



Movin' Forward

by **BRYCE SCHUMANN**, chief executive officer, American Angus Association

The end of mediocrity

A tombstone outside Edd Hendee's restaurant marks the final resting place of a chicken-fried steak, something he says a great steak house should never have on its menu.

Hendee, a Houston-based radio commentator and restaurateur, is the owner of Taste of Texas, a casual, upscale restaurant that he founded in 1977 with his wife, Nina.

Back then, when they abandoned their "average" menu for food items that would exceed their customers' expectations for quality, a lot of people didn't think they'd survive.

Bankers refused to loan them money. Food writers said their higher prices would drive away business.

And, pundits believed customers would turn away from their narrowly focused menu, which no longer included items like chicken-fried steak, fish and chicken.

What actually happened was the opposite of all the pundits' predictions.

And a big piece of the Hendees' success was their decision to focus on

quality, particularly through the use of the *Certified Angus Beef*® (CAB®) brand.

"We decided if we were going to be anything, we needed to be the best at something," Hendee recalls.

What actually happened went against all of the conventional wisdom of the time. Instead of doing things on the cheap, the Hendees switched to CAB, a beef product known for its consistency and quality.

Focus on greatness

Today, their restaurant overflows with customers. Their business is thriving. And their commitment to quality stands as a fitting example for others to model their own business ventures after.

Hendee is quick to credit the high-quality CAB brand to his restaurants' success, and like other restaurateurs around the country who have moved from average to focusing on greatness, he is deeply grateful to the farmers and ranchers who produce this great product.

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— Edd Hendee

"You don't win a customer by giving them what they want," Hendee says. "You give them more than they expect. You exceed their expectations."

During the last year, despite the downturn in the economy, this simple message has resonated across the Angus business.

In fact, CAB achieved record sales levels for the third consecutive year, increasing in 2009 by nearly 5% over 2008 levels. During the last 12 months, the brand has set a half dozen monthly sales records, and we continue on pace to set another annual record this year.

While much of the increase has taken place among consumers who are eating more at home, it indicates that their buying decisions, in large part,

continue to be motivated by quality.

We need to keep this in mind as we head into spring, particularly as we approach the breeding season. Take some time to evaluate your cow herd to ensure you're producing only the highest-quality cattle for people like Edd Hendee.

In following Hendee's example — by "burying mediocrity" and embracing the highest quality possible — you'll be strengthening not only your economic position, but that of countless others downstream.



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