

**BBU BOARD MEETING
8:00 A.M. MARCH 21, 2014
TUNICA, MS**

President Steve Emmons called the meeting to order. Dan Gattis led an opening prayer. Secretary Steve Carpenter called roll with the following in attendance.

Steve Emmons	John Pierson	Davin Vaughn
Mackie Bounds	Dan Gattis	Melvin Scherer, Jr
Steve Carpenter	Sheldon Mc Manus	Clark Jones
Dwight Bertrand	Kito Saenz	Tom Hood
Bill Pendergrass	Derek Frenzel	Bob Siddons
Collin Osbourn	Billy Welkener	

Mike Collier was absent for a funeral and Jerry A. Davis was absent due to previous obligations.

Emmons called for any corrections, additions or deletions to the minutes from the January 2014 meeting. **Dwight Bertrand made a motion to approve the minutes as presented. The motion was seconded by several and with a board vote, the minutes were approved.**

FINANCIAL REPORT – Treasurer, Dwight Bertrand, presented a positive and encouraging financial report, noting that current ratios of assets versus liabilities reflect that BBU is “liquid” and “solvent”. Profits projected in the 2014 budget at this period were \$54,830. We are actually at \$81,176. The Association is in good shape financially as of the February financial report. Collin Osbourn commented on income from registrations and transfers noting there is more participation in those programs at this point than was anticipated. The new Inventory Based Reporting (IBR) program has not impacted the budget to date as these inventories along with Whole Herd Reporting (WHR) inventories are still in the process of being updated and charged. WHR numbers look low in this report, but the WHR deadline is not until May 1, and Osbourn noted that historically, many wait until the last moment to submit the inventories. This year a late fee has been implemented which will hopefully encourage more timely submissions. Bertrand encouraged Emmons and Pendergrass to mention the programs in their articles to encourage participation. Collin addressed the advertising line item, noting that the RFD TV programs that were included in the budget have been delayed, but the Co-op ad program has successfully expanded. Emmons and Vaughn have a Spring RFD TV segment scheduled and in an effort to build on their message rather than take away from it, BBU will work toward a later air date, possibly in September. **Steve Carpenter moved to approve the financial report. Dan Gattis seconded and the motion carried.**

EVP REPORT – Bill Pendergrass expressed his excitement for the future of the Breed, stating that he has long had his eye on Beefmaster females while working with competitors and commercial cattlemen. He is happy to be involved with the Association at this point, stating that Beefmaster Breeders have a great product and he looks forward to working with these breeders for future

opportunities to prove it over and over. Bill recognized and commended Collin Osbourn for his dedication and hard work during the interim period of staff changes.

University of Missouri Research Project – Bill reported that the project involving sequencing ten Beefmaster bulls has been completed. The project was started to move us toward getting genomic enhanced EPDs. Collin Osbourn shared that the University has the raw data and they are currently running additional bulls through. The University of Missouri will get results to us soon with the “adjusted” data. Dr. Taylor will send details in the near future of options to continue/further this research project with the University of Missouri. Bill indicated this is a good foundation and at some point we will have to identify some legacy animals that have a tremendous amount of pedigree connectivity through the entire breed. These legacy animals will need to be sequenced and we will carry on from there. It is a complex and time consuming process but Genomics is an emerging technology and necessary for us to be competitive. B.E.E.F. funded this project. Collin guesstimated that data results from the project would be made available to us mid-summer. The results take some time with 50,000 markers on each one of those bulls.

International Updates – Houston was impressive with sales to and participation of International breeders. Our cattle are in demand. A tremendous amount of work went into the International Program at Houston. Beefmasters have a lot of positive things working for us in the International arena. Bill introduced Adriana Botero from the Columbian Beefmaster Association whom he had recently had a chance to visit with. Angus has been the dominant export breed but the Livestock Exporters Association in DC believes that the domination is about to change because of political instability in Russia. Bill commended the hard work of the International committee. He feels that with the aforementioned changes, we will have more approaches from USLGE and government agencies that will have a very rigid format to follow. We will need to figure out the best way to approach this to make it user friendly so we can tap into these resources and keep the interest in our breed growing internationally. Billy Welkener spoke on his past involvement and experiences with the International Committee and USLGE funding. Welkener was concerned with the drop in the amount of funds requested for Mexico reverse trade missions noting that funds granted are always less than what is requested. The sale average has grown via buyers from Mexico. Cutting the budget for reverse trade missions with Mexico will affect what has been accomplished. Welkener suggested having a staff member oversee the funding requested. Someone has to be the managing person of the funds and it shouldn't be the chairman of the committee. Mackie Bounds noted that the EVP has the best insight into the avenues of opportunities in foreign countries and we should depend on his knowledge in making requests for funds to act on those opportunities. Davin Vaughn questioned if the International Committee was making proposals of suggested actions or budget items to the board for approval. Osbourn explained that because funding requests to USLGE have to be made over a year in advance and because the chair for the committee may not even be known at the time of the requests, that it must be handled a little differently than the other committees. The International Committee raises their own money and operates on its own for the most part. Clark Jones noted that committees recommend and the board approves all committee actions for all other BBU committees and it should be the same for the International. Bounds indicated that the committee

should work as the by-laws indicate and there will not be any problem. **Steve Carpenter made a motion for the International committee to submit budgets and marketing recommendations to the BBU Board for final approval as provided in the by-laws. Mackie seconded and the motion carried.**

