



Angus Convention 2016: Angus University

Evaluating Potential for Angus in Foreign Markets

International livestock marketing specialist shares insights for selling Angus genetics abroad.

Story & photo by
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President of Clayton Agri-Marketing Tony Clayton spoke to a group of Angus producers and American Angus Association members at the 2016 Angus Convention in Indianapolis, Ind., Nov. 6. Clayton's presentation was part of Angus University, a set of workshops designed to provide education and a more in-depth look at various facets of the Angus industry.

Clayton, whose business has experience exporting species including beef cattle, dairy cattle, horses, hogs and sheep to 52 different countries, placed emphasis on the standard the United States has set for quality around the world.

"It is a market that the rest of

the world looks on as having the very best in cattle genetics," he said. "They want to access those genetics."

In the coming years, Clayton noted, "we've got some real changes coming." He reminded his audience that we all depend on the food system.

By 2050, Clayton said it's predicted that one in four people on Earth will be living in Africa, and French will likely be the most spoken language in the world. By the end of this year, the United Nations said that about 42% of the world's population will live in cities, and by mid-century, that figure will increase to 70%.

The population will also likely face changes as families earn more income, and demand for high-quality animal protein and products like milk will also increase.

A laundry list of factors affects the

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—Tony Clayton

international beef industry, including the economy, disease, weather and, perhaps this year most notably, politics.

Clayton said many international market players were standing "on the sidelines" until the U.S. presidential election passed, waiting to make their next moves until the 45th President of the United States was named.

In March, during the closing of a \$13-million deal in Sudan, Clayton and his colleagues spent "two minutes" talking about the finance package and "25 minutes" on the U.S. election. "That's how many people are watching and how it's going to affect what we do," he said.

Live animal genetics have driven Clayton's business in the past few years, and will continue to into the future. That means disease control is paramount, as well as keeping an eye on animal welfare.

Foot-and-mouth disease (FMD) hasn't made an appearance in the United States since 1929, but other countries aren't so lucky, Clayton said, adding, "This is the one that keeps people up at night."

After closing numerous markets overnight, the bovine spongiform encephalopathy (BSE) scare of 2003 is beginning to subside, and China reopened its market to live cattle exported from the United States in October. Trade will likely remain up in the air until the new administration determines its policies and priorities.

The main concern for producers entering the foreign marketplace is communication. After taking the plunge into international markets "you have a responsibility now," Clayton said. "You're going to have

a lot of people to keep in contact with."

That can include websites, exchange of email and other contact information, and third-party consultants, he explained.

Animal welfare and the way we move our animals in the cattle industry is of great concern to many, Clayton

noted. "We are in front of a lot of people," he added. Complicating global marketing is that there are many players in the game, but few have personal experience on the

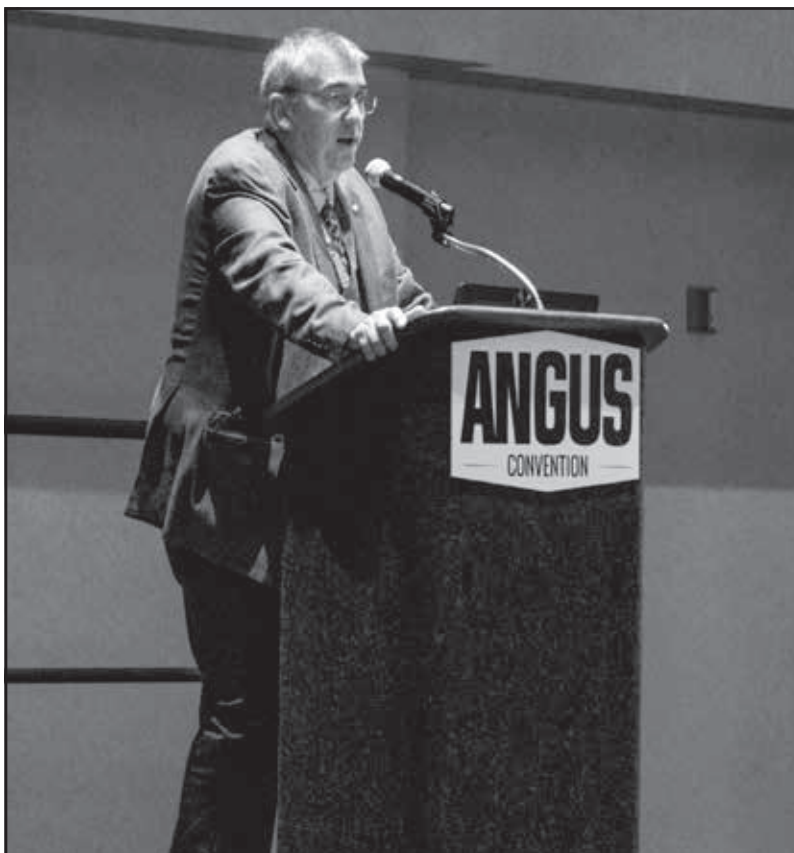
farm or ranch. It's another reason why animal welfare must be a priority in shipping and receiving animals.

"Numbers are going to drive our industry," Clayton said of international markets going forward. In the next four to five years, 310 million Chinese residents will move from lower to middle class, driving demand for U.S. beef.

"They're going to eat better," he said.

Global trade will be an interesting story to follow in the coming months. However, as markets go, it's probably a risk worth taking.

Clayton's presentation was one of the Angus University Workshops sponsored by Merck Animal Health Nov. 6 at the 2016 Angus Convention. To listen to his presentation or access the PowerPoint, visit <http://bit.ly/AC16-Clayton>. For comprehensive coverage of the Angus Convention, including speaker summaries, links to the full presentations, photos, videos and more, visit www.angus.media/news/Angus-Convention.



The rest of the world looks on the U.S. cattle industry as having the very best in cattle genetics, said Tony Clayton, president of Clayton Agri-Marketing. "They want to access those genetics." Turn your browser to https://www.youtube.com/watch?v=B3da_6QgXkg to watch an Angus Media video interview of Clayton at the convention.

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