

The American Hereford Association (AHA) Board of Directors met Aug. 14-15. The following are highlights of the meeting:

## Full Board action

The Board approved the extension of terms of a purchase agreement on a parcel of land located at Seabiscuit Park along the northbound side of the I-29 corridor, just northeast of the Kansas City International Airport.

The terms of the agreement would secure the purchase of 6.08 acres upon specific requirements being met involving site grade, easements, building setback agreements, infrastructure construction phase agreements and plat approval by the city.

Construction phase of the development has been set back because of several issues including city plat approval and weather conditions but are now well on their way. Provided all terms are agreed to and met, the Association could project a closing date as early as December.

The Board amended the rules regarding genetic abnormality giving the Board leeway as to who its genetic consultant might be depending on the nature of the problem and the expertise required to investigate the problem. The Board also amended the rules so animals no longer require parent verification before the results of their genetic tests are released to the public once they have been tested at the official AHA genetic laboratory.

The Board moved to adopt a two-tiered udder scoring system currently being developed under Beef Improvement Federation (BIF) guidelines that takes into account both teat size and udder attachment. The Board instructed staff to evaluate the forms and develop a system for capturing this information once BIF has made the new guidelines official.

The Board directed the staff to evaluate various systems for streamlining online data submission.

The Board nominated three industry leaders to receive the newly approved Hereford Industry Innovator Award. The recipients will be announced at the National Western in January.

The Board instructed the staff to report the benefits AHA is delivering for each member's \$100 member service fee investment to the membership in the form of an advertisement in the *Hereford World*.

The Board approved a consolidated budget of \$5.6 million dollars for fiscal year 2008-2009 with projected revenue of \$2.7 million within AHA, \$1.4 million for Hereford Publications Inc., \$1.18 million for Certified Hereford Beef, LLC and \$190,000 for American Beef Records Association (ABRA).

## Building committee report

There do not appear to be any imminent prospects of the city purchasing the current AHA headquarters. An economic slowdown

in commercial downtown development along with city politics has slowed the interest level in AHA's current location. The Board has extended a realtor agreement with Whitney Kerr Sr. to represent the Association property to any prospective developer.

## CHB LLC update

Certified Hereford Beef (CHB) LLC reported new annualized sales of 7.5 million lb. for both foodservice and retail. An aggressive travel schedule along with escalating input costs and a shift in volume movement from middle meats to end meats lowering average per pound royalties all attributed to a deficit this year of \$244,000.

Highlights of the year were aggressive foodservice growth with Reinhart FoodService, a new ground beef chub program and the launch of Nuestro Rancho™. National Beef Packing Co. LLC was much more aggressive this year with cattle procurement.

Key issues to address in the coming months will be mandatory Country of Origin Labeling and the assumed approved purchase of National Beef Packing Co. by Brazilian owned JB Swift Co. Under the right conditions, the acquisition of National by JB Swift could advance the cause for CHB by allowing the program to integrate into other plants around the country.

## Research projects continue

The Harris Ranch heterosis study continues in its second year. At the

time of the meeting, the Board was awaiting an economic analysis of the second year steer crop. Weaning weights will be collected on the calves of the first-year calving heifers this fall.

Circle A Ranch has more than 140 Hereford-sired steers on feed from which individual feed intake measurements are being taken. The steers will soon be marketed and carcass data will be collected.

A total of 130 Amana Farms and Ginglebach Farm Hereford-sired steers are being finished at the University of Missouri, where individual feed intake data is being collected. Those steers will soon be harvested.

Olsen Ranch and Stahley Ranch are continuing as test herds for the National Reference Sire Program.

## Other breed improvement projects

AHA is collaborating with the U.S. Department of Agriculture (USDA) on an industry-wide 2,000 bull project and has coordinated the collection of semen on 250 prominently used Hereford bulls to conduct whole genome scanning research.

