



Your Responsibility as a Seedstock Producer

Seedstock producers Galen Fink and Don Schiefelbein shared insight on how to meet commercial customer needs.



Fink and Schiefelbein stressed the importance of listening to customers. Seedstock producers need to prove to their commercial customers they are invested in making them profitable.

Creative thinking

Here are some marketing and production strategies seedstock producers Galen Fink and Don Schiefelbein shared during the Hereford Genetic Summit:

- Offer genetic credit if a customer shares carcass data.
- Provide free delivery.
- Develop relationships with feedlots and alliances to help source customer cattle to fit different programs.
- Guarantee your genetics.
Fink offers customers a one-year guarantee for anything and a three-year guarantee for semen check and structural soundness.
- Create an e-mail database for feedlots and other marketing outlets. Utilize this list to promote customer cattle as they are available.
- Utilize a website and social media to market your program.
- Keep it personal. There is nothing that will take the place of a phone call or a handwritten note or, better yet, a visit to a customer's farm or ranch.
- Consider IVF (In-vitro fertilization) flushing of pregnant females. Schiefelbeins are IVF flushing 90-day pregnant females, which allows them to keep donors in production and not lose any time while producing embryos.
- Commit to artificial insemination (AI) — AI every female in your herd.
- Retain an interest on the bulls you sell.
- Attempt to contract genetics before the breeding season.
- Utilize the breed improvement tools available, including DNA testing.
- Consider cooperator herds to increase numbers when faced with limited land and cow herd resources.
- Use sexed semen to produce the maternal and paternal genetics you want to propagate.

Take care of your customers or someone else will was the common theme of both Galen Fink's and Don Schiefelbein's presentations during the Hereford Genetic Summit in Springfield, Mo., on Sept. 5.

Both are successful seedstock producers who, combined, market more than 1,100 bulls each year. Galen and his family own and manage Fink Beef Genetics near Randolph, Kan., specializing in Angus and Charolais genetics. Don and his family own and operate Schiefelbein Farms LLC, Kimball, Minn., and have been raising Angus since 1958.

"Always remember that your customers have lots of options, you don't," Fink said. "Creating a customer service plan is a must. Your serious competitors are. You need customers more than they need you. The full meal deal is the same in the seedstock industry. It is not just about selling bulls, you have to offer more to compete."

Both speakers stressed the importance of listening to customers and asking them what they need to be profitable and then helping them meet that need.

Communication with customers needs to be a priority beyond sale day. Fink tries to visit 80% to 90% of his customers

every two years and talks on the phone to 100% of his customers at least twice a year.

"I try to do lots of customer visits," Fink said. "Yes, it is time consuming and costly, but it is one of the best things you can do to build your business."

The Schiefelbeins also attempt to call and visit with customers about their programs and needs, specifically near marketing time. "You must have an obsession to make your customers profitable," Schiefelbein said.

Build a program

Fink said the first step to success in the seedstock business is to develop a program. "Don't be part of the bull of the month club," he said. "Develop a program and stick with it. Don't chase the fads."

He recommended creating a breeding program based on highly proven bulls and using them AI (artificial insemination). He explained following that plan will result in fewer surprises and fewer mistakes. "Sample young bulls but use proven bulls to prevent problems," he said.

Schiefelbein said breed labels are having less and less value all the time. "Breeders and programs are replacing breeds. Today it's not about buying a breed, it's about buying a breeder."

"Keep it personal. There is nothing that will take the place of a phone call or a handwritten note."

— Galen Fink



Galen Fink, Angus and Charolais breeder, said it's not just about selling bulls; producers have to offer more to compete.

Fink reminded attendees that some of the best marketing representatives are veterinarians and feed dealers. He asked producers what they thought was the best method of advertising? He answered the question, “Word of mouth is by far the best advertising tool available. Coffee-shop talk spreads.”

The importance of data

Schiefelbein said his family is committed to changing the way seedstock business gets done. He encouraged breeders to watch the movie “Moneyball” about the baseball industry. “In the cattle business, we need to get rid of the hunches, ‘I thinks’ and guessing, and use the data just like Billy Beane did in the movie,” he explained.

The goal at Schiefelbein Angus is to make sure every mating is extremely valuable. The Schiefelbeins AI every female and any female that they don’t think has a 90% chance or better of making a seedstock bull is moved to the recipient herd.

