



# The Roller Coaster of Change

by Greg Comstock, Marketing Programs Coordinator, Red Angus Association of America  
(Continued from March 2006, ARA Magazine)

We left off last month with CSU's Dr. Tom Field leading an interactive discussion exploring change at the Beef industry level. Dr. Field asked Brain Trust attendees a series of questions, and though the use of audience polling technology Brain Trust participants immediately saw the voting results. The voting outcome indicated a relatively high degree of consensus, however, attendees were encouraged to defend their answers or debate others. When we closed March's look at the 2006 Brain Trust, the questions had started to focus on change relative to breed associations and the Beef seedstock industry. Following is the progression of Q & A's.

## 1. Breed Purity is best maintained by:

1. Keeping a closed herd book so that no other genetic material can be introduced to the breed.
2. DNA type every animal as a condition for registration.
3. Maintain an open herd book that is inclusive of bred up cattle, composites, etc., and maintains a permanent record of breed makeup



## 2. Which of these RAAA/Red Angus characteristics have contributed most to the breed's increased commercial demand (growth in market share)?

1. Uniform red hide color with no diluter genes.
2. Less expensive to register/transfer seedstock animals.
3. Focus on predicting Economically Relevant Traits (ERTs) as opposed to Indicator Traits.
4. More reliable EPDs through utilization of Total Herd Reporting (THR)
5. Programs that increase value of customers' calves like the Feeder Calf Certification Program.
6. Red Angus has been influenced less by show-ring fads than other British breeds.
7. Red Angus has only grown through "riding the coat-tails" of growing demand for Angus Product lines.



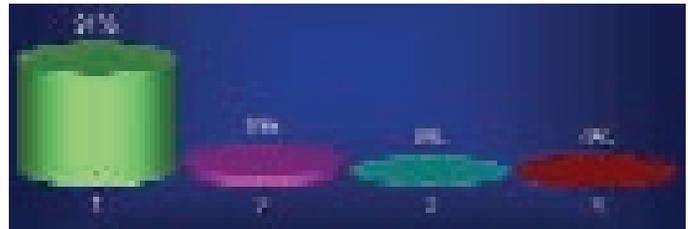
## 3. Relative to crossbreeding, which of the following were practiced by RAAA's founders?

1. Straightbreeding pure (1A) Red Angus to other pure Red Angus.
2. Naming a Hereford x Red Angus composite "Regus Cattle"
3. Printing brochures promoting crossbreeding
4. Vowing to work with other breed associations
5. Developing an Angus x Charolais hybrid
6. All of the above
7. None of the above



## 4. What are the most important advantage of crossbreeding

1. Heterosis
2. Complementary Breed differences
3. Uniformity
4. Simplicity



## 5. Which of the following NCE performing agencies are structured to provide the most unbiased, technically evaluated EPDs to commercial producers.

1. Individual Universities
2. Entity overseen by multiple breed associations and/or multiple Universities
3. NCE Produced internally and only overseen by breed association staff
4. Ouija board



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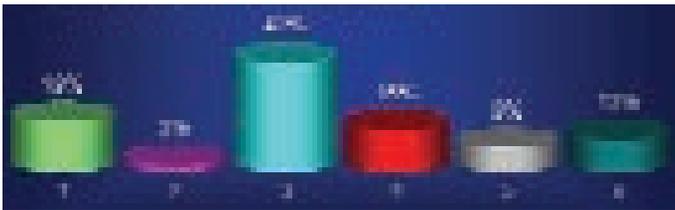
## 6. Selection Indexes assume all producers operate with the uniform/similar:

1. Production environments
2. Market endpoints
3. Existing cow herd genetics
4. All of the above



## 7. My major concern with the Red Angus database is:

1. Data Integrity
2. Data Ownership
3. Ability to integrate "next generation" genetic selection tools
4. Maintaining industry leadership in the ERTs we publish
5. Long Term Data Security
6. Getting it stored/manipulated as cheaply as possible



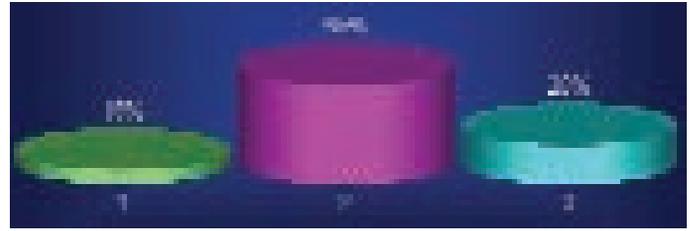
## 8. What Intellectual Property would RAAA be handing over to potential competitors by sharing data collection/recording services

1. Total Herd Reporting (THR)
2. Heifer Pregnancy EPD (HPG)
3. Maintenance Energy Requirement EPD (ME)
4. Decision Support Software
5. All of the Above
6. None of the Above



## 9. The National Beef Cattle Evaluation Consortium is made up of:

1. Breed associations interested in combining registries.
2. Universities interested in collaborating on genetic prediction models.
3. Entrepreneurs who hope to capitalize on greater economies of scale offered by combining multi-breed databases.



