

Focus on Customer Expectations

Economics say it's time to produce more bulls to serve growing demand, as long as they're the right kind.



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Last month, I touched on the breed's extraordinarily strong spring sale season with reported bull prices an average of 19% higher year over year with 5% more bulls sold.

That's an impressive feat, for sure. Based on visits with breeders and representatives, the same strength is evident in private-treaty sales. Lots of bulls are being sold; some breeders are out of bulls to sell. Some say demand is so strong they could have sold an additional 15 to 30 bulls.

Momentum is very strong right now, and it is important to keep grinding. The breed has gained strength and commercial acceptance to the point demand for Hereford bulls is pushing the supply. Basic economics would say it is time to produce more bulls to serve growing demand.

I agree with this sentiment if we do it the right way with a bull that is in demand. Growing numbers just because you could have sold an additional 20 bulls this year is not the right approach. Rather, I feel the approach we need to focus on is realizing why you earned new customers and why they bought bulls this year. A multitude of factors could have led them to buy a Hereford bull, but the fact remains they either switched from another breed of bull and chose Hereford or they added Hereford to their multi-breed battery. Nothing feels better than getting that customer you have been working on for five years to come and buy a bull for the first time. The only better feeling is to be still selling him bulls five years down the road.

Maintain high selection standards

Getting to this point took a lot of enduring sacrifices. I'm sure there were bulls you cut in the past that could have been sold this year. The temptation to not cut as many bulls ahead of the next sale season has never been higher, in my opinion. But, we have to keep our eyes set on the type and the kind of bulls these commercial producers came clamoring for this spring.

Plain and simple, if a bull does not hit that target, then he should be cut. Inevitably, those bulls sold that should have been cut are the ones that come back to bite us in the end. Those kind of bulls fail to deliver what the customer expects. When that happens, the next opportunity to sell another bull to that particular customer could take until your son or grandson is leading your operation.

Every operation is different. You have cultivated your clientele to expect the kind of bull they can count on year after year. That's why their neighbor came to buy a bull this year. They want some of those big baldy calves they have been branding every spring. That visual impression of pounds due to the Hereford advantage is impressive, but we must keep our genetic base moving forward with undeniable efficiency and end-product improvement. Selecting and keeping bulls that fall on the wrong side of progress is a step toward weaker demand. Losing sight of key breed strengths, such as docility and feet and leg structure, sends us down that path. The bottom line is we have to continue to be great stockmen — our breed is filled with them.

Happy Fourth of July. **HW**