

Fall 2005

PROUD TO BE A FOUNDING MEMBER OF U.S. PREMIUM BEEF

Editor's Note: This issue of The GAR Report features the official sale report for our 1st Annual Fall Bull Sale. The sale was completed in just over two hours and sold to states from California to Florida.

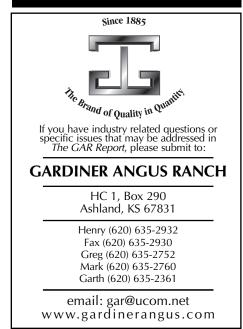
We want to call your attention to information regarding the Profit Proven Sale, November 28, in Pratt, KS. This sale is in its fourth year and is an excellent opportunity for this group of long-time GAR customers to take advantage of decades of genetic progress and put added value to work for them.

Also, pay special attention to two other sales spotlighting GAR genetics—Maddux Ranch, November 21, Ogallala, NE and Winter Ranch, November 16, Dodge City, KS.

Drovers Journal has given us permission to reprint an article by Wayne Purcell discussing the real factors driving the demand for beef.

We are pleased to announce the launch of GAR's customized source verification program, GUARANTEED GARDINER GENETICS (GGG). The program has been developed in response to customer concerns and limitations of other source verification programs. Watch for more details in the future.

Since 1999, GAR customers using our USPB delivery rights have received over \$1,726,520 in premiums and dividends. If you retain ownership, that's valuable marketing information!



1,700 head sell at 4th Profit Proven GAR-Influenced Replacement Female Sale, November 28, Pratt, Kansas



This sale of GAR-influenced commercial Angus females has become one of the most successful commercial auctions in the country. The females are presented by Gardiner Angus Ranch commercial customers that have used GAR genetics for many years.

This year's Profit Proven sale offering represents 12 commercial ranching operations that have used Gardiner Angus Ranch genetics for many years. These diversified ranches all are committed to producing better beef through improved genetics. The following ranches are represented in the 2005 offering: Giles Ranch, Co., Bucklin, KS; Mule Creek Ranch, Wilmore, KS; Merrill Ranch, Wilmore, KS; Irsik Ranch, Ingalls, KS; XIT Ranch, Plains, KS; McCloy Ranch, Harding County, NM; JO Cattle Co., Holcomb, KS; K Ranch, Garden City, KS; McCarty Land & Cattle, Ashland, KS; Bravo Cattle Co., Amarillo, TX; Schooler Farms, Logan, KS; Snake Creek Ranch, Ashland, KS.

These ranches follow strict health protocols and all cattle will sell with complete health and vaccination records.

The majority of the offering has been Ald to GAR sires and pasture bred to sons of GAR sires. The females are all 6-year-olds and younger. All bred females have been pregnancy checked and are guaranteed safe in calf.

All eligible females will carry AngusSource^{5M} tags. Those females not meeting the USDA Process Verified Program requirements for the AngusSource program will carry the new Guaranteed Gardiner Genetics tag (see page 2 for more details).

The 2005 Sale Offering Includes:

- **35 Fall pairs:** Sept. AI calves by Retail Product
- **927 Bred heifers:** Al'd to U.S. Premium Beef, 616 and GAR Solution, pasture bred to sons of 616, Precision, New Design 1407, Future Direction, Retail Product, T510 and New Design 036
- **260 Open heifers:** Sired by sons of New Design 036, 616, T510, Focus & Expectation
- 75 2 Yr. Old Bred Cows: Many Al'd to U.S. Premium Beef. Bull bred to sons of Expectation and 616, and grandsons of Precision 1680 to calve for 60 days beginning 2/1/06.
- **40 3 Yr. Old Bred Cows:** Bred to sons and grandsons of Precision and 616 to calve for 60 days beginning 2/1/06.
- **365 4-6 Yr. Old Bred Cows:** Bred to sons of 616 and sons and grandsons of Precision 1680.
- Sale cattle are listed by ranches on page 5.

