

**BBU BOARD OF DIRECTORS MEETING  
MARCH 2, 2023 – 4:00 PM  
NRG CENTER  
HOUSTON LIVESTOCK SHOW AND RODEO**

**President Derek Thompson** called the meeting to order.

**Dr. Joe Mask called roll** in the absence of Secretary, Kendall McKenzie. The following were in attendance:

Derek Thompson	Lorenzo Lasater	Debbie Cheatham
Trey Scherer	Kito Saenz	Clark Jones
Chris Kauffman	Dave Loftin	Mike Moss
Larry Meacham	Lauren Lyssy	Clay Howell
Cindy Emmons	Ronnie Teague	Dr. Joe Mask

Secretary Kendall McKenzie was absent due to a health issue, Ty Agee and Ruben Gutierrez were also not in attendance.

President Thompson entertained a motion to approve the minutes from the October 21, 2022, meeting. **Lorenzo Lasater moved to approve the minutes as presented. Clark Jones seconded the motion, and the minutes were approved with a vote.**

**Treasurer, Chris Kauffman** went over the BBU financials including a display of the 2023 budget, the 2022 budget, the 2022 draft, and 2022 budget versus the 2021 budget. We ended the 2022 year roughly up 250K from the prior year, most of which had to do with the sale of the building. Kauffman noted that we tracked budget well for the year with some shifts in income – Membership dues were a little over what was budgeted but certificates were a little under and inventories were a little under what was budgeted. For the overall year, we are two percent under where we were for 2021. Looking at the core operations of the association, we are just one percent over the prior year. Chris stated that the financials are still in draft form because we are still waiting to finalize the equity and earnings pick up for our part of Nolan Ryan. He entertained questions then continued, stating that we stayed close on our budget except in advertising where the board had agreed to allocate more funds toward that line item. Kauffman continued going over all expenses and explaining the various line items and what affected them. We will end up with roughly 250K in net income. The net operations of the association were revenue neutral in essence. Our positive net income was associated with the sale of the building. The association is in good standing. We are starting the new year a little slower than the previous year, but it could be due to the relocation changes and the state of the economy. Kauffman feels like we may see the numbers pick back up in February and March. Discussion ensued about the economy and the outlook and impact it may have on the association.

**Dr. Joe Mask** stated that no breed association can work internationally without USLGE and Foreign Ag Services. Jon Garza introduced guests from FAS out of Washington, the Associate Administrator, Mr. Clay Hamilton, and Mr. Julio Maldonado. When we travel internationally through USLGE funds from USDA, we work very closely with the post that Clay oversees. Clay Hamilton addressed the board about the Foreign Ag service and how they work through various departments to make sure you can export your ag products overseas. They help with everything from marketing and promotions, trade policies, helping resolve issues on stalled shipments, and they have programs to help train people in artificial insemination to get them more interested in buying genetics from the United States and they have various other trainings to help pave the way for exports. Jon Garza stated that when we run into issues in various countries, he works through the contacts from the Foreign Ag service located in these countries to resolve the problems and this helps us continue to be eligible for funding from USLGE as we promote Beefmasters around the world.

#### **Old Business:**

EPD Integrity – Dr. Joe Mask and Dr. Lance Bauer were asked to speak about EPD integrity. Graphs of various EPDs were shown – not all from the Beefmaster Breed. Dr. Mask showed a graph presenting steady increases, no drastic changes and stated this is the type of change you want to see. He also spoke on how things, like environment and bringing a new bull into your program can make a difference. Drastic increases and changes should be explored and researched. We certainly need integrity in our EPDs if we are to move forward in the industry. Outliers and extremes have been an issue for the past several years in our breed and there has been discussion on how to handle them. Lorenzo Lasater suggested bringing in a third-party auditor to look at our EPDs and evaluate areas of concern and how to address them. Meacham indicated that we need to decide how to approach the issue and act soon rather than having the same old discussions with no action. Thompson indicated that EPD Integrity will be covered further at the May meetings.

