



# ASSOCIATION LEAD IN

by **RICHARD SPADER**, executive vice president, American Angus Association

## New Year brings glad tidings to those raising Angus cattle

Too many times in the past decade or so, cattle producers have seen roadblocks shoved into their paths just when price improvement seemed imminent. By most indications, that scenario may be history for a while for cow-calf producers and, hopefully, for cattle feeders as we embark on the current stage of the cattle cycle.

Whatever the situation, those who produce or use Angus seedstock have many solid reasons for optimism about their current status in the beef business and the implications for the future.

The increase in registrations of Angus cattle in fiscal year (FY) 2000 comes at a time when the nation's cow numbers are at their lowest point in years. This, combined with a \$241/head increase in the average sale price of Angus bulls, indicates at least two things.

First, demand for Angus is stronger than in past years. Second, since there are fewer beef cows to be bred, any growth in the use of Angus bulls has come at the expense of other breeds. We are, in fact, increasing our share of the bull market.

A study conducted by the American Angus Association in 2000 supports this observation. The survey indicated 60% of producers purchased Angus bulls during the previous 12 months, and the same percentage anticipated buying Angus bulls in the next 12 months. The next-highest percentage for bull purchases was 13%.

In addition, more than 50% of respondents indicated that Angus was the major or one of the major breeds in the makeup of their commercial cow herd, leading the next closest breed by more than 40 percentage points.

Evidence shows that many commercial cow-calf producers like you rely on information from the Association's Angus Herd Improvement Records (AHIR) and Sire Evaluation Report more now than ever. Speakers at the National Angus Conference in Lexington, Ky., in September, hammered home this point as they emphasized the use of highly predictable data to make genetic change in their registered and commercial herds.

Registered Angus breeders have heard the message and continue to rely heavily on AHIR when making the breeding decisions that will produce the cattle they eventually merchandise to you. The number of birth, weaning and yearling weights processed by breeders in FY 2000 was the highest on record. And, in the months ahead, our Angus Beef Records Service (BRS) will expand the amount of information available and will give you a new, powerful tool with which to use it.

Much of the optimism about and demand for Angus cattle also has been fueled by Certified Angus Beef LLC (CAB). For the first time in its 23-year history, more than a half-

billion pounds of Certified Angus Beef™ (CAB®) product were sold through foodservice, retail, export and value-added markets.

To bring CAB closer to home, approximately 10.5 million head of Angus and Angus-type cattle were purchased by CAB-licensed packing plants for consideration as CAB product. Of this number, more than 1.92 million carcasses met the rigid quality specifications.

The demand for CAB product has, no doubt, prompted the decision at most major packers to offer buying grids that favor high-quality, high-yielding Angus-type cattle. This policy helps support a Choice-Select spread that, as of the week of Dec. 6, was \$8.

The Association continues to encourage participation in the Angus business. Our activities and programs boost cooperation among Angus breeders and commercial cattlemen and offer an excellent opportunity to share information and ideas.

I encourage you to contact the Association whenever you have a question about adding value to your Angus and Angus-influenced cattle. We welcome your comments about any aspect of the Association at any time.