GAR launches Guaranteed Gardiner Genetics (GGG) Program for customers



Gardiner Angus Ranch recently launched Guaranteed Gardiner Genetics, an animal identification program designed to add value to Gardiner-influenced commercial cattle. Although several programs are available throughout the industry, the decision was made to launch a program that provided Gardiner specific genetic information. The Guaranteed Gardiner Genetics (GGG) program will provide source and age verification, vaccination protocol, breeding and genetic information.

"Although several source verification programs are available throughout the industry, we felt it was important to develop a program that potentially paid an additional premium to our customers because of their investment in GAR genetics," states Mark Gardiner. "It is important to develop a program in which all GAR customers can participate and capture additional profit from GAR-influenced genetics. Since we know more information translates to added value, we believe this GAR branded source verification program is the next step in providing an opportunity for our customers to make more money in the marketplace."

Guaranteed Gardiner Genetics Program:

- Age verification: individual or
- group age
- Source verification
- Cow herd make-up
- Breeding information (replacement females)
- Health/vaccination information
- Genetic information

For further information regarding the Guaranteed Gardiner Genetics program, contact Mark Gardiner at 620.635.5136, gar@ucom.net or Julie Tucker at 785.354.8596, ext. 115, julie@gathh.com.

What demand is and isn't Consumption alone cannot measure demand.

By Wayne Purcell, reprinted with permission, article from October 2005 issue of Drovers Journal

This is in response to Ted Slanker's letter in the August issue of Drovers (p.8), which raised questions about beef demand that begged further discussion. I have worked with demand issues as an agricultural economist for 35 years, and this is certainly not the first time I have seen different opinions about what demand is and is not.

One dominant opinion, I am afraid, is that consumption measures demand. Actually, per capita consumption is best seen as a "disappearance" number. We "consumed" 66.1 pounds of beef per capita in the U.S. in 2004 because that is how much beef we had.

Beef demand is the set of quantities of beef that consumers will purchase at different prices. If we know the level of demand and know how much quantity we will have, we know what the price will be. The price that consumers are willing to pay will depend primarily on how much they like the product, the price of other meats and consumers' income levels.

From the late 1970s through 1998, we experienced decreasing beef demand, which wreaked havoc on the industry. Beef-cow numbers dropped from over 45 million to fewer than 35 million, and per capita consumption declined from 94.2 pounds (retail weight) in 1976 to 65.1 pounds in 1993. The most dramatic development in that long, downward spiral was from the late 1970s through much of the 1980s.

From 1980 through 1986, per capita consumption was in a narrow range from 76.4 to 78.8 pounds, so there was little or no pressure on price from quantity increases. After adjusting for inflation, however, the Choice retail price declined 28.2 percent between 1980 and 1986. Are we willing to say that demand is constant when your cattle business is being devastated with cost pressures and financial losses as beef and cattle prices plunge? If all we understand are production and costs, how do you protect against a 28 percent decrease in what buyers will pay for your product across a short sevenyear period?

As we moved into the 1990s, a typical yearto-year pattern was a reduction in per capita consumption at lower inflation-adjusted prices. The only way consumers would take a smaller quantity of your product was at a lower price. Willingness to pay, subject to budget constraints and the presence of competing meats, is a huge component of demand that is not captured in any way by monitoring consumption.

If we focus on availability and consumption only, we don't worry about quality control, consistency and the overall desirability of what we offer. For nearly 20 years, that approach resulted in unacceptable product offerings, with up to 25 percent of Choice beef too tough.

As an industry, we began to understand the importance of being consumer-driven and offering consumers something they want and are willing to pay for. If we can keep that going, we will, in time, see production expand. Per capita consumption will grow again as production gets larger, with high calf prices from new qualitycontrolled beef product offerings. In this sense, consumption is the result of what happens in a demand-driven industry over time. Demand is financing the new products and promotion programs that prompted the increase in consumption.

I did not do the calculations being cited that say \$1 per head on industry programs is bringing \$100 in added values, but I understand how that could happen. If the \$1 in checkoff money is spent on encouraging and facilitating new consumer-driven investments by the large processors, the impact could be huge. It takes billions of dollars to do all the new product work, and we are finally seeing coordination and quality control along the supply chain prompting those expenditures. In 1990, we had about 100 new beef products per year coming to market. The number has reportedly jumped to 400 to 500 per year in recent years.

