

**BBU BOARD OF DIRECTORS MEETING
BEVY HOTEL – BOERNE, TX
MAY 27, 2022 – 7:00 AM**

President Larry Meacham called the meeting to order at 7:00 a.m.

Lorenzo Lasater opened the meeting with prayer.

Secretary Kendall Mc Kenzie called roll with the following in attendance:

Larry Meacham	Lorenzo Lasater	Dave Loftin
Derek Thompson	Kito Saenz	Lauren Lyssy
Chris Kauffman	Jerry Davis	Ronnie Teague
Kendall McKenzie	Clark Jones	Bob Siddons
Ty Agee	Mike Moss	Collin Osbourn
Cindy Emmons	Clay Howell	

Ruben Gutierrez was absent due to illness.

Meacham entertained a motion to approve the minutes from the February 25, 2022 BBU Board Meeting. **Clark Jones made a motion to approve the minutes from the February 25, 2022, board meeting as presented. Lorenzo Lasater seconded the motion and it carried.**

Treasurer, Chris Kauffman, spoke about the financial report included in the director’s packets. Kauffman spoke on the comparisons of income and expenses for this year versus the same period last year. The increase in the advertising budget that was approved for this year was noticeable in the financial report as well as the increased staff expenses with staff back out and traveling again. Kauffman noted these and other factors such as the additional net income this year versus the prior year have kept us pretty much on par. Chris entertained any questions or concerns. **Chris Kauffman made a motion to accept the financial report as presented. Lorenzo Lasater seconded the motion, and the report was approved.**

COMMITTEE REPORTS

Advertising and Public Relations – Chairman Robert Scott and Jeralyn Novak reported that the group has been discussing the website refresh, more digital advertising, development of a podcast, and the use of email blasts. Jeralyn shared that the increase in the advertising budget was used to focus more on digital advertising, specifically through using Feathr, an ad retargeting platform. She also shared some previews of the new website that is a work in progress. Novak opened the floor for questions from the group. President Meacham asked for Novak’s feedback on the use of Feathr. Jeralyn shared stats from the program and stated it has

been a learning experience to deem how to utilize the ads that will draw the most interest. She also stated that learning how to navigate the platform and how it works will allow for us to have greater success in the coming year. Novak described Feathr as a “push” campaign, getting our ads in front of people who may not have come to our website otherwise. The committee had no recommendations or items of action for the board at this time.

Finance & Audit - Treasurer Chris Kauffman stated that with the change in the FY, the budget is not adopted at this meeting now. He went on to share that the JBBA Adult Committee had requested that we create a Junior International Membership but noted that there are some details that need to be worked out on that, so the request is being kicked back to the juniors to flush out some concerns and then bring it back for consideration. The item up for discussion currently is a request from the JBBA Adult Committee for a reduced membership fee for a first-time enrollment in JBBA. There was a lot of discussion in the Finance and Audit Committee about the request. Kauffman noted that a first-time BBU membership is offered at a reduced rate and that is where the request is coming from. After discussion, the Finance and Audit Committee felt like it was not feasible to enact a decreased membership for JBBA. However, in recognition of what JBBA does for the association as a whole, **the Finance and Audit Committee recommends to the board that we allocate \$5 of the JBBA membership fee every year towards a scholarship that we kick to B.E.E.F. for them to administrate. Mike Moss made the recommendation into a motion and Lorenzo Lasater seconded it and with none opposed, the motion carried.**

Long Range Planning – Chairman Derek Thompson reported that the committee broke into four subcommittees to look at various topics.

The first was the Carcass Improvement committee continued from last year, led by Lauren Lyssy. We continue to raise the bar in IMF and Ribeye area being the two primary focuses. As a breed we have improved roughly half an inch per hundred on ribeye area on the bulls and point seven inches on the females. IMF is up about the same (.7) across the breed. They discussed the increase to current 7000 – 8000 being scanned versus 3000 not too long ago. Much more data is being collected which is great.

The second subcommittee was membership headed up by Darrell Glaser. The group is looking at what we can do to bring value to our members, how can we engage them, and how can we retain them.

