

GPS: The Next Step In Industry Leadership

by Steve Andras, RAAA President

In the same manner that GPS (Global Positioning System) units have revolutionized travel, farming, surveying, and nearly all businesses to some degree or another, your Red Angus Association is taking the lead again in revolutionizing data management. Similar in title, the future of data management, aiding in directing the beef industry of tomorrow, is found in GPS (Genetic Performance Solutions).

Description of GPS

In cooperation with the IBBA (International Brangus Breeders Association), the GPS (Genetic Performance Solutions) company will assume the full weight and responsibility of producing breed EPDs. Red Angus and Brangus EPDs will not be the only EPD suites produced, rather, GPS will become the central source for EPD processing for every participating breed. Company ownership and directorship will be 50% IBBA, 50% RAAA. As would logically follow, revenues are likewise shared 50/50. Not only are the two business associates (IBBA and RAAA) extremely compatible in our philosophies, but dedication to success of GPS in addition to the integrity of the involved parties is stronger than anyone could expect.

With the foresight of Dr. Bob Hough and your RAAA Board of Directors about three years ago, the determination to cooperate with another breed to form a company capable of storing, managing, and processing data was born, and now the wheels are turning and the path is clear. I want to be clear in the outset of this article, this is not a joint venture. Rather, it is a business venture, and it passed with the unanimous consent of the Red Angus Board of Directors.

Costs of GPS

Simply thinking about the related costs of implementing a data management system makes most of us tighten our grip on our chairs, and wait for the bomb to drop. In this case, however, I'm pleased to report that the cost of GPS is perhaps the icing on the cake. We've been planning for a situation such as this since the increase in THR (Total Herd Reporting) fees. Armed with the knowledge that such a system (GPS) as this would eventually be necessary, we have taken special care to evaluate and weigh any and all available options.

We are proud to announce that getting GPS fully operational will cost far less than we ever anticipated. The value of RAAA holdings as of June 30, 2006 were \$923,604.94. As of May 3, 2007, the value of RAAA investments increased to \$1,209,576.47. The Red Angus Association is able to purchase 50% of the GPS company using only the increase from this year. This will allow us to maintain the THR costs at a constant rate, requiring no THR increase due to GPS.

Reasons for GPS

At this point, you should be asking "Why? What's wrong with our cur-

rent system? If it ain't broke, why fix it?" These are all important, valid questions and will be addressed in the following paragraphs.

Funding and manpower at the university level is migrating from cattle evaluation EPDs to genomic research. That is where the graduate students are going, and that is where funding is going. All EPD data processing is currently being funneled to University of Georgia (UGA). However, as of August, 2008, UGA will cease data management operations. According to Dr. Keith Bertrand of UGA, after August 2008, they will no longer do data management. A company needs to be formed to take care of data management and EPD production. Dr. Bertrand will dedicate as much time as necessary to make sure this new company gets off on the right foot, or until a geneticist is on board with the new company. He is very much in favor of this (GPS) or another new company to take the reigns of data management.

Not only does Dr. Bertrand express the dire need for an independent company to take over data management, but Dr. Mark Enns (Colorado State University) and Dr. John Pollak (Cornell University) concur with him.

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Without question, someone has to do it. In about a year's time, an EPD production void is set to hit, and perhaps cripple the purebred industry. With this approaching deadline in mind, we've formed GPS to fill this very void. Filling this data handling void will prove extremely necessary, not only for the Red Angus Association, but also for every other participating beef breed.

Along with the endorsements of these scientists, GPS has also captured the attention of our friends to the North:

"The Canadian Angus Association is very pleased with our relationship with the RAAA. We are pleased with the current Genetic Evaluation model but will remain open to evaluating your proposed change. Our policy is that we work cooperatively to allow breeders of Red Angus Cattle in Canada access to a joint evaluation that will insure that we have comparable EPDs between Canadian and American born Red Angus animals." Doug Fee -CEO, Canadian Angus Association

Though, UGA will no longer perform EPD production, all data must be filtered through their leased system for analysis. The beauty of this machine is that by leasing UGA data management software, we will be able to process data for one breed, two breeds, or twenty breeds, all for the same cost. The necessity of this data management system is clear, cut and dried. As throughout the history of the RAAA, we are steadfastly focused upon sound science, breed improvement, and service, and GPS fits squarely into this description.

In the October 2002 issue of Beef Today, Holly Foster gathered insight from many giants within the beef industry that address some data management concerns... this was nearly five years ago, mind you.

"There are nine scientists at the four universities who have the expertise and experience necessary to provide the industry with EPDs. The average age of these scientists is 50 years old. I know of no other \$30 billion industry what would rely on such a fragile system to provide it with one of its most important tools." -Dave Nichols

"Commercialization is a big problem here. In the future, we will have to think about moving away from the universities as service centers." -Dr. John Pollak

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Management structure of GPS

The right individuals are in place to make GPS strong and successful. Dr. Joe Massey will serve as CEO of GPS. Dr. Massey is one of a very few in the beef industry with proven entrepreneurial credentials necessary to mainstream GPS. He has made a career of writing business plans, finding opportunities, developing strategies, and most importantly, executing plans. Certainly, under Dr. Massey's competent leadership, GPS is in reliable, good hands. To mention just a few of of Dr. Massey's accomplishments:

1. J-B Agri-services, LLC, President and owner
2. TriMas Corporation President, Director & Co-Founder
3. Genmark Inc. CEO/President/Director
4. Granada Genetics, Inc. President/COO/Director

Alongside the leadership of Dr. Massey, governance of GPS will be by a five member board of directors (Dr. Massey, CEO, 2 appointed board members from IBBA, and 2 appointed board members from RAAA).

Additional comments on GPS

The elementary principles of any business pursuing success is supply and demand. Clearly, demand for data management and EPD production is fast becoming a reality, and to be the supplier of data management, will place the Red Angus breed in the driver's seat for years to come. Truly, in the beef industry, there are those who make things happen, those who watch things happen, and those who wonder what happened. Our Red Angus Association has never been among the latter two. "For everything there is a season, a time for every purpose under Heaven..." - Ecclesiastes 3:1 Red Angus breeders, now is the time for GPS.

I count it a privilege to present GPS to the Red Angus membership. Countless hours of research and brainstorming have been poured into this effort, and with great confidence, your Red Angus Board of Directors unanimously supports implementing GPS (Genetic Performance Solutions).

**"The future belongs to those who see possibilities before they become obvious."
-unknown**