Processors need profit margins to be willing to make risky investments. They will not, in turn, get the increased numbers and quality of cattle they need unless producers get something for their investments and efforts. None of this will happen unless there is a reason for the consuming public to continue to bid up the price they will pay for any particular quantity of beef. Consumers' money will not be forthcoming unless we understand demand and offer them what they want. There simply has to be a consumer-level willingness to pay that supports and finances all of this progressive change and moves us back to a growth industry. Monitoring consumption rates does not get us there.

Wayne Purcell is an alumni distinguished professor in the agricultural and applied economics department at Virginia Tech.



Don't just buy a breed. Buy A Brand.

1st GAR Fall Bull Sale makes for a quick, successful afternoon



Sara Jacobson, Goliad, TX, purchased one of the top selling bulls in the sale.

Regardless of how long we do something, change always brings a question mark to the forefront of one's mind. The addition of a fall sale to the Gardiner Angus Ranch marketing plan marked a significant change in our history. On Friday, October 7, 96 buyers from 20 states changed anxiety into another humbling opportunity to say thanks for a successful sale. Two-hundred forty-one bulls grossed \$1,048,750 for a per head average of \$4,352. The sale was the typical fast-paced Gardiner sale style and was concluded in just over two hours.

The high selling bull was Lot 1, GAR 1407 New Design L674, sired by Bon View New Design 1407, sold to John Zieglschmid, Franklin, TX for \$15,000. Second high selling bull was Lot 5, GAR 1407 New Design L884, another 1407 son out of a GAR Pinnacle daughter, 1630. L884 sold to Tom Echols, Breckenridge, TX, for \$8,500.

Six bulls sold for \$7,500. Lots 4, 19 and 6, all 1407 sons, sold to Jason and Gloria Greenstreet, Walker, MO, Bob Anson, Myakka City, FL, and Padgett Farms, Bowdon, GA, respectively. Lot 24, sired by Bon View New Design 208, also sold for \$7,500, to Ken Reeser, Leroy, IL. Lots 7 and 13, both sired by CA Future Direction 5321, sold to Virgil Lawless, Bastrop, TX, and Carey Mickel, Hartwell, GA, also selling for \$7,500. Lot 16, GAR 208 New Design G844 and Lot 37, GAR 208 New Design G654, both Bon View New Design 208 sons sold to Roscoe Harvell, Eutaw, AL, and Bruce Johnson, Polo, MO, for \$7,000. Lot 194, GAR Future Direction N5324, sired by 5321 out of GAR Focus 501 sold to Tony Borba, Oakdale, CA, for \$7,000. Bill Freeman, Cunningham, TN, purchased an outstanding Grid Maker son, GAR Grid Maker N5124, for \$7,000.

Seven bulls sold for \$6,500 each. Sean Geistweidt, Fredericksburg, TX took home Lot 2, GAR 1407 New Design D534 for \$6,500.



Brian Winter, Dodge City, KS, purchased 7 bulls in the sale.

Roscoe Harvell selected Lot 17, the #1 \$B bull in the sale, sired by GAR Pinnacle. Lot 18, another super 1407 son out of a Pinnacle daughter, sold to Barry Bortz, Preston, KS. Lots 20 and 32, a 1407 and a 208 son sold to Rob and Sylvia Sellard, Bucklin, KS, and Jimmy Mathis, Duck River, TN. Another 208 son, ranking in the top 3% for RE and top 4% for \$B was purchased by Bob Keifer, Guide Rock, NE. Frankie Long, Hollis, OK also paid \$6,500 for Lot 205, GAR 208 New Design N5214.

