



Farewell to a Loyal Employee

This month I would like to give a heartfelt farewell to a man who devoted more than 10 years of his life to the marketing and promotion of Certified Hereford Beef® (CHB). Rob Ames, CHB LLC executive vice president, left CHB LLC in mid-January to pursue a new career path in the animal health field. He deserves a big thank you for a job well done during his tenure with the CHB program.

In the summer of 1996, Rob was hired fresh out of Colorado State University's graduate school to help me with the day-to-day operations of the CHB program. Those were the very early and fragile years of the program when AHA was aligned with Red Oak Farms, a small start-up company based out of Red Oak, Iowa.

At the time, Red Oak Farms owned no processing facility but was harvesting cattle at several facilities on a custom arrangement. It seemed like the program was jumping from plant to plant as companies shut down facilities and E. coli recalls put smaller packers out of business.

Money was short for Red Oak Farms and the AHA sold the program based on a promise of better quality and better service. The program delivered what it said it would, but the economics of the business model made it very difficult for Red Oak Farms to survive. We had two major retail customers that accounted for 1,200-1,500 head of cattle a week. One hundred percent of their beef cases were dedicated to CHB under a very fragile business model.

Rob grasped the situation immediately and began to work to create the right relationships with existing and future businesses. As a young and inexperienced man he held his own, fighting through the ups and downs of the meat business. He received a fast education on how things work in the real world where your best customer can be bought out and operating under a new banner at the drop of a hat, packing plants can close their doors after a 24-hour notice, and meat directors hop jobs like NCAA football coaches. Rob weathered it well.

Over time, I was promoted to my current position and Rob was appointed to run CHB. I trusted Rob could get the job done and he didn't let me down. With the AHA Board's advice, we changed the exclusive arrangements we had with Red Oak Farms. Rob then formalized an agreement with Greater Omaha Packing Co. Inc., an agreement that sent the CHB program well on its way to double-digit growth.

Eventually the program outgrew Greater Omaha and Rob negotiated the second packer agreement with National Beef Packing Co. LLC. During his tenure the CHB program went from generating \$420,000 in revenue with a budget deficit of \$223,000 in 1996 to \$1.06 million in revenue and a breakeven budget in 2005.

The program witnessed five straight years of better than 20% annual growth from 2000-05. Cattle numbers required to meet the demands of the program broke more than 400,000 head in 2005. Today there are supermarkets carrying the product

in 22 states and in total, including restaurant trade, the product can be found in 32 states. Trade relations are also being developed with companies in three other countries.

CHB was incorporated as a wholly owned limited liability corporation of the AHA in 2000, and a separate board of directors was formed to give the program total and devoted board oversight and attention. Rob worked with the CHB LLC board tirelessly to develop strategies and solutions to enhance and grow the program. He masterminded the Hereford Verified program and had a strong hand in the development and oversight of the HerfNet feeder cattle listing. Because of his passion for the business, he helped coordinate the Genetic Outreach Program (GOP), a program really outside the realm of his responsibility.

The AHA and CHB LLC staffs are truly fortunate to have had the opportunity to work with Rob. We wish him and his wife, Amy, the very best. Good luck, Rob, and again, great job! We thank you! **HW**