

State of the Angus Business

The industry's largest beef cattle breed surpasses records and continues to lead the marketplace.

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There's never been a better time to be in the Angus business, according to the latest data from the American Angus Association. Despite historically low cow-herd inventories, business has grown for Angus breeders, and the member-driven organization reports growth in nearly every category in fiscal year (FY) 2014.

From registrations to sales data to cattle qualifying for the *Certified Angus Beef*® (CAB®) brand, numbers are up and signal positive news for the business breed.

Angus value. “An intentional focus on quality has become apparent in the cattle market this year,” says Bryce Schumann, Association CEO. “Whether it's cattlemen looking to rebuild herds or a consumer purchasing beef for their dinner table, quality reigns supreme, and the Angus breed delivers on that expectation.”

Angus seedstock sales reported to the Association from Oct. 1, 2013, to Sept. 30, 2014, show the breed exceeded \$326 million in sales — a first in Association history. Collectively, Angus breeders across the country earned \$61.5 million more than the prior fiscal year — a 23% increase in total dollars spent on registered-Angus seedstock at auctions reported to the Association.

During the past year, the average registered-Angus sale generated twice as much income as it did in 2010, or nearly \$250,000 more than it did four years ago. That's added revenue that goes back to rural communities and families across the nation, Schumann says.



The Association also reports a positive bottom line throughout the organization and its entities, with total assets of nearly \$47 million.

“Adopting new technology and attention to continuously improving selection decisions have driven the value for Angus during the past year,” Schumann says. “That was extremely evident in our bull sale averages. We are selling more bulls at higher prices, sustaining increased demand for registered-Angus bulls.”

Registered-Angus bulls averaged

a record \$4,997 in FY 2014. Angus females witnessed market growth as well, averaging \$3,614. The Association also saw a rise in overall Angus cattle registrations, increasing the registry by 298,369 animals. That's up more than

9,500 head from cattle registered the year prior.

Proof that more Angus breeders are incorporating technology into their herds is that more than 53% of calves recorded in FY 2014 were produced by artificial

Table 1: Registrations categorized by number of animals recorded per member

13,433 members registered 298,313* animals.

Animals registered per member	% of animals recorded by category	No. of members in category	% of membership in category
1-10	10.38	8,584	63.90
11-19	8.46	1,746	13.00
20-49	18.20	1,779	13.24
50-99	16.50	710	5.29
≥100	46.44	614	4.57

*An additional 56 nonmember imports were registered for a total of 298,369 animals registered.

Table 2: Registrations and transfers processed by animal type

	No. of registrations*	% of registrations	No. of transfers	% of transfers
Cows	159,687	53.52	78,453	48.54
Bulls	137,612	46.12	82,485	51.04
Steers	1,070	0.36	682	0.42
Total	298,369		161,620	

*Of 298,369 registrations, 121,512 (40.73%) were stored electronically.

Source: American Angus Association Record of Business, 2014.

Table 3: Top 25 bulls by number of progeny registered in 2014

Reg. no.	Bull name	No. progeny
16447771	Connealy Consensus 7229	6,818
15719841	AAR Ten X 7008 S A	4,794
13592905	SAV Final Answer 0035	4,208
14963730	Sitz Upward 307R	3,902
15848422	Connealy Final Product	3,701
16761479	Connealy Confidence 0100	3,648
16124994	Hoover Dam	3,543
16541214	EXAR Upshot 0562B	2,932
15109865	SAV Bismarck 5682	2,575
15688392	SAV Pioneer 7301	1,947
15543702	Connealy Impression	1,795
16107774	SAV Brilliance 8077	1,783
16295688	GAR Prophet	1,663
15832750	Connealy Right Answer 746	1,626
16340278	Rito 9M25 of Rita 5F56 Pred	1,624
15511451	S Chisum 6175	1,568
14675445	B/R New Day 454	1,453
16115617	SAV Iron Mountain 8066	1,438
15776681	VDAR Really Windy 4097	1,398
16364794	Coleman Regis 904	1,373
13880818	Mytty In Focus	1,307
17160560	EXAR Denver 2002B	1,304
16290873	GAR Progress	1,229
15688351	SAV Priority 7283	1,214
13728513	GAR New Design 5050	1,185