## 10. If a Change of base and scale to a breed's NCE were to result in a high accuracy bull's YW EPD moving from 74 lbs. to 63 lbs. which of the following should be expected to occur?

1. A corresponding change in breed rank from the 20th percentile to the 40th percentile.
2. A corresponding reduction in accuracy of that bull's YW EPD.
3. Genetic Trend for higher YW EPD will make this bull more susceptible to being passed by younger bulls because of his new, lower YW EPD.
4. The progeny of this bull will rank lower in YW EPD relative to their respective contemporary groups.
5. This bull's rank within his breed will not change.



Brain Trust attendees were able to work through the questions in groups of four, and consensus was achieved on most answers. As you can see, these questions varied substantially. Question #7, "my major concern with the Red Angus Database?" represents a question with "No" Correct answer, but a selection of varied opinions, all which may be valid. In this instance brain trust attendees selected choice 3, "Ability to integrate "Next Generation" genetic selection tools", by a margin of 2:1 over the second and third place opinions, "Data Integrity" and "Maintaining industry leadership in the ERT's RAAA publishes". Another example of a question that evaluated Red Angus breeder opinions was Question #2, "Which Red Angus characteristic has contributed the most to the breed's increased commercial demand?" "Total Herd Reporting (THR)", "Focus on Economically Relevant Traits (ERTs)", and "Marketing Programs (FCCP & ProCow)" tied for first, each getting 26% of the vote. The only other choice that received significant votes was, "Red Angus have been less influenced by show ring fads than other British breeds.", which received 16% of the opinions.

Other questions did have correct and incorrect answers, and some of those had more than one correct answer. A good example of this would be Question #4, "The most important advantage of crossbreeding". Here the audience polling data indicates 91% of the attendees believed

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the answer to be "Heterosis". While Heterosis is a correct answer, "Complementary Breed Differences (Breed Complementarity)" is equally correct. Heterosis has the greatest impact on traits of low heritability while Breed Complementarity has greater impact on higher heritability traits.

More than once Dr. Field complimented Brain Trust attendees on their technical expertise and ability to see the "big picture". This was especially true after the audience "nailed" tough questions such as:

- 72% were correct in answering that "Breed Complementarity" benefits producers by increasing frequency of desired genes in traits affected by additive gene action."
- 76% knew that there were currently 25 EPDs being published in the U.S. for Angus Cattle (Red & Black).
- 87% believed the most unbiased EPDs would be provided by an entity overseen by multiple universities (Consortium?) working with multiple breed associations (Joint Venture?).
- 92% understood that the selection indexes (\$values) utilized by some breed associations assumed all producers had common production environments, base cow herd genetics and marketing strategies.
- 76% understood that THR, Heifer Pregnancy EPD (HPG), Maintenance Energy EPD (ME) and Decision Support Software would not be intellectual property RAAA would be giving away if Red Angus entered into a multi breed joint venture for performance data/registry services, because these things are already in public domain.
- 94% understood that changing the base and scale to a breed's NCE were to result in a high accuracy bull's YW EPD moving from 74 lbs. to 63 lbs. would not change that bull's rank within the breed for YW EPD.

Dr. Field commended Red Angus breeders for their grasp of these issues; adding that the last breed to involve him in a "brainstorming" session got hung up

"If you don't like change... You're going to like irrelevance even less."

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over, "Should we allow exhibitors to 'blacken the hooves'".

Troy Marshall, Editor/Publisher of Seedstock Digest served to summarize the 2006 Brain Trust. Few have Troy's ability to articulate seedstock producers' role in servicing the Beef industry, and that makes Seedstock Digest "brain food" for purebred producers who plan on staying in business. Troy began his summation with these two austere, yet prophetic, thoughts regarding Change: "Change is inevitable... Adaptation and survival are strictly optional."

"If you don't like change... You're going to like irrelevance even less", Gen. Eric Shinseki, Chief of Staff, U.S. Army

Armed with quotes and philosophies from industry and business leaders, Troy applied the concept of embracing change to the seedstock industry. Specifically, Troy challenged seedstock producers to become visionary leaders, with this quote of Doug Atkin, partner, Merkle Newman Hartly: "These days, you can't succeed as a company if you're consumer led - because in a world so full of so much constant change, consumers can't anticipate the next big thing. Companies should be idea-led and consumer-informed."

Troy suggested that purebred breeders' struggles with change are not about science, economics or the needs of the customer... rather, they are about our difficulty in stepping outside of our comfort zone. Certainly our own Red Angus Association of America was founded and designed way outside of existing purebred beef cattle comfort zones. It was that track record of innovation that led many (myself included) to Red Angus. My 25 years of making a living in the production and marketing of purebred seedstock certainly bears this out. The most successful seedstock operations I ever witnessed assumed leadership roles, shunned the status quo, and embraced change - not for the sake of change itself, but for the competitive advantage that comes with building and bringing to market a better mousetrap. ■



*Troy Marshall, Editor/Publisher of Seedstock Digest, summarized the 2006 Brain Trust.*