a bunch of money and remembered the good days, and are now at or near retirement and can afford to buy a place and buy some cattle," Selk says. "Because beef production hasn't been their primary income for all those years, they are learning on the go."

Selk has noticed that many of these new ranchers have limited experience maintaining bulls once they have made the purchase. He adds that it is common to see bulls that have been receiving high-quality feed from the seedstock producer immediately turned out onto low-quality pasture by the purchaser.

"We have seen a real need for better transitional management between seller and buyer," Selk says. That, however, involves a seedstock producer taking a real interest in what happens to a bull after it is loaded in the trailer, he adds. "The smart seedstock producers use the necessary follow-up as an effective marketing tool to recruit repeat customers."

There is a second important reason for seedstock producers to engage in follow-up, Selk says. In addition to providing them the opportunity to establish long-term relationships with their bull buyers, it allows them to engage in measures that will protect their reputations as bull producers.

He notes that it is common for a calf producer who lacks experience to unintentionally impair the reproductive function of a good bull through poor nutritional practices such as failing to transition the animal from high-quality to low-quality feed.

"The natural reaction of a buyer is to blame the seedstock producer for selling him a bull that fell apart," Selk says. "A bit of follow-up can prevent that whole mess from getting started in the first place."



▶ Today's commercial calf producers want more than a bull from a seedstock producer. Auction presentation is still important, but bull-related information and services are the key to repeat sales.