The Board discussed the possibilities of collecting a DNA profile on all walking herd sires within the breed. Staff will be evaluating the cost benefit of conducting such an initiative.

The Board instructed staff to look into the development of a mature weight expected progeny difference (EPD) and to look at developing a percent body weight weaned ratio.

Mike MacNeil, USDA Fort Keogh Research Station, is assisting Dan Moser, Kansas State University, in evaluating the prospects of stayability and fertility. Both scientists are recommending that AHA look into an EPD that will characterize the calving rate and age of first calving of daughters of mature bulls.

## Advertising budget set

The marketing committee recommended a promotion and advertising budget of more than \$420,000. Included in that budget are the national advertising campaign, a complimentary subscription to the *Hereford World* tabloid to all bull buyers and a Hereford Association media day, to name a few. The committee recommended the development and expense of a new ad campaign to be released in January. Staff will work with AdFarm, a marketing and communications agency, to develop the advertisement.

## Other updates

The show and sale committee recommended staff contact the six shows that host the national shows and inquire about the impact of show premiums in attracting participation at those events.

The Board selected Doug Bennett and Pat Wilson to be inducted into the Hereford Hall of Fame. Larry Cundiff and Jonathan Beever were selected to be inducted into the Hereford Hall of Merit. **HW**

## 2007-2008 annual review of activities

Craig Huffhines, American Hereford Association (AHA) executive vice president, presented the Board with highlights of the 2008 fiscal year.

- Developed Certified Hereford Beef Sire of Distinction (CHBS) and Sire of Distinction (SOD) recognitions
- Released phase I of the Harris Ranch heterosis research study
- Committed to feed efficiency research with Circle A and University of Missouri
- University of Illinois identified the idiopathic epilepsy (IE) genetic marker, and we are currently working to commercialize the test at Maxxam
- Established guidelines for Pan-American Genetic Evaluation with first commercial run scheduled for June 2009
- Developed a communication program geared toward efficiency and results of Harris Ranch data
- Hosted an AHA media event involving 10 elite agriculture editors and writers
- Organized "Music on the Mountain" benefit with Tennessee River Music Inc., raising \$180,000 for the Hereford Youth Foundation of America (HYFA)
- Organized a national Hereford tour in the Southeast
- Organized HYFA Gala in conjunction with AHA annual meeting, raising \$50,000
- Hosted the High Plains Hereford Tour, which included stops at seedstock and commercial ranches, feedlots, and packing plants
- Increased *Hereford World* advertising and creative service sales by \$80,000
- *Hereford World* was awarded best tabloid publication at Agriculture Media Summit in Tampa, Fla.
- Helped host 2008 Junior National Hereford Expo with Illinois, Missouri and Arkansas associations at the American Royal, raising more than \$140,000 in corporate sponsorships
- Organized six national show events, and we were considered most hospitable in Denver
- Launched American Beef Records Association providing registry and record department services to five other beef breed associations including American Brahman Breeders, Beefmaster Breeders United, Santa Gertrudis Breeders International, American Braford Association and American Red Brangus Association
- Generated 7.5 million lb. of new Certified Hereford Beef (CHB) business, replacing all of the business lost when Lowes Supermarket discontinued the program
- Launched new CHB brand, Nuestro Rancho™, in Hispanic targeted markets
- Developed a new ground beef chub program, advancing the sale of CHB ground beef by more than 1 million lb. annually
- Licensed new store groups in New Mexico and Los Angeles to both CHB and Nuestro Rancho
- Grew restaurant sales by more than 1.3 million lb.
- Tagged 20,153 head of qualifying cattle for the Hereford Verified program, doubling the number from the previous year
- National Beef Packing Co. LLC launched a four state advertising campaign seeking to identify and purchase Hereford-influenced fed cattle
- Cooperated with two regional special Hereford feeder calf sales
- CHB LLC relaunched a customer-focused Web site, *HerefordBeef.net*