

Optimizing Potential

Seedstock operations and commercial buyers play a role in each other's success.

The cattle business is full of diversity — in function, purpose and people. Because of this diversity, the sectors of the cattle business are able to intertwine to optimize tools and mitigate risk, which ultimately leads to greater profitability.

The use of a herd bull is often the quickest and most cost-effective way to foster genetic improvement within a herd. Therefore, it is equally as important for a buyer to have clear expectations of their herd's needs as it is for seedstock producers to know and meet those expectations.

A quick search of the Internet reveals a large number of resources regarding marketing tips and buying considerations. With cattlemen and women reflecting continuously over such topics, here is a curated list of what research and personal anecdotes indicate.

Seeking integrity

Perhaps it is the unspoken rule of sales, but it has been said the quality of the bull is only as good as the integrity of the breeder.

Researchers at the University of Nebraska – Lincoln developed an entire project devoted to uncovering considerations producers have when buying and managing bulls. The most important factor? The salesperson.

According to Rush and Quinn³, the authors of “Factors to Consider When Buying and Managing Bulls,” the reputation of the seedstock supplier is the most important factor in the bull-buying process.

Doug Branch, the current manager of Buford Ranch in Hominy, Okla., attests to the necessity of establishing a quality relationship with customers.

“Customers want to have someone they can call and rely on. They want someone they know is going to provide them with a quality animal and customer service,” Branch explains. “[Customers] want someone they can build a relationship with for years to come.”

The University of Georgia Extension² touches on this very subject in their publication of the “Bull Buyer's Guide.” The resource recommends buyers consider outside factors in addition to records of birth dates, rate of gain, weaning weight and health conditions. Such factors include, but are not limited to:

- Buy from a breeder with strong integrity.
- Buy from an operation where you know the conditions under which the bulls were developed.

- Buy bulls from performance-oriented sales.
- Buy bulls from sales sponsored by, or with representation from, breed associations.

Building a customer base

In the seedstock business, establishing a customer base is a key driver in operational success and profitability. However, it is not always easily achieved.

Buford Ranch was originally a commercial-based operation. The ranch's history in the commercial sector has been particularly beneficial to their seedstock operation as they are better



Buford Ranch's roots in the commercial industry help them produce bulls that are in demand with commercial cow-calf producers. The operation's emphasis on traits important to commercial cattlemen and women coupled with their integrity brings back repeat bull buyers year after year.

able to identify the expectations of their customer base.

“We were able to understand what we needed to do to raise the type of cattle that meet our customer's needs,” Branch says.

According to Branch, Buford Ranch markets 400 private treaty bulls annually, and the majority of their sales are to commercial buyers, many of which are repeat customers.

“[Our customers] understand when they buy a bull from us their offspring are going to perform in the feedlot and meet all the requirements needed to get the premiums,” Branch explains. “On the flip side of that, they have a bull that is going to produce a female that they can turn around and put back into their cow herd.”

At the end of the day, the commercial customer will be seeking just that — a high-performing bull able to produce calves that either generate premiums or benefit the herd. Profitability for the seller should equate to profitability for the buyer.

Traits for success

Aside from the salesperson's impact in a customer's buying decision, the functionality of the cattle themselves is a primary component to any buying decision.

Genetic factors play a role in measuring cost effectiveness for a potential buyer. The bull not only needs to meet current herd requirements, but the

“As far as the traits our customers look for, they are going to look at the animal and make sure he is structurally sound and that he is a good, stout bull. Then, he is going to look at the actual birth weight and the birth weight EPD because he wants a moderate birth weight,” Branch says. “Next, he will want to know if the calf weaned off between 700-800 pounds, and he will follow that by looking at the individual's milk EPD.”

While these traits and characteristics are just a few of the many, they are, nonetheless, essential components to a commercial cattleman's buying decision. For a seedstock operation, focusing on producing high-performing bulls in the pasture and on paper will benefit future sales.

Identifying customer needs

The registered seedstock business is also a “people business,” and the priority of the salesperson is to meet the customer's needs.

According to Mississippi State University Extension¹, in order to effectively satisfy the customer, a seedstock producer should, at minimum, do the following:

- Be attentive to the customer's demands.
- Learn the customer's herd needs and price range.
- Match bulls and replacement females accordingly.
- Assist the customer with breeding and marketing goals after the sale.
- Provide services and incentives, such as breeding guarantees or free delivery.

A customer's needs are dependent on a variety of factors, but one of the most influential buying stimuli is the operation's environment. Not only will a bull need to be high-performing and functional in the buyer's environment but the environment the bull was developed under needs to be at the same standard.

“Whether they are a commercial or seedstock buyer, the customer wants someone they can build a relationship with and who will have an understanding of their operation,” Branch says. “We have to be able to meet their needs and goals and know where they want to go.” **HW**

Grace Vehige is a graduate student at Texas Tech University and past Hereford Publications Inc. intern. She can be reached at grvehige@ttu.edu.

Sources:

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