Geneseek – is a genomics company that ties in with the DNA genomics projects that have already been started. Collin and Bill visited with the territory manager the other day and go over what they have been doing. The Geneseek platform is the old University of California Davis database used mainly for parentage. Geneseek owns all of the old UC Davis data and they have relocated to Lincoln, Nebraska. The University of Nebraska has set themselves up as the Genomic capital of the world in terms of everything that is going on. They are setting themselves up to be the main provider of genomic enhanced EPDs. They have a bos indicus platform which they are promoting. We will need to find a consulting geneticist as we move forward. Collin reported that the associations that have moved forward to genetic enhanced EPDs have done so on their own or they have gone to Geneseek (Igenity). Osbourn intends to explore our options as we finish up with Zoetis (who has done a great job for us) and move forward toward the goal of genomics. Hereford has moved on and is past the 50k chip and on to the 70k chip. Collin noted the fees will increase when we move beyond the parentage test we currently do. We are nowhere near the 50K chip at this point. Welkener asked about USDA money (grant) possibilities to help fund the costs. Pendergrass will explore that possibility. Dr. Berenson promoted matching the phenotypes with the genetic markers, because none of the genomic data will be any good without good phenotypes. Pendergrass and Osbourn will continue to explore the options and keep the board informed.

Five Steer Challenge - The feedback from the Graham Feed Lot is that all but one set of those cattle are sitting around a dollar a gain is what they are figuring, which is good. The older cattle that went in have a target date of May. The younger set is looking at completion about September or October. Worrell will come in to scan the cattle in the next few weeks. DNA samples will be pulled on these cattle at both sites (Irsik and Doll). Bill noted plans to get video and scan data on these cattle before they harvest from May through September. James Skelton has some data and information from about 209 head of his cattle that he has fed through Irsik and Doll. The feed yard gave great feedback on Beefmaster cattle. The hot yield that came off of his cattle were phenomenal. Bill will also check on Sheer Force Test possibilities for these cattle.

Pendergrass was able to visit the test herd in Missouri that Dr. Perkins set up and they are very happy with the calves. Bill has already requested a second round. Carpenter suggested that we incorporate this project into an RFD TV program.

OLD BUSINESS

Advertising Update – Clark Jones gave an update on advertising noting tripled exposure of Beefmasters through the Co Op Program. We are currently in Cattle Today, The Cattleman, Louisiana Cattleman and the Gulf Coast Cattleman some 50 times a year. Jones thanked all co-op ad participants and asked more to get involved to grow the program. Beefmaster ads are also hitting some AI issues and hard copy books (like Jim Banner's). Talking with staff, Jones collected

some information on inquiry procedures and took an inventory and assessment of printed materials currently on hand at the office for trade shows, inquiries, etc. Jones noted that the Beefmaster web page should have a guest friendly page in addition to a member log in page so that interested viewers can get information on the breed and find useful information appealingly displayed on the homepage. Clark learned that inquiries are way down from where they were back in the 90's when he was first involved with this committee. Jones stated the need to think outside the box and build a database of commercial cattlemen across the country as a way to move forward. It will take a little work but it is a definite way to market our product in these changing times of opportunity. The board needs to consider internet advertising. We have had 57,000 hits on the *You Tube* piece - *Beefmaster – the Best of Both Worlds*. Discussion ensued on the different avenues of exposure we are utilizing including facebook, twitter, you tube, etc. Jones commented on the effectiveness of having one consistent message featured in programs every six months that are posted to you tube afterwards for constant access.

Multi-view Web Advertising – Collin Osbourn reported that the Multi-view ads are running underneath our Breeder Partner ads on our website. We have provided a list of past sponsors/advertisers to Multi-view and they are currently making contacts to secure more ads.

Membership Committee – Dave Loftin updated the board on dues renewals this year, noting that due to renewal notices being mailed out late, many were running late on renewing. The committee acted on the opportunity afforded by the board to offer the February renewal rate during the month of March. Dave received a list from the office of members who had not renewed by mid to late February and divided it among his committee members to make reminder contacts. The results of the calls were 114 paid, another 56 pledged and 46 definitely will not be renewing for one reason or another. Loftin noted that the last three years have shown an increase in membership totals. As of December 31, 2013, Loftin reported we had a total of 2,629 members. Emmons commended the efforts of the committee in retaining members by making the calls. Loftin noted that, upon invitation, Bill Pendergrass willingly joined in their recent conference call prior to joining the staff.

