

2007 Cattle Industry Annual Convention & Trade Show

Coverage by Angus Productions Inc. — www.4cattlemen.com

Aligning the Vision

Experts offer management strategies to improve the bottom line.

by Micky Wilson

NASHVILLE, TENN. (Jan. 31, 2007) — An interactive session about management strategies and the bottom line was hosted by John Lawrence and Daryl Strohhahn, both of Iowa State University; and Barry Dunn, Texas A&M University, during the Cattlemen's College® at the 2007 Cattle Industry Annual Convention Wednesday afternoon.

After breaking the audience into groups by region, Lawrence kicked off the seminar with a discussion about coming changes in the cattle industry concerning ethanol. By the year 2017, the U.S. is expected to produce 35,000 million gallons (gal.) of ethanol, using about 12 billion bushels (bu.) of corn, Lawrence said.

The price of corn will be driven by oil prices. Based on crude oil prices at \$60 per barrel, that would make corn worth \$4.00-\$4.50 per bu., he explained. Looking at a future far from void of ethanol and ethanol byproducts, Lawrence issued the first of a series of breakout sessions.

Given the ethanol situation, each "region" was asked to do a SWOT analysis, identifying strengths, weaknesses, opportunities and threats of the situation. Additionally, each region was asked to come up with strategies, or management options, to strengthen the operation in the given situation.

Strohhahn followed Lawrence by explaining changes in marketplace demand. There are four forces, he said, facing the beef industry:

- ▶ *E. coli* 0157:H7;
- ▶ cholesterol;
- ▶ value-based markets; and
- ▶ bovine spongiform encephalopathy (BSE).

He explained the new alphabet soup of acronyms, describing industry programs for cattle, including Process-Verified Programs (PVP) and Quality System Assessment (QSA).

Strohhahn also spoke about the changing "handshake" culture of agriculture. Nowadays, he said, "If you can't prove it, it didn't happen."

Strohhahn then gave seminar participants a scenario to work through with a SWOT analysis.

Dunn was to describe volatility in the beef industry; however, with all the group work, time ran short. For more information about Dunn's topic, as well as those of Lawrence and Strohhahn, see the PowerPoint and proceedings accompanying coverage of this session.

Lawrence, Strohhahn and Dunn presented their comments Jan. 31 during the

Cattlemen's College session "PR202: Management Strategies and the Bottom Line" at the 2007 Cattle Industry Annual Convention and NCBA Trade Show in Nashville. The Cattlemen's College is sponsored by Pfizer Animal Health. Audio files will be available within two weeks of the conference.

AI



Editor's Note: This article was written under contract or by staff of Angus Productions Inc. (API), which claims copyright to this material. It may not be published or distributed without the express permission of Angus Productions Inc. (API). To request reprint permission and guidelines, contact Shauna Rose Hermel, editor, at (816) 383-5270 or shermel@angusjournal.com.