



PHOTOS BY ERIC MULL, COURTESY AMERICAN ANGUS ASSOCIATION



Hang On

Genomics symposium keynoter advises producers to prepare for increasing rates of change.

by **KINDRA GORDON**, field editor

“I don’t know the future, but today is the slowest speed of change you are ever going to see.”

That was the message world-renowned futurist Lowell Catlett shared with the nearly 2,500 Angus producers and beef industry leaders gathered in Fort Worth, Texas, Nov. 4-6, for the 2017 Angus Convention.

Catlett shared a big-picture view of the fast pace of change occurring worldwide and how it may affect agriculture and rural America. His energetic presentation Nov. 4 kicked off the International Genomics Symposium sponsored by Neogen GeneSeek Operations to lead off the convention.

Catlett’s career at New Mexico State University earned him acclaim as a regents professor in agricultural economics and agricultural business and extension economics. He retired in 2015,

but continues to address corporate and association audiences both nationally and internationally.

Specific to the future, Catlett proclaimed, “Fossil fuel is dying. It’s going to take a while, but we are starting to see the beginning of the end of it.” He cited references to the United Kingdom and France, countries pursuing initiatives to use no fossil fuel to generate electricity by the year 2025.

As well, Germany and General Electric have both made recent announcements that they will eventually cease producing internal combustion engines (which use fossil fuel). Catlett also shared that even in Texas, a state that produces more fossil fuel than anybody, the movement to solar and wind energy production is increasing rapidly.

In the place of fossil fuels, Catlett said renewable solar and wind energy, which are much more economical, combined with improving battery technologies — such as the new solid-state lithium ion

battery — are coming to the forefront.

As a result of these changes, Catlett anticipates a new electrical world ahead.

“Get ready for it,” he advised, “because it’s going to impact our rural communities.”

One impact tied to this change is the advent of BPL (broadband over power lines), which makes possible high-speed Internet access over ordinary residential electrical lines. Thus, high-speed broadband will be more accessible.

“As leaders, hook yourself to the grid,” Catlett encouraged. “Build [broadband] in your communities. It’s a way we keep our way of life.”

Catlett also noted how hydrogen fuel cell technology is changing cars; how robotics are changing manufacturing, foodservice and agriculture; how autonomous vehicles will reshape transportation; and how 3D printing has the potential to change everything — from food to buildings and livestock production.

“Get ready for the likes of which you haven’t seen,” Catlett said of some of the technologic impacts he anticipates. “There are fabulous, fabulous opportunities.”

In closing, Catlett paid tribute to the success of the Angus breed saying, “You own the beef business. You’ve had leadership from early on. ... Angus was told you can’t brand beef, and you said, ‘Yes, we can.’”

Catlett noted the breed’s current status with leadership and technology and concluded saying, “This world moves fast, and you are going to own the future, as well.”



Editor’s Note: This article was written under contract for or by staff of the Angus Journal as part of Angus Media’s coverage of the 2017 Angus Convention in Fort Worth, Texas, Nov. 4-6. Kindra Gordon is a freelance writer and cattlewoman from Whitewood, S.D. For complete coverage of the event, visit www.angus.org/Media/News/AngusConvention.aspx.

Back to the fundamentals

The cattle price cycle is back. That means prices trend higher or lower, primarily in response to market fundamentals — shifts in supply and demand. So said Randy Blach, CEO for the Denver-based CattleFax market analysis firm, in remarks delivered during the Angus Convention.

“Prices will probably be soft going into the front end of the new decade,” predicted Blach, “and it’s because of supply.”

While an uptick in heifer slaughter indicates that expansion of the U.S. breeding herd has slowed, Blach said modest growth continues. That translates to increased beef production, which, along with the influence of ample pork and poultry supplies, puts downward pressure on prices.

Blach emphasized the importance of beef demand and the significant influence of beef exports. This

year, he reported, 23% of all pork, 18% of all poultry and 11% of all beef produced in the United States will be exported.

“Those are some big numbers. Trade is important to our markets,” Blach stated, noting that export demand can be credited for a \$60-per-hundredweight share of current calf prices. “So don’t think exports aren’t beneficial to cow-calf producers.”

However, domestic demand for beef isn’t bad. Blach said the U.S. economic picture has improved, and that has contributed to demand. As a result, all beef production segments are making money — something that does not happen very often.

Blach warned that cow-calf profit margins are expected to tighten as, over time, prices trend lower. For 2018, he expects 550-pound (lb.) calf prices to range from \$1.35 to \$1.85 per lb., averaging \$1.60.

Feeder steer prices are projected to average \$1.40, with fed cattle averaging \$1.14.

Blach reminded his audience that the beef market has become more differentiated, showing that not all cattle are created equal. He advised producers to use management strategies to make their cattle stand out from the commodity market. He recommended careful attention to health, nutrition, genetics and marketing, with the goal of being “high-return” producers.

“Don’t settle for average price,” said Blach. “Differentiate yourselves.” — **by Troy Smith, field editor**

Editor’s Note: This article was written under contract for or by staff of the Angus Journal as part of Angus Media’s coverage of the 2017 Angus Convention in Fort Worth, Texas, Nov. 4-6. Troy Smith is a freelance writer and cattleman from Sargent, Neb. For complete coverage of the event, visit www.angus.org/Media/News/AngusConvention.aspx.