The third subcommittee investigated standard operating procedures and rules for BBU headed by Trey Scherer. There was a lot of good discussion and still more to come from this group.

The fourth subcommittee concerns a genetically modified policy for BBU. There is a lot of movement in the GMO space. Thompson stated there was a motion in their meeting to ask the board to approve within 90 days whether we can genetically modify the outside of an animal (horns, coat color, slick hair). Lorenzo noted that Breed Improvement will make the motion and include this one in their report.

Thompson noted that there was some discussion about the discrepancy in scan results from various labs and suggested that in the interest of uniformity/consistency the breed may need to consider using one lab for all scan results. Newer equipment may be part of the reason – some are analog, and some are digital. Collin Osbourn noted that scanners may be contracted to one lab, so that would be a question to ask before we decide on ONE lab. After asking for any questions or comments, Thompson concluded his report.

Seed Stock Marketing – Co-Chairs Larry Lairmore and Alyssa Lyssy – reported that in 2018 we encouraged Satellites and Beefmaster Marketing Groups to require scan on cattle selling. Last year some criteria were set to help consignment sales. This year the President’s Council (satellite presidents, vice presidents and sale management) was brought into the meetings and encouraged to look at the data and see what is happening. Out of ten satellites and marketing groups worked with, four of those groups already require scan data on cattle being sold. Three groups have set goals on developing the criteria and over the next two to three years making it mandatory. Three groups are in the “talking stage”. Lairmore stated that he would like to see BBU work with the groups that are in the developing and talking stages by sending a BBU rep to their sales and putting on a short seminar, talking to the sellers about the need for and the benefits of collecting this data and following the criteria. Lairmore asked that the Seed Stock Marketing Committee and BBU also work with the satellites and marketing groups on the following recommendations:

- All cows regardless of gestation stage should be six years old or younger
- All pairs with six month or older calves should be bred back
- Bred cows should be in their third trimester
- No exposed heifers – only open or bred
- Bred heifers should be palpated to calve by 32 months of age
- No open heifers over 18 months
- Consider the time of year for the maximum number of bull consignments
- Must be the breeder or first owner for heifers, bred heifers and bulls
- Three in ones should be lactating
- Do a good job dehorning

Alyssa Lyssy referenced the documents formulated last year by the committee - the content and the response. Feedback tells us it is making a difference.

Some of the challenges that remain:

- Education of the membership across all of the satellites
- Facilitation of scan days – consistently offering scan days will add to the number of head being scanned

The consigner tips presented last year seem to have helped. Listing the parameters for the sale in the consignment letters being sent out is another tip for success. The committee also encouraged the use of email blasts and suggested having a seminar at the BBU convention

explaining to breeders and satellites what BBU offers in the way of advertising options and how much they cost.

Breed Improvement – Chairman Lorenzo Lasater reported on EPDs and the strengthening of our indexes as a result. Laster shared that our Stayability EPD has been updated. Originally it was based on a cow being still in the herd at five years with no calving requirement. It was updated to include a calving requirement of three calves in those five years, making it a lot stronger number. Age at first calf we broke the calving windows into bands. There was a lot of discussion on this one but in trying to be fair to those with different management styles or that might calve later and such we have bands at which they calve and it is going to be stronger than it initially was and that one will be running in the background between now and the fall. Mature Cow Weight EPD is ready to go online with 3300 records. You can decide to use mature cow weight to push mature cow weight up or down and the committee decided to use it to push mature cow weight down to moderate mature cow size. That one will be running in the background between now and the fall. In the meantime, we will work on a \$M update. \$M has been a pretty basic and not particularly effective EPD. It was based solely on birth weight, weaning weight and scrotal circumference, none of which are particularly great indicators of a productive cow. So with all of the EPDs just mentioned, the new \$M will have some weighted variation of calving ease as opposed to birth weight, weaning weight, mature cow weight, milk, stayability, age at first calf and calving interval. So, it will be a much stronger indicator of fertility, cow productivity and such. The general plan is that no changes will be made until after the fall bull sale season. The hope is to roll out all of these at once in the winter, between the sale seasons because there will be some reranking and changes. Laster stated that phase two would be to go back and look at our other indexes. \$FE is new and needs to run for a while but \$T could use some these to strengthen it as well.

