



BLI Bridges Industry Gaps

From strands of DNA to sizzling steaks, Beef Leaders Institute participants witnessed it all.

Story & photos by **Paige Nelson**, editorial intern

Thanks to sponsorship from the Angus Foundation, 18 participants from 16 states traveled across three states and toured seven facilities. During four days the group toured industry segments from before the calf is conceived to harvest and learned about the passion that supports and grows everything in between.

Beef Leaders Institute (BLI) was established in 2007 to enhance the knowledge of American Angus Association members between the ages of 25 and 45 and strengthen their leadership skills. This year's program took place June 23-26.

Participants arrived in Saint Joseph, Mo., on Monday and spent the day touring Association headquarters, learning about entities and operations. After a lunch with staff, participants walked the hallways of the Association and met the people behind the Association's daily operations.

Following an all-employee break and introduction to BLI participants, Bryce Schumann, Association CEO, led the way to the Grant Room, where he gave a brief history of the Association and an explanation of board-of-director functions, as well as an overview of the committee



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► The 2014 Beef Leadership Institute participants were (front row, from left) **Miguel Salazar**, Espanola, N.M.; **Neil Johnson**, Pipestone, Minn.; **Lindsay Sankey**, Economy, Ind.; **Elaine Martin**, Ashland, Kan.; **Keela Retallick**, Morro Bay, Calif.; **Vasco Beheregary Neto**, Sun Prairie, Wis.; **Bryson Byergo**, County Club, Mo.; **Nathan Noah**, Cambridge, Idaho; **Jim Collins**, Juliette, Ga.; (back row, from left) **Kevin Arntzen**, Hilger, Mont.; **Dale Vitt**, Fairview, Mont.; **Jeremy Johnson**, Egeland, N.D.; **Lee Robbins**, Ruston, La.; **Misty and Kenny Stauffer**, both of Harrisburg, Neb.; **Randy Smoot**, Campbellsville, Ky.; **J. Oliver Irons**, Lewisburg, W.Va.; and **Brian Brockman**, Brookfield, Mo.

structure and the personnel for each entity.

"I feel we have some amazing organizational strengths here at the Association," Schumann said. The American Angus Association employs 90-plus people, houses a database of 20 million records, has the largest breed database of DNA genotypes, puts out a weekly national cattle evaluation

(NCE), has the best online tools in the business, the best communications in the business and is in a strong financial position, he explained.

Following Schumann's welcome, participants received Association entity overviews before their final discussion with Tom Brink, owner of Brink Consulting

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and Trading and founder/owner of the Top Dollar Angus feeder-cattle program. Brink encouraged BLI participants to think about the entire span of the beef industry when managing their own cattle.

Brink has spent 14 years feeding cattle and asked participants why they should care about the cattle-feeding segment. He then answered, "I am your customer's customer, and when cow-calf guys do well, they have more money to spend on bulls."

Adding another layer of responsibility, Brink told participants, "I see too many average and below-average cattle. We need the Angus breed in this industry, and you guys shoulder a large task of creating real value with the genetics you produce."

Touching on current prices and conditions in the cattle market, Brink concluded, "These are exciting times in the beef industry, and I foresee good times ahead."



► "These are exciting times in the beef industry, and I foresee good times ahead," Tom Brink, owner of Brink Consulting and Trading told BLI participants in the Grant Room at Association headquarters.

Gregory Feedlots

Though he has been at it for 37 years now, David Trowbridge, manager of family-owned and Certified Angus Beef LLC (CAB)-licensed Gregory Feedlots near Tabor, Iowa, is still hungry for new customers and strives to offer value and customer service to those who trust their cattle to his care. Brothers Jim and David Gregory own the feedlot, grow 4,000 acres of corn and

soybeans and finish some 10,000 cattle and about 12,000 hogs.

The feedlot specializes in high-end cattle, said Trowbridge. He adds that 80% of the cattle are in a retained-ownership program. "We're big believers in the branded-beef market," he said.

Trowbridge has customers who have been feeding with him for more than 25 years. He has built his customer service on the idea of creating value for his customers by supplying them with data on their calves.