He challenged Hereford breeders to do the same. “As Hereford breeders if you make every mating count, you will be dominating 10 years from now,” he said.

According to Schiefelbein, the real game changer is the current DNA explosion. His family now 50K tests all heifers. “The ability to determine true genetic

“The No. 1 rule of business is those who write the checks write the rules.”

— Don Schiefelbein

difference has never been more valuable,” he explained.

Provide marketing options

Both Fink and Schiefelbein offer customers marketing options for their genetics.

Schiefelbein asked attendees, “Do you know how your customers are selling their cattle? Are you helping them get more? Are you involved in the process?”

“Ignorance purchases on price, knowledge purchases on value. This philosophy changed our decision making,” Schiefelbein explained.

His family purchases about 25,000 head of the farm’s bull customers’ cattle each year. A portion of the cattle are finished in the family’s feedlot while others are placed in feedyards. The family also recently purchased the Huron Continental Sale Barn to offer another marketing venue for customer cattle.

“We want our customers to consider it a value proposition



Angus breeder Don Schiefelbein said seedstock producers must be obsessed with producing profitable genetics.

when they buy a ‘Schiefelbein Angus’ bull,” he explained.

Seedstock responsibility

Fink stressed that a seedstock producer accepts a lot of responsibility. Not only is he out to make a profit for himself, but he must also be committed to producing the genetics that will make his customers profitable.

According to Fink a seedstock producer must 1) build trust, 2) keep his customer profitable and 3) be an educator and leader.

He also suggested that to remain competitive, seedstock producers need to offer outcross

genetics for repeat customers. To keep customers, producers have to create differences in their programs compared to a competitor down the road.

An outcross can be having different bloodlines within a breed or offering bulls of another breed that complements the current program.

“Don’t be blind to breed,” Fink said. “One breed can’t do it all. Quit worrying about the Angus breed and focus on what the Hereford breed does best.” **HW**

Attendee thoughts

Following the conference, American Hereford Association staff visited with attendees and asked, “What did you think about the summit and what do you think is the key take home message?” Here are some of the responses:

“Positioning ourselves for the future as a breed and as individual producers is vital for our improvement and continued success.”

— Fred Larson, Larson Hereford Farm, Spring Valley, Wis.

“The take home message to me is that it is our responsibility as breeders to know the market signals that will increase the market value of our customers’ product. That may be feeders, finished animals or breeding females. We need information from all segments of our industry to make real-time genetic adjustments to customers’ profitability.”

David Trowbridge, Beef Resources Partnership, Tabor, Iowa

“We have to continue to add ‘value’ to our cattle. Presently Herefords are not considered a ‘value-added’ breed like Angus. We were strongly urged as a breed to push for more AI (artificial insemination)-sired calves. Other key messages I took home were: 1) Customer service is a top priority; 2) Make every mating count; 3) Right genetics equal success; 4) Promote cattle through genetics instead of adjectives; and 5) Those who write the checks write the rules.”

Eric Walker, Walker Polled Hereford Farm, Morrison, Tenn.

“We are in the driver’s seat to improve the quality and efficiency of beef production to further enhance the profitability and growth of our customers. And if we don’t take care of our customers, someone else will.”

Terri Barber, Barber Ranch, Channing, Texas

“The summit really opened our eyes to what we needed to be doing and to not worry about what other breeds are doing.”

— Brian Staab, VJS Polled Herefords, Hays, Kan.

“The summit was thought provoking and made you really think about your operation and how it fits in the beef industry. It really encouraged us to chart our course with our breeding program and to stay disciplined.”

— Dennis and Heather Birdsall, Homer, N.Y.

“It was a great opportunity to network and meet people, and really learn a lot. It gave me a good ‘kick in the seat’ and got me pumped up to go home and make some good Hereford cattle.”

Dalton Bennett, Knoll Crest Farm, Red House, Va.

“Speakers were dynamic and really challenged the breed to look at needs of its customers whether commercial bull buyers or feeders or end consumers. I think if we set the targets right, Hereford has a real place in the industry.”

Don Trimmer, director of beef programs for Accelerated Genetics

“It was a fantastic event — very thought provoking. I’m going home with lots of new ideas.”

Jerry Huth, Huth Polled Herefords, Oakfield, Wis.

“Very thought-provoking event. Made me re-think what we are doing and I plan to get more aggressive in meeting customer needs.”

J.D. Russell, Matador Cattle Co., Eureka, Kan.