The committee also touched on the inconsistency of scan data from various sources and will have a sub-committee look further into that, noting it is important that our breeders and customers can rely that the data is accurate. The sub-committee will work on the issue.

Data integrity was discussed as well. Staff has some safeguards in place to look for any outliers and information that doesn't check out – not just in wean weights but in a number of traits. It is an ongoing process to be sure that the information coming into the association is honest and correct.

Lasater stated that the Breed Improvement Committee had two things that require board approval. We have two policies: A Genetic Defect Policy and a Clone Policy. The Old Genetic Defect Policy is from 2011 and listed the defects that were available at that time. The list of defects available now is about four times as long as previously listed. The committee agreed to include a reference to the USDA website related to genetic defects instead of listing them in the policy. The policy will then always be current. We added information at the bottom on Clone

and Genetically Edited Animals to reference the next policy we discussed. **Lorenzo Lasater made a motion to accept the amended Genetic Defect Policy as presented. Kendall McKenzie seconded the motion and it carried with none opposed.**

We have a Clone Policy in place that states we will not accept genetically edited animals. **We will have to strike that from the old policy.** The committee wanted to give BBU the right to refuse registration of a genetically edited animal (example: a resulting 5-legged animal – BBU can refuse registration). Long Range Planning brought a motion to **allow registration of animals with any of the following three specific external traits resulting from genetic editing: coat color, horn status or slick hair. Any other genetically edited animals may be refused registration by BBU. Lorenzo Lasater Made a motion to accept the changes to our Cloning and Genetic Editing Policy as presented. Derek Thompson made the second and the motion carried.**

By-Laws – Chairman Bill Carr stated the most important thing that the committee does is at the mid-year meetings is to look at the action plans the other committees have, before they go to the board for approval. Mr. Carr stated the committee had several to consider this week The most important one, that has been going on for a while, being the online/paperless process to obtain certificates and transfer them. The change was never presented to the by-laws committee for review until this week. Carr stated that the committee agreed that the procedure is in violation of the by-laws. No other individual or group including the board can take precedence over the by-laws. The controlling language is found under the Breeding and Ownership Procedures section on page five of the by-laws. Paragraph three states, “The application for certificate of breeding shall be made by the breeder-member-first-owner on the official form(s) available from BBU and completed, authenticated and returned to BBU as prescribed and published by the Board of Directors.” Then in reference to transfers, the last sentence of paragraph 6 of that section states, “At the time of transfer the certificate must be returned to the BBU office for validation of transfer.” Carr indicated there is an easy fix, but will require a By-laws amendment that would be need to be voted on by the general membership at the annual meeting in October (unless there is a special called meeting with appropriate notice). The board was presented some language that we may want to consider to update the by-laws to accommodate the amendment. Carr drew attention to the outdated phrase that appears though out that section of our by-laws that we may want to update as well. Breeder-member-first owner. Carr suggests replacing that phrase in this section with member-current owner. The By-Laws Committee cannot ever recommend a violation of the by-laws so until the by-laws are amended at the annual membership (or special called meeting) the committee recommends online registration and transfers be suspended.

The JBBA Adult Committee asked the by-laws committee about how the addition of two or three other categories of Junior membership would affect the by-laws. All of our types of membership are defined in the early section of the by-laws and so any new types of membership would need to be added to that section through a by-law change. The JBBA Adult Committee are still considering the new types of membership and were not ready to present

them at this time but plan to in the future so asked simply in preparation of their plan. The Committee said no by-law amendments would be needed to accommodate any auto renewal of annual dues that the membership committee would be proposing.