"Cattle won't always

be profitable every year, but if we can give feedback to our producers, then we're still creating value for the producer," he noted. His customer base is very diversified; last year the feedlot fed 6,700 head from 60 different producers who hailed from 17 states.

Because of the multiple regions from which the cattle come, Trowbridge said his 11 employees try not to maintain a very large sick pen so as to keep cattle with different sicknesses from mixing. From that point on, no Gregory Feedlot employee deals with animal health. "We don't have a needle or a shot on the place, the vet does everything," Trowbridge said.



► **Above:** BLI participants dished up their dinner plates in the Association's lunchroom. After a day of touring the Association and listening to presentations, they were ready to eat.

► **Left:** Bryce Schumann, American Angus Association CEO, gave a brief history of the Association and explained how the board of directors functions.



► **Left:** BLI participants studied plaques of past leaders of the Association.

► **Below:** Lea Ann Maudlin of Angus Productions Inc. gave BLI participants a tour of the Association. A favorite stop was the Association's museum.

The feedlot contracts with a local veterinary clinic for all animal health concerns. Every day one of three veterinarians stops by to diagnose and doctor sick cattle. "It's a big customer-service deal," Trowbridge added.

At Gregory, "Everything gets an implant that's not in a natural program," Trowbridge said. "There are no secrets in the cattle-feeding industry, we all try to feed cattle as efficiently as we can."



Trans Ova Genetics

The next stop on the BLI tour was in Sioux Center, Iowa, at Trans Ova Genetics. Trans Ova has labs with donor and recipient facilities across the nation, providing cutting-edge reproductive technologies while maintaining a research-and-development program.

Trans Ova's "Reproductive Toolbox" or services include embryo transfer (ET), *in vitro* fertilization (IVF), sorted semen, recipient solutions, genetic resources, cloning and gene editing — creating animals that have been genetically modified for use in human disease research.

The Iowa location currently has 7,000 recipients in some phase of the reproduction cycle. They also have the ability to clone horses, pigs, sheep and goats.

Mark Allan, director of marketing and genomics, showed BLI participants around

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► Tonya Amen of Angus Genetics Inc. briefed BLI participants on genomic tests available through the Association.

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the many labs and facilities and showed them the vast drylots at the main facility where 4,500 recipients are maintained. Trans Ova also maintains a large Holstein calf facility, where some of the highest-quality genomic-tested cattle in the world are housed.

Allan said genomic-enhanced genetic-merit predictions have changed the marketing system for dairy cattle in the world. Genomics allows for the more accurate prediction of genetic merit in animals at an extremely young age. This, in turn, allows producers to turn over generation intervals faster, further enhancing the rate of genetic change.

Trans Ova Genetics performs many IVF cycles a year, especially in dairy cattle, but is

seeing the beef industry grab IVF technology much like the dairy industry did five years ago. One of the benefits of IVF is the ability to use the technology on young heifers and pregnant heifers and cows up to 100 days of gestation. Additionally, the ability to create sex of choice using reverse-sorted semen in the fertilization process makes gender-specific matings possible on almost all bulls.

Cloning, another one of Trans Ova's tools is a "genetic copy later in time," explained Allan. He adds that a lot of producers are using genetic preservation as an insurance policy, giving them the option to make a copy of the animal in the future if needed.

Allan believes reproductive technologies coupled with genetic selection will be a big part of the future for the cattle industries.

"In my opinion we need to be teachers and advocates of these technologies to help feed and improve the world," he said.

Tyson Foods Inc.

When BLI participants visited Tyson Foods in Dakota City, Neb., they were amazed at the sheer numbers. Tyson processes 4,884 head of cattle per day. They are currently constructing an additional kill floor, which will enable them to increase those numbers up to 7,200 head per day.

"When at full capacity, we will have to transfer roughly 450-500 head per hour to keep up with the kill floor," said Matt Goehring, carcass sales manager.

"Once construction is complete, we will be the largest processing plant in the world," he noted. By fall of 2014, that construction is expected to be finished. According to Schumann this particular Tyson plant is already, "the largest processor of CAB (*Certified Angus Beef*®)."