Commercial Marketing Survey – Steve Carpenter commented on the history and unsuccessful completion of the Commercial Marketing Survey. Carpenter forwarded information to Bill Pendergrass to review and bring him into the process. The effort was to target commercial cattlemen in the southern half of the United States from California to Georgia to see if we could get some insight into their thoughts concerning Beefmasters. The Long Range Planning (LRP) Committee thought it would be good to at least get Beefmasters into somebody's thought process who maybe hadn't thought of our breed before from a commercial standpoint. The hope was to try to get a contact list that was refined from people who had 50 head or more in those areas. The idea still needs to be pursued but needs to be finalized for implementation. The committee will have a conference call meeting sometime in April, after Bill has had a chance to look at the survey information thus far. Jones noted that publications where we run ads, will provide contact lists for a nominal fee. Carpenter asked for help from Clark to obtain such contact lists. Clark agreed to help stating that Bud Fichte already has knowledge of how to obtain them. He will get that to Bill and/or Jeralyn at the office. Davin expressed interest in what the

association plans to do with the data obtained from the survey. The information obtained will be utilized to help direct advertising and sale campaigns and possibly start a commercial newsletter to these commercial breeders. Another breed has a commercial cattlemen magazine that pays for itself with 12 full page-color ads purchased by their breeders. The survey is designed to help us get a perception of our cattle from a commercial cattleman's view, to find out what is wrong and what is good and act accordingly. Carpenter asked for input, ideas or suggestions on areas that the LRP committee need to tackle or explore.

NEW BUSINESS

Registry Program – Collin Osbourn reported that we are still with ABRI. It is a workable situation for now while we explore options. GPS is off the table as all were aware. Juan Montoya is working to develop another option for us. He is developing a spreadsheet that we can distribute and you can input your data and email to us for importing into our system. Writing such a program is not as simple as just developing a spreadsheet with multiple columns. The columns and fields have to be specific to the data entered: the type of characters, total number of characters, etc. Juan is part of Alvarez Beefmasters and also a computer programmer and has found a need for such a program and is working to develop it.

RFD TV - Osbourn reported that the date secured for the next RFD show is the second or third week of September (7th or 14th). We will not have one in the Spring as Davin and Steve Emmons already have a segment scheduled. We are looking at running spots on a regular basis at RFD's suggestion to get our name out there on a consistent basis.

NCBA Convention – Penny Bowie reported on the National Cattleman's Convention and the presentation of our booth. She had concern about our small booth being the size of an individual farm's booth and not an association booth. Bowie shared that other associations present an inviting booth where you can view videos and visit with their staff. They had breeder's sponsor the booth to help cover the cost. A booth is part of branding your product and should make an impression. Collin indicated that we have four spaces reserved for this year costing \$1800 each space. Several breeders have partnered with us to share the space and help cover the expense. Derek Frenzel read off some expenses that can be incurred for booths – above and beyond the space rental, for items such as carpet, couches, bar stools, etc. explaining it was not cheap to put on such a booth. Manpower to cover the booth during the show/convention is another consideration. Penny mentioned another important trade show to reach out to commercial cattlemen is the Florida Cattlemen's Convention. Bowie also mentioned an International Convention in Miami, Florida in April that she heard about and will try to find out more on. Many contacts with International buyers are possible there. Welkener shared another opportunity to send some promotional material to USLGE for a show in Mexico. Texas Purebred Cattle Alliance sponsors that booth each year and we participate and send literature for it.

New Marketing/Field Representative – Emmons asked about the progress and possibility of hiring a new marketing/field representative. Osbourn noted that he and Pendergrass will need to sit down and discuss that when Bill has more time in the office. Emmons would like to see

representatives in the Southeast and other regions to develop and enhance the Beefmaster breed throughout the US. Pierson and Carpenter would like to see contracted employees (possibly a retired ag teacher or extension workers) to work in different areas of the US. Emmons indicated that representatives need to develop relationships with breeders (commercial included) to make a difference. Mackie Bounds noted that Collin and Bill seem to have a plan to discuss the options and asked that they be allowed time to do so. Bob Siddons suggested targeting some big time commercial breeders and challenge them to use our Beefmaster bulls and compare the results to the rest of their bulls. Emmons suggested donating semen to them to use for the comparison. Gattis noted that we need to publish the story on these instances or only about twenty people will know it. We have to convince them to use our bulls. Davin stated that we have to give them incentive to buy the bulls. We have to give them proven bulls to make the point and convince the commercial breeders. Melvin stated that consistency is important on the commercial end.

PRESIDENT'S REPORT

Steve Emmons stressed the importance of working as a team and noted that Bill and Collin are presenting a strong lead in that direction. We need to get more of our breed united and going in the same direction. SEBBA has more coming to their banquet tonight than they ever have and seem to be growing. Finances are looking great and we just need to continue working together in a forward momentum.

Collin has had several breeders ask about the possibility of another amnesty registration period and asked the board to think about whether or not they want to offer it again. When asked how often we should offer amnesty periods, Osbourn assured the board we did not need to offer them every year. Emmons stated that the board could think on it and make a decision on that later.

Dwight Bertrand made a motion to break into Executive Session. Clark Jones seconded and the motion carried. Emmons asked guests to exit and indicated the meeting would adjourn immediately after the executive session.

The meeting adjourned.