Six bulls entered the lineup this year: GAR Prophet, Rito 9M25 of Rita 5F56 Pred, VDAR Really Windy 4097, EXAR Denver 2002B, GAR Progress, SAV Priority 7283. Dropping out of the Top 25 lineup were Summitcrest Complete 1P55, SAV Net Worth 4200, Kesslers Frontman R001, SydGen CC&7, GAR Predestined and TC Aberdeen 759 — all of whom remained in the top 50 sires for number of registered progeny in FY 2014.

Source: Sire Information Record, American Angus Association, 2014.



insemination (AI), the second-largest figure ever for the Association; and 10% of registrations were calves produced via embryo transfer (ET).

With each new registration, the Association's database gains momentum. In FY 2014, the industry-leading performance database grew by more than 17,000 weaning weights from 700 additional herds. Carcass records reported to the Association also increased by 165% — pointing toward member interest in one of the breed's most economically important traits.

Certified Angus Beef LLC (CAB), the Association-owned branded-beef program, sold more than 880 million pounds of CAB brand product for the eighth consecutive year of record sales. That represents a 15-million-lb. increase over the previous year, driven by an increase in CAB acceptance rates.

FY 2014 saw a 400,000-head decline in the number of Angus-influenced cattle available at the brand's 30 licensed packing plants across North America. A greater share of those featured Angus influence, and a record proportion met the 10 CAB carcass specifications, resulting in a net gain of more than 80,000 additional cattle accepted.

Angus Genetics Inc. (AGI) reports the number of registered-Angus cattle tested for genomic-enhanced expected progeny differences (GE-EPDs) increased 32% in FY 2014. Genomic data enhances the Association's database and weekly national cattle evaluation (NCE), allowing producers to optimize their selection decisions across 18 traits and seven dollar-value indexes.

Angus seedstock breeders are not the only ones jumping on board with genomics. During the past year, the number of GeneMax® tests for commercial heifer selection increased by 36%.

"We remain focused on the technologies that provide a higher-quality product for the consumer. That is the fuel to our success," Schumann says. "If we can get more pounds of high-quality CAB product sold, those benefits cycle right back to our members and commercial partners who invest in registered-Angus genetics."

Communications. The breed's ability to market and engage its membership and the entire cattle industry also made great strides in FY 2014. The newly aligned Angus Productions Inc. (API), which merged all of the Association's communications platforms, including print, radio, TV and digital, saw an increase in audience engagement.

Angus Journal celebrated its 35th anniversary as an American Angus Association publication, and remains the flagship communications vehicle for the Association with more breeder advertising and timely news and information than any publication in the industry. API's weekly TV show, *The Angus Report*, set records for ratings, according to Nielsen, nearly tripling its per-viewing audience since the program launched on RFD-TV in 2011.

The first-ever Angus Means

Business National Convention & Trade Show Nov. 4-6 in Kansas City welcomed thousands of cattlemen to a comprehensive event featuring top-notch speakers and entertainment, jam-packed educational seminars, a trade show featuring 100-plus allied industry partners, and much more.

Angus Foundation. The people who comprise the Angus community also remain dedicated to growing its future.

More than \$254,000 was awarded to Angus youth in scholarships through the Angus Foundation, and the Association's non-profit organization reported increasing revenues in FY 2014 toward its initiatives in youth, education and research to advance the breed.

"Together, we achieved much success in the last 12 months," Schumann says. "I'm proud to be a part of this great breed

and proud of the commitment shown by our members and the staff of the Association and each of its entities. This organization and this breed are made up of some of the best, hardest-working people in this business — and it shows in the many well-deserved successes achieved this year."