Dave Loftin made a motion to authorize the procedure to present this amendment to the by-laws to the general membership in October. The following verbiage was suggested by the By-Laws Committee to address paperless registration and transfer procedures: under Section V Breeding and Ownership Procedures, insert a new paragraph 7. *As an alternative to the above prescribed original registration and transfer procedure, the member, current owner may register and /or transfer eligible animals online and authenticate their registration and/or transfer in a manner prescribed by the Board of Directors from time to time. And the current number 7 will become number 8. The Board of Directors shall approve a policy for issuing duplicate certificates of breeding.* Lorenzo Lasater seconded the motion and it carried.

Commercial Marketing – Chairman Clay Howell reported that the committee was charged with how to continue or give the E6 Program a lift. We need new/more testimonials to put on the website with some pictures from those using the program. Looking at contemporary groups for this set was another thought to attempt to grow the program. The committee also talked about inserting something about the commercial E6 program into our Beefmaster ads that we run in various publications, just to give it more visibility.

Convention Committee – Dave Loftin announced that the 2022 Beefmaster Convention will be held at the Omni Oklahoma City, Oklahoma City, OK. Loftin stated that the challenge to get more members to attend was met with options like shortening the number of days that people would have to be there. The President’s Council Breakfast and the BBU Board Meeting that normally begin on Thursday morning will now occur on Friday Morning. Friday afternoon will be for seminars. Friday evening at 5 will be a meet and greet at the trade show. Saturday morning will hold our opening luncheon and immediately following our general membership meeting. Another seminar on Friday afternoon. Our awards banquet/President’s Reception on Saturday Evening. The committee recommends setting the registration fee for the 2022 Convention at \$250 per person to cover the costs of meals. **Lorenzo Lasater made a motion to set the 2022 Convention registration fee at \$250 per person. Mike Moss seconded the motion and it carried.**

International – Jon Garza reported that we were allocated \$30k from USLGE and we expended \$62k. This year we requested \$45k and will be receiving \$45k. USLGE funding has been decreasing not increasing over the years, but we have been able to increase. We have been more aggressive in our international advertising and have been able to utilize our funds in that area as well as reverse trade missions. EXPICA was cancelled this year due to the political unrest. Garza shared some of the countries we have been in conversation with that have an interest in our cattle, Vietnam being one of the latest. Garza is expecting about 20 International guests at our BBU Convention in October.

JBBA Adult – Collin Osbourn reported in the absence of Co-Chair Darrell Glaser – JBBA has continued to grow reaching and surpassing their goals and then setting new goals. Fund

raising efforts have been great the past few years. JBBA sent 17 juniors to YBIC this year. They extended an invitation for all to come to Nationals – the show will be on Thursday, July 21, and the Banquet will be that night. Trey Scherer shared that about 150 kids from YBIC came by Collier Farms this year stating it was great Beefmaster exposure.

Membership – Chairman Ty Agee shared that the committee worked together once again to call members who had not renewed. Surprisingly there was not a lot of negative feedback this year. Ty stated that JBBA had interest in developing new types of membership and wanted to address JBBA membership fees. After some discussion, the membership committee steered them to the finance committee to discuss the fees and such. They also wanted to look at International Junior membership but needed more definition of that membership type before it would be presented to the board. The committee would like to see BBU explore and implement auto dues renewal in January 2023. They would also like to see the dues not increase until April (since they don't get to call members until late March). **Lorenzo Lasater made a motion to implement auto renewal with the 2023 dues renewal. Cindy Emmons seconded the motion and it passed.**

B.E.E.F. – President Lorenzo Lasater reported the Endowment sits at one million thirty-one thousand. We only lost about eleven percent in this crazy down year. Our conservative investment policy is working for us. Financially we sit in a good spot. Lone Star BBA and SEBBA have moved their scholarship funds under B.E.E.F. management. B.E.E.F. had a raffle last fall and an online auction in the spring that helped raise funds. Roger Fuller who served as B.E.E.F. secretary since the founding of B.E.E.F. in 2009 has retired. Kylie McIntosh will take over the admin functions of B.E.E.F. Lorenzo thanked Kylie and Collin Osbourn for their help in getting things transitioned. He also thanked Jeralyn for her help in setting up the online auction. Lorenzo shared that B.E.E.F. will utilize a program called Exceeds to manage donations and pledges, even sending out letters. He and Mc Intosh will be training on it soon.