Nine bulls sold for \$6,000, all purchased by repeat Gardiner customers. Randy Browning, Appleton City, MO, purchased Lot 3, another popular 1407 son. Sara Jacobson, Goliad, TX, purchased two New Design 208 sons out of GAR Precision 1680 daughters, Lots 25 and 26. Sara also purchased Lot 46, GAR 1407 New Design G894. Lots 28 and 39, both GAR New Design 208 sons sold to Bob Anson and Tony Borba, respectively. A good neighbor, Mark Luckie, Ashland, KS, purchased Lot 42, GAR 208 New Design L794. Jeremy Staples, Turner Station, KY, had the winning bid on Lot 49, GAR 1407 New Design H904. Lot 55, another 1407 son out of GAR Precision 870, sold to Joe Wittenburg, Lometa, TX.

Three bulls, Lots 34, 84 and 197 sold for \$5,750 to Sam Bailey, Clarksville, TN, Jim London, Freedom, OK, and Barry Bortz, respectively.

Twelve buyers purchased 17 bulls for \$5,500 and included: Bob Anson, four bulls, Lots 9, 36, 69 and 174. Sam Bailey had the winning bid on Lot 31. Tony Borba added two more, Lots 92 and 195, to his load. Terry Eubank, Ashland, KS, purchased Lot 65, one of the few Rito 616 sons in the sale. Robert Godwin, Myekka, FL, purchased Lot 56, another 1407 son ranking in the top 1% for \$B. Chris Himschoot, Hardy, AR, took Lot 54 home. Sara Jacobson added two more top



Bob Anson, Myakka City, FL, was a volume buyers in the sale.



John Thatcher, Boone, CO, was another of the volume buyers in the sale.

sires to her purchases with Lots 35 and 45. Perkins and Prothro's Jon David and Jodie Roberts purchased Lot 76, sired by Twin Valley Precision E161. Mark Luckie added to his purchases with Lot 50, GAR 1407 New Design H774. Long time GAR customer, Jack Shelton, Amarillo, TX, purchased Lot 61, GAR Enhancer D604. John Thatcher, Boone, CO, one of the volume buyers, purchased Lot 88, a Bon View New Design 208 son that ranks in the top 1% for \$B. Steve Stratford, Pratt, KS, took home Lot 211, GAR 1407 New Design N5154.

Blake Sherrod, Birmingham, AL, purchased the top selling Quarter horse, Dynamic Bull, a gelding sired by The Blue Bull and used on the ranch for 11 years.

Volume buyers:

Jon David and Jodie Roberts, Perkins & Prothro, Kerrick, TX; Bob Anson, Myakka City, FL; John Thatcher, Boone, CO; Tony Borba, Oakdale, CA; D.K. Boyd, Midland, TX; and Emanuel Glockzin, Bryan, TX.

Additional notes of interest:

Bulls sold to states from California to Florida.

- 65 Bulls sold into Texas
- 53 Bulls sold into Kansas
- 36 Bulls sold into Oklahoma
- 25 Bulls sold into Florida

1st Annual Fall Bull Sale Total & Averages REGISTERED BULLS & QUARTER HORSES

Total Lots	Gross	Average
241 Bulls	\$1,048,750.00	\$4,352.00
5 Quarter Horses	\$14,000.00	\$2,800.00

Look to genetics for marbling indicators

By Jennifer K. Ryan, reprinted with permission from Drovers Journal, article from U.S. Premium Beef website.

Some fat cattle may be just, well, fat.

New research shows that using the amount of external fat as an indicator for marbling isn't the most accurate sign of carcass quality.

By using genetic selection to emphasize marbling traits, producers can achieve minimum carcass fat with an immense amount of marbling, notes John Brethour, Professor at the Kansas State University Agricultural Research Center in Hays, Kan.

"Fat and marbling is an 'either/or' relationship," Brethour says. "Feeding more energy than you need for the maintenance generates fat, and the genetics of the animal indicates where the fat goes. Marbling is 90% genetics."

While Brethour notes that a longer feeding period can enhance marbling, a slow progression that must begin with a genetically capable animal.

"You can't make something out of nothing," Brethour says. "There are cattle that won't grade Choice no matter how many days you feed them."

In a recent study including 10 pens of cattle, with an average of 27 animals per pen, Brethour notes that there was no correlation between average backfat thickness and gain per kilogram of dry matter (DM) intake, i.e., feed efficiency. Correlations between average backfat thickness and ADG or DM intake were also nearly zero. Furthermore, carcass backfat thickness was a poor predictor of carcass marbling score even though backfat thickness was an important predictor of percent empty body fat.