**Digital Beef – Dr. Joe Mask** spoke to the registry program and the issues we have had with it. The printer was recently down for a week. The reports we want to pull don't have options to pull on the parameters we would like to sort on. There was recently an EPD issue when a wrong date was used that caused havoc with our sale catalogs. There can be issues with any program - that is a given. Digital Beef has newer technology and is easier to use and gets issues resolved with programmers that are readily available. It will take 8 – 9 months to build so any change will not occur until around January 2024. **Clark Jones made a motion that we move forward with the transition to Digital Beef for our registry system. Clay Howell, Lorenzo Lasater and several others seconded the motion. The motion was carried with none opposed.**

**Hair Rule – Dr. Joe Mask** spoke about the “hair rule” for our JBBA shows. He would like to work with Laurel Kelley to get a videographer to work with and show visuals of what is accepted and

what is not accepted clipping techniques. We should show what types of clippers should be used when, when should you clip your animals and how should you clip them. We need something to share with ag teachers, county agents, etc. that can be presented to young breeders and parents alike.

**DNA – Neogen** – by the first of the year, we must figure out what we are going to do with our samples currently stored at Neogen. Do we want to pay Neogen to store them? Do we want to send them back to the breeders? Should we store them at BBU? We will get a count of our physical samples by August. By the first of next year, we must know what we are going to do with the samples. The consensus was to send them back to the breeders.

**A Genetic Merit Task Force has been created** to look at Hide Color on cattle – Dr. Joe Mask – The task force is looking to put something together to go to the Packers and the feeders about genetic merit. Something they could provide their buyers so they can look at the genetic merit of the cattle and not just hide color when making their buying decisions. Bos Indicus cattle have a seat on this committee/task force – not one breed but all breeds that are bos indicus.

**Dr. Joe Mask** introduced Addison Coburn to the board. Addison started with transfers and will also work on communications and advertising. Coburn addressed the board sharing some ad ideas that she, Dr. Mask, Dr. Bauer and Trey Scherer had worked on together. There was discussion on what constitutes effective advertising. Coburn looks forward to working with our breeders to market Beefmasters using fresh new ideas and technology.

Dr Mask challenged the board to start looking for our target audiences. Think outside the box, such as targeting real estate agents that could suggest Beefmasters as the type of cattle to put on land for an ag exemption. Mask also challenged the board to think ahead to the next steps about moving onto the A&M campus with other breeds and the positive impact it could have.

A handout was shared by Clark Jones Breed Improvement Chairman and Dr. Lance Bauer Director of breed improvement. Dave Loftin made a motion to accept the recommendation of bullet point one from the hand out bolded below that Breed Improvement recommended to the board. Chris Kauffman seconded the motion and it passed.

*Currently the qualification for trait leaders in the carcass EPD categories reads: “Scrotal and scan trait leaders must have a minimum accuracy of 50% for that trait with no minimum record requirements.” The recommendation is that it would be updated to read: **“Scrotal and scan trait leaders must have a minimum accuracy of 60% for that trait with at least 5 progeny with records for the trait.”** This would make the requirement equivalent to that of growth traits.*

**EVP REPORT – Dr. Joe Mask** We must learn to do hard better. We need to learn to do the hard things to move forward. You can’t fear failure or the unknown. We must do it together in unity. Let’s make sure we are promoting Beefmasters as we should be doing.

**President Derek Thompson** stated that we have a tremendous opportunity to move ahead in the next three to five years that we don't want to miss. We need to have integrity in our EPDs to move ahead and we need to educate our breeders and customers. Thompson encouraged the board to help be the voice that will educate them. In our current state of opportunity, If we can show that our animals will perform on the rail, it will set us up going forward.

**Dave Loftin** asked that the board allow the membership committee to offer the February rate of renewal instead of the March rate to encourage them to renew. Loftin made this recommendation in the form of a motion. Lorenzo Lasater seconded, and the motion passed.

**Mike Moss** made a motion to adjourn. Clark Jones seconded, the motion carried, and the meeting was adjourned.