

Cattle Professionals Panel

Industry professionals answer — What is the greatest issue affecting the beef cattle industry?

by *Haley Stark*

The cattle industry serves as an extensive enterprise within the realm of agricultural production. In fact, U.S. beef cattle production comprises more than one million businesses, farms and ranches, according to the Beef Checkoff program.

With an industry as diverse as the beef cattle industry, one will find issues affecting each sector of beef cattle production — health, science and marketing. These issues often present themselves in interview questions, debate topics, meeting discussions and business plans. To better understand the depth of the beef cattle industry, several cattle professionals and agricultural advocates

share what they see as the greatest issue currently impacting the beef cattle industry.

Logistically speaking

“The largest issue facing the beef industry is related to personnel,” says Matt Spangler, Ph.D., associate professor and Extension beef genetics specialist at the University of Nebraska-Lincoln. “The number of young people that come from a production agriculture background is declining and thus the number of people that will be employed in all facets of the beef industry in the future without first-hand knowledge of beef production will increase.”

He predicts this shortage will be the case in all sectors of the industry and at all levels

of employment. The beef industry will need to be proactive in preparing for this large paradigm shift including developing training and mentoring programs.

“Moreover, the beef industry will face increased competition to hire and retain human capital from business sectors that may not be considered competition currently,” he notes. “The mantra of ‘this is how we’ve always done it’ will likely lead to the inability to recruit the best talent. The fact that 60-70% of the undergraduate population across land grant university animal science programs is female also poses an interesting shift in the diversity of beef personnel employees.”

Current beef industry leadership is largely homogenous in race, gender and age. Spangler says if shifts in the undergraduate student



Matt Spangler



diversity are any reflection of what the future workforce will look like in agriculture, the beef industry will undergo a massive change in the not so distant future.

“This shift, coupled with changes in generational views of technology and personal interaction, will challenge the old guard during the transition phase,” he concludes. “A smooth, productive transition will require effort on both sides.”

For Scott Hein, Hein Cattle Co., market volatility is the greatest issue ahead. “It is becoming increasingly difficult for the commercial producer to create a marketing plan because of the volatility,” he says. “The low volume and the wild swings in the futures market are a concern to the cow-calf producer on the ground. There is no pit trading, and with the electronic trading we are seeing wild swings.”

Hein says this problem impacts all areas of the business including

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budgeting, herd management and capital purchases. Cattle are still considered a commodity, but Hein recognizes it is oftentimes hard to distinguish trading on the board to real world markets. “Increased domestic and export demand would help to buffer this problem,” he says. “We would support any efforts to increase the volume on the CME [Chicago Mercantile Exchange] in an effort to stabilize the exchange.”

In addition to market volatility and personnel, R.L. Sibbel, DVM, executive director of technical services at U.S. Food Animal Business Merck Animal Health, would argue



Personnel in the beef industry with first-hand experience may begin to dwindle in the coming years.

utilizing the optimum technology to spur efficiency remains as the largest challenge.

“In my opinion, how we raise beef using the best technologies that can be effective at optimizing productivity and earning consumer confidence at the same time is an ongoing opportunity,” Sibbel notes. “Because the life cycle of beef is longer than other proteins, our cost of production is highest amongst the competing animal proteins. We must be able to optimize productivity and simultaneously earn more satisfied consumers to continue to succeed in the beef business.”

Advocacy and education

Wes Steimel, National Beef Packing business manager, says in order to identify the greatest challenge ahead and to quantify success, the scope must extend through all facets of the industry from the cow-calf operator to the consumer.

“In my opinion, the greatest issue we face as an industry is the ability of industry outsiders, and

even enemies of the beef industry, to direct the public narrative about beef,” Steimel indicates. “I feel we, as an industry, have not been proactive enough in putting our story out in the public view. We tend to play defense, and focus our efforts responding to claims made by groups trying to demonize the beef industry.”

He recognizes the positive change in recent years, but he still stresses the importance of getting out in front and really telling the beef story first. Consumers are hungry for information about where their food comes from and how it is produced. With that in mind, he has observed enemies of the beef industry tell their story about beef first. Then the beef industry is stuck trying to correct the record after the consumer has stopped listening.



Wes Steimel

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“Over time, I feel, this reactive approach has allowed the public perception of the beef industry to erode, not to the point of distrust but at least to a point where they question whether beef is good for their health or the environment and whether the animals are treated humanely,” he notes. “And, this is exactly what those who oppose animal agriculture are trying to achieve. It’s a slow subtle subversion that will have a tremendous effect on the entire industry if we do not face it head on. We, as industry professionals, need to be leading the conversation about our business and to address the current concerns consumers have about health, sustainability and animal welfare.”

He challenges producers to ask themselves: “What am I doing to drive the conversation about our industry?” and “What am I doing to help consumers truly understand what we do and why we do it?”

Bailey McKay, National Junior Hereford Association board director, echoes Steimel, saying the majority of Americans have no personal connection to agriculture. For her, the greatest challenge the livestock

industry is facing, and will continue to face in the future, is educating the public about the industry.

“Education is the key to good decision making,” she says. “The livestock industry needs well-educated consumers so they understand livestock production practices that benefit animals, producers and, ultimately, themselves. This is a difficult process in a public climate that highlights perceived animal abuse and pushes for unsustainable farming practices.”

McKay says a change requires effort from individuals all across the industry. She highlights that breed associations are currently working hard in this area by hosting forums, providing educational opportunities and promoting the industry through social media. “These areas must be the focus because the decision-making of urban politicians directly affects the fate of livestock producers,” she says. **HW**



Bailey McKay



According to panelists, advocacy and education about the beef industry are among the greatest challenges ahead for the beef industry.