According to the study's results, there is little relationship between body composition and marbling score, which is contrary to models that assume a USDA quality grade target at a specified percent fat endpoint. In addition, the results show a measure of backfat thickness on the live animal during the finishing phase is not an effective predictor of future feed efficiency.

Dan Faulkner, Professor of Animal Sciences

at the University of Illinois at Urbana-Champaign, says his research confirms there is little correlation between backfat and marbling. However, his research has shown a relationship between days on feed and backfat.

Simply put, Faulkner says that while any cattleman can tell you that days on feed influences backfat, there is little evidence to show that backfat can be used as a good indicator of the amount of marbling present.

He notes that proper nutrition greatly influences an animal's marbling score.

"We can feed byproducts to cattle and achieve the same rate of gain as cattle on highgrain diets. We can get the backfat deposited, but not get the marbling deposited," Faulkner says. "The No. 1 determinant of quality, in our research, is the number of days the cattle are on a high-grain diet. An average animal gains about one marbling score every 100 days on a high-grain diet."

Faulkner notes that early weaning or creep feeding can get cattle on feed earlier and help achieve a higher rate of gain without depositing excessive amounts of fat. On the other hand, poor management can reduce an animal's marbling score.

"If you take cattle off a high-grain diet, you lose that marbling," Faulkner says. "If they get sick, there's usually a one quality grade difference. The cattle are off feed and not getting the rate of gain needed."

Different genetics will marble differently, Faulkner says, but all types of genetics will increase marbling if placed on a high-grain diet.

"Every group of cattle may be different just because of their genetic ability," notes Kelly Bruns, Ph.D., Assistant Professor of Animal Science at South Dakota State University. "Our research would show that the longer you fed cattle, the fatter they became, but that didn't necessarily relate to their ability to obtain a higher marbling score. Certain individual animals wouldn't necessarily get higher up on the marbling line than other steers in their contemporary group."

The most important determinants of beef carcass value are external fat content and marbling. External fat lowers value while marbling increases value. Dr. Bruns notes the cattle industry is beginning to realize there is a weak relationship between these variables.

Learning how and when marbling develops is a key component to commercial use of such research, Bruns says.

An old school of thought was that marbling is a late-developing trait tissue. Research conducted by Bruns and colleagues at South Dakota State University revealed that marbling develops at a fairly constant rate throughout an animal's life, contrary to what has been assumed for many years. The research was conducted over a two-year period and involved approximately 90 purebred Angus steers, slaughtered at carcass weights ranging from 460 to 838 lbs.

The key to producing a carcass with minimal external fat and maximum marbling is to match genetics to an optimal slaughter point, Bruns notes.

"Marbling is a continuous process and can be hindered due to improper management practices early in a calf's life," Bruns says. "We tested that theory by administering a high potency implant early in the finishing phase of production, which resulted in decreased marbling scores versus if we delayed administration of the same implant. How you manage cattle in the first 30 to 50 days in the feedlot is very critical relative to marbling development. Any stresses impeding dry matter intake, growth or average daily gain within the first 30 days may have an adverse effect on marbling development. Our research would indicate that different groups of cattle maximize marbling development at different levels of carcass fatness."

Marketing traits of successful beef producers

By Troy Marshall, reprinted with permission, article from October 31, Seedstock Digest.

1. They compete every single day. While they may not look at their operation or program as being engaged in a war or battle, they certainly understand that the competition is intense. They are not obsessed with what the competition is doing, but they are keenly aware of their strengths and weaknesses as well as their own and the opportunities and threats they might present.

2. They understand that their future will be decided not by outside forces, but rather how they react to them. They are aware of the trends in the industry not only in terms of production and genetics but what their customers—and customers up the production line—will likely

be demanding in the future. They understand the insight that they must take care of their customer and that of the ultimate customer as well. They understand they are a cog of the beef production chain, they do not see their operation as an isolated enterprise.

