



WORK HARD, GET PAID

Putting more dollars into ranchers' pockets.

by Troy Marshall, American Angus Association

I don't know a single rancher who doesn't love what they do. It is truly a lifestyle that is hard to articulate if you have not lived it. Ranching is a unique profession in that ranchers have a special pride in what they do, and that is exhibited by a relentless passion.

At the same time, it is a difficult way to make a living. Mother Nature has a way of not wanting to cooperate, and the volatility of the markets brings even more risk into the equation. When you throw the difficulty of a commodity marketplace on top of one of the most complex and rapidly changing industries, it isn't without its challenges.

We understand the risk and uncertainty you face, and we know the anxiety that is caused not only by the uncertainty of the markets, but the challenge of being able to leave the legacy of raising cattle for

the next generation. I don't think there has been a parent in a ranching family who hasn't simultaneously wanted their children to be able to live this lifestyle and prayed they chose a different career.

Commodity shortfalls

The frustration is justified. Nobody works harder to build a great product and faces more risk and lack of clarity when it comes to being rewarded for it. Our commodity marketing system not only ensures that in and over time prices hover in and around break-

even levels, it hinders our ability to send pricing signals that reflect consumer demand and lead to improved demand.

That is why I believe it took a producer-led and producer-driven organization like the American Angus Association to create a program like AngusLinkSM. AngusLink was created for one reason — to help producers capture more dollars for their cattle.

You are doing it right. You are taking care of the land and the animals entrusted to your care. You are constantly improving your genetics and doing everything possible to manage your cattle in a way that provides for your family, for the customer and for the world in general. Feeding the world is a noble calling.

Set your genetics apart

With all that said, our marketing system was not working efficiently.

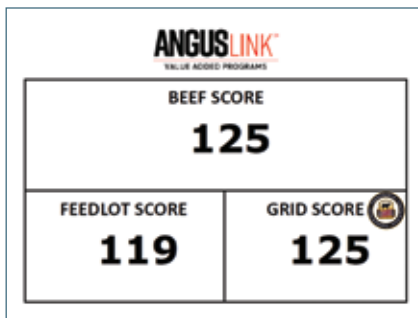
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Genetics is the single, biggest factor that contributes to profitability; but we simply did not have an objective, reliable way of describing the genetic merit of a pen of feeder cattle. That has changed with the Genetic Merit Scorecard® (GMS) that allows ranchers to accurately describe their genetics in a way buyers can be confident in using.

The American Angus Association was uniquely positioned to do this. Not only was it an independent third party, but it was recognized as the foremost expert in the world in describing genetic merit, and it coupled that with the world's largest single-breed database.

Set your management apart

Additionally, the AngusLink program is positioned to help ranchers get paid for the good



The Genetic Merit Scorecard reveals the genetic potential of a set of calves to grow and grade down the line.

things they are already doing through a whole host of other verification programs. These programs have been able to show a consistent return on investment of 10:1 or better.

Just as importantly, they give buyers and sellers more market flexibility and market access — not only providing premiums, but also mitigating market risk.

The AngusLink program does not create value. You do that, but we do have the programs to help you capture the premiums for that value. We also believe our commitment to you goes beyond making it easy to verify your genetics and management, but that our role is just beginning when you enroll. We don't stop working for you until those cattle are sold well.

We truly believe that ranching should be profitable, and your legacy in the cattle industry is worth preserving. Sleepless nights should be relegated to calving season and high school prom, not the night before your calves sell. |

Editor's note: Troy Marshall is director of commercial industry relations for the American Angus Association.