Tyson concentrates on purchasing quality cattle and making sure they earn the USDA quality grade they deserve. USDA graders make all quality decisions while an automated camera takes a picture of the ribeye at the 12th rib and decides the yield grade. Once the graders have assigned a quality grade, Tyson employees can have certain carcasses regraded if they think the carcass actually deserves a higher quality grade.

"Typically we grade higher than some



► **Above:** Kevin Arntzen (left), Hilger, Mont., and Randy Smoot (right), Campbellsville, Ky., reviewed the day's experiences and swapped information while waiting for dinner to be served at Trans Ova Genetics.

► **Right:** Trans Ova treated the BLI group to a wet-aged and smoked prime rib dinner.



of the more southern plants; I think that's because we're buying more English-breed cattle like Angus," said Goehring.

With around 4,000 team members in total and 1,200 people working the processing floor, Tyson managers are required to have a thorough training process. Jason Poole, general manager of the plant, explained that training a new employee costs about \$4,000-\$5,000.

"We're always looking for good people," he adds. "There is an array of opportunity for kids coming out of college."

New and experienced team members alike are required to keep up on the latest procedures. All managers take animal-welfare training twice per year.

Everything in the entire plant is monitored by video camera, and products are tracked closely. Goehring said, "When a carcass is killed, we know within five boxes where that animal is."

There are miles upon miles of conveyor belts at Tyson, as well as state-of-the-art robots and machines. Overall, Tyson focuses on providing a wholesome product to its customers and taking good care of its employees.

"If we don't have people, we don't work; we have to take care of our people," said Goehring.



► **Above:** "Everything that comes through here gets an eID (electronic identification) tag. We have just found that it is worth the money to be able to keep track of cattle," said David Trowbridge.

Sysco Lincoln Inc.

Jeff Carter, center-of-the-plate specialist for Sysco Lincoln Inc. in Lincoln, Neb., got big smiles when he told BLI participants about bringing several high-end restaurant owners into his Sysco test kitchen to have them sample and pick their favorite steak.

"I brought in Prime, dry-aged Wagyu, Kobe, *Certified Angus Beef*[®] (CAB[®]) brand and Choice

steaks for them to try. CAB kicked the crap out of every other steak," he said with a grin. Carter likes to give people a hard time about buying CAB, but when asked about what he serves his family and friends, he quickly acknowledges, "Nothing but CAB."

Kurt Brockhaus, product manager of protein, told participants he has worked in almost every segment of the beef business. He

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► **Above:** Gregory Feedlots was the first stop on the tour for BLI. Trowbridge gave some history on the feedlot. He has been working there for 37 years and has had some of the same customers for more than 25 years.

► **Left:** "We use whole corn in our rations. We have found if we can get corn with at least 14% moisture, it does just as well for the cattle as steam-rolled," explains Trowbridge. Elaine Martin, Ashland, Kan., gave the feedlot ration a closer look.

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grew up raising cows and hogs in Nebraska, worked on a kill floor to earn money for college and now he buys and sells meat.

According to Brockhaus, Sysco's Lincoln warehouse holds \$30 million worth of inventory and ships 355,000 cases per week. Brockhaus led BLI participants to the 30° F meat room where he stopped at a pallet full of boxed CAB.

"My brothers, who are cattle producers, always want to know how they can better market their cattle," he said. "Ribeyes are our No. 1 selling item, it is true, but I want smaller ribeyes. I want ribeyes that our customers can use in their homes and restaurants. CAB ribeye area specifications are 10- to 16-square-inch (sq. in.) ribeyes. That's what I want," he emphasized.

All beef purchased by Sysco is wet-aged for a minimum of 21 days. Annually Sysco sells more than \$3.3 million worth of CAB.

After a tour of the facility, participants were led to the Sysco test kitchen where Chef Brian and Chef Lane, both CAB Masters of

Brand Advantages (MBA) graduates, greeted them with samples of brisket and a value-added cut, *teres major*, otherwise known as the petite tender.

Chef Lane likes to joke that CAB steak "is polluted with marbling!"

GeneSeek

Even on the day of the grand opening of its new facility, GeneSeek staff were willing to show BLI participants around their Lincoln, Neb., facility. Later in the day, they would host the Mayor of Lincoln and the Nebraska governor.