B.E.E.F. will be sponsoring JBBA Nationals through education and through research – they will sponsor the cost of scanning (behind the scenes expenses) at Nationals.

BBU needs about 800 carcass records to be able to develop EPDs B.E.E.F. will pay DNA on Beefmaster sired calves where the data will be shared with BBU in order to obtain the carcass records needed.

Lasater explained the various scholarships B.E.E.F. gives. They just added a vocational school scholarship.

Voluntary B.E.E.F. checkoff is another fund raising idea. When you register a calf you can voluntarily donate an additional dollar to B.E.E.F.

Nominating Committee – Chairman Bob Siddons presented the following slate of nominations to be presented at the general membership meeting in October 2022.

- **President – Derek Thompson**
- **Vice President – Trey Scherer**

- **Director Place 1 – Clay Howell**
- **Directory Place 2 – Clark Jones**
- **Director Place 3 – Mike Moss**
- **Director Place 4 – Debbie Cheatham**

Ethics Committee – Chairman Dalton Skinner shared that some issues had been brought to him and he had been able to resolve them without further action needed. The committee had one complaint, however, that had just come up prior to these meetings. Dalton would share that in executive session.

EVP Report – Collin Osbourn voiced appreciation to the staff for the continued dedication and hard work. He thanked the committee members and chairs for their time and efforts that went into these meetings. The breed is moving in the right direction. We have gone from scanning 2000 head in 2012 to scanning around 7000 in 2021. Improving carcass data is the focus right now and if we continue to focus, we will meet the goals and expectations of our breeders and our customers.

Fort Worth was an expensive convention and thus did not receive rave reviews. Osbourn assured the board, and others present in the meeting, that the 2022 Convention at the Omni in Oklahoma City will be more affordable. The seminars will be informative, beneficial, and relevant to current industry topics. Osbourn encouraged everyone to mark their calendars and make plans to attend.

Collin shared an article written in 2000 that he had shared with some before. It is written on Gardener Angus, what they did on genetic selection and how their program works. They used EPDs to reach and meet their goals. The article talks about what they did and how this worked for them. It contains a lot of good information to be considered.

President’s Report – President Larry Meacham thanked all the committee chairs, co-chairs and committee members for the efforts they put forth in meeting virtually, by conference call and in person. He also thanked the staff for the work that they do. He also encouraged the board to take time to offer a word of thanks to the staff.

The Association is in a good spot, and it is great to see the momentum behind the breed. We can’t let up. The movement on the performance side of things – DNA, Scanning and the other things that we are doing are making a difference. Meacham stated that spreading some the responsibilities to the Satellite and Marketing Group President’s to help us manage this Association adds to the success because we are “United” and united we stand. We must keep a vision and keep looking forward.

Meacham then shared that the board had kicked around the idea of selling the BBU office. They had the building appraised and decided to sell. The office will go on the market in the next few weeks. There are several options on where we will go and what we are going to do. One option in particular is going to College Station with the Association. Meacham is excited about that option, but nothing has been approved at this point. The only thing that has been approved is being able to sell the office before the market slides. As the information develops and the board

approves where we are going, it will be shared with the membership. There will be a host of questions and various other things that will come up, but Meacham assured all that he and the rest of the board will have their fingers on the pulse. A lot of us don't like change but we must accept it to be able to promote this breed and move this breed forward. Meacham thanked everyone for being present and participating. Because it was Memorial Day weekend, he wanted to get everyone on the road headed home at a decent time and appreciated the cooperation with the early start this morning. Be safe going home. Meacham asked for a motion to move into the Executive Session.

Cindy Emmons asked a question about submitting DNA going forward. Collin stated that everything on the front end remains the same. It is on the back end that the West Texas A&M students will help us. Melissa will still be the point of contact.

Lorenzo Lasater made a motion to move the meeting into Executive Session. Kendall Mc Kenzie seconded and the meeting continued in executive session after a short break.