GeneSeek has been in operation for 14 years and was originally started by two individuals. Now the Lincoln facility employs 92 people. Last year it processed 1 million samples from bovine, porcine and companion animal customers. This year it is on track to process 1.3 million, said Tim Mitchell, operations manager.

According to Mitchell, GeneSeek's main customers are beef and pork producers,

followed by dog owners. He told participants the hardest samples to collect DNA from are hair samples because they have to isolate the follicle and also because of the biocontamination element from fecal material.

He emphasized getting "ample sample."

"Most of the time we get pretty good samples," he said. "I think the Angus Association has worked hard to get people to take pretty good samples."

GeneSeek also accepts blood and tissue samples and aims for a turnaround time of two weeks.

On the tour, Mitchell gave participants a glimpse into the "evolution of genomics technology." In a room referred to as Post PCR, participants saw five different machines that have been used through the years to test DNA samples.

After processing and cleaning, isolated DNA is kept in a freezer room at -20° C.

"This technology is creating some great value for our customers. It's exciting where it



► Gregory Feedlots is a CAB-licensed feedyard. "We're big believers in the branded-beef market," Trowbridge said.

is taking us. I think we're just scratching the surface of what can be accomplished."

"Having denser and denser DNA profiles is going to be an integral part of raising livestock," said Schumann.

After treating participants to donuts, James Herbert, CEO for Neogen Corp., the parent company of GeneSeek, explained that GeneSeek is the largest animal genomics-testing company in the world. He said out of the 11 major beef breeds, GeneSeek does exclusive genomics testing for 10 of them.

"I know that genomics are going to lead the beef business," he added.

Boehringer Ingelheim Vetmedica Inc.

Boehringer Ingelheim Vetmedica Inc.'s (BIVI's) vaccine and pharmaceutical U.S. headquarters are based in Saint Joseph, Mo. It was the BLI tour's final stop before heading back to Association headquarters.

"Many cattlemen and women may know BIVI better by some of our cattle products like Pyramid®, Presponse®, Triangle®, Cydectin®, or Synanthic®," explained Dave Korbelik, director of U.S. cattle marketing for BIVI. "We are focused on preventive animal health; that is where our research and development lies."

Because they are aligned with prevention, BIVI has partnered with the National Cattlemen's Beef Association (NCBA) and Kansas State University's Beef Cattle Institute in promoting the Beef Quality Assurance (BQA) certification program for cattle producers. "BQA is about monitoring and improving the health and opportunities for cattle every step of the way; this aligns perfectly with our belief that prevention works," said Korbelik.

BIVI is the second-largest producer of bovine vaccines in the United States. The company exports vaccines to 70 countries around the world for the cattle, equine, swine and pet markets. Last year it manufactured more than 1 billion doses of vaccine. It is also a part of the Boehringer Ingelheim group of companies, the largest privately held pharmaceutical company in the world.

Venelin Kaltchev, associate director of operations network development, said it can take 4-6 months to manufacture a vaccine from start to finish.

On the outskirts of Saint Joseph, Mo., at its brand new packaging, distribution and warehousing facility — which is equivalent to five football fields in area — BIVI is storing raw materials, final products, and centralizing all packaging and labeling activities for U.S. operations. When products are shipped, cold-

chain is in use, meaning that the temperature of the product during transportation is monitored and registered at all times, per USDA quality requirements.

After four days of tours and industry segment discussions, BLI participants swapped contact information with newfound friends and associates from across the country and then dispersed for home with added appreciation and knowledge of their beef industry.

"I'm a big believer in the connections and the networking in the beef industry," said Elaine Martin, the Kansas BLI representative. "I think we need a whole team of people as we move forward into the future, so BLI was a great opportunity to learn, and the tours aren't tours you just could do on your own," she adds.



► **Above:** After a tour of their facility, GeneSeek staff treated the BLI group to donuts and orange juice.

► **Right:** Stewart Bauck, general manager of GeneSeek, welcomed the BLI tour to the brand new facility. Even on the day of their grand opening, GeneSeek staff were willing to show participants around and explain the technology associated with genomics.