3. They are optimists. Books have been written about this trait, but the most successful producers are optimistic about the direction they are heading, the direction of the industry. The one thing successful producers almost universally share is a sense of optimism about the future.

4. They understand the importance of timing. The saying "timing is everything" is not just a nice expression. They watch trends and adopt technology, anticipate needs. They can't quantify how they do it but they have a knack for taking a leadership role without being too far out in front of the curve. This hurry up but cautious approach helps them from chasing the latest fad as well.

5. They are patient. Charting a course and sticking to it, is a rare quality, in part because the length of generation intervals mean that reaching a goal is often measured in decades rather than years. They take advantage of the impatience of others that are always shifting direction. Most overnight successes in the seed-(continued on page 6)

Profit Proven sale cattle listed by ranch

48

(continued from page 1)

From Giles Ranch

Roger, Jenny, & Norman Lee Giles RR2 Box 16 Bucklin, KS 67834 <u>giles@kans.com</u> 620-826-3683 620-826-3519 (fax) 620-826-3152 Jenny's Home

- 80 Open heifers sired by sons of New Design 036.
- 50 Bred heifers Ald to U.S. Premium Beef. Will begin calving 2/2/06.
- 15 Fall pairs Ald to Retail Product. Began calving 9/15/05.

From Merrill Ranch

Dee & Phyllis Scherich HC 55 Box 21 Wilmore, KS 67155 <u>lpsch@havilandtelco.com</u> 620-738-4471

- 160 Open heifers sired by sons of 616, T510, Focus & Expectation.
- 50 2-yr-old cows Ald to U.S. Premium Beef. Bull bred to sons of Expectation & 616.
- 10 3-yr-old cows bred to sons of 616
- 10 4-yr-old cows bred to sons of 616
- 10 Fall pairs

From Mule Creek Ranch

Kim & Sharon Leeper Cade & Jody Leeper HC66 Box 14 Wilmore, KS 67155 <u>mulcrk@hotmail.com</u> 620-248-3265

- 80 Bred heifers Ald to 616. Will begin calving 3/2/06.
- 10 Fall pairs (3,4 & 5-yr-old cows) Ald to Retail Product. Began calving 9/20/05.

From XIT Ranch

John Adams 32030 5 Rd. Plains, KS 67869 <u>jcadams@carrollsweb.com</u> 620-563-7532 – home 620-621-4017 – cell 620-563-7654 - fax 250 2 to 6-yr-old cows bred to sons and grandsons of Precision 1680. Will calve for 60 days beginning 2/1/06.

From McCloy Ranch

Rex McĆloy Logan, NM <u>rexmccloy@amaonline.com</u> McLeod Farms, Inc. 11700 County Rd 7 Morse, Texas 79062 Phone (806) 878-2649 Fax (806) 878-3528 Bred heifers bred to sons of 616. Heifers sired by Expectation. Consistence. Retai

sired by Expectation, Consistence, Retail Product & sons of Expectation. Will calve for 30 days beginning 2/10/06.

From JO Cattle Co.

Bob, Larry & Matt Jones Box 7 Holcomb, KS 67851 jocattle@wbsnet.org 620-277-2358

135 Bred heifers (1 load) Ald to U.S. Premium Beef (2 loads) Bull bred to GAR calving ease bulls

From K Ranch

Mike Kraus Dennis & John Kleysteuber 13060 S. Rd 20 Garden City, KS 67846 620-276-2166 – Mike 620-276-6218 – Dennis 620-276-64425 – John 620-276-2939 – fax kginc@pld.com 150 Bred heifers Ald to Solution & bull bred to sons of Precision & New Design 1407. Will calve for 45 days beginning

3/20/06. 20 Open heifers

From Bravo Cattle Co.

Malcolm Shelton 3412 Airway Blvd. Amarillo, TX 79118 806-376-6261 806-371-7823 – fax <u>Malcolm@tbp.com</u> 161 Bred heifers Ald to U.S. Premium Beef From Irsik Ranch

Jim Reimer 34705 E. Hamill Rd. Kalvesta, KS 67835 785-848-2211 – home 620-357-5497 – cell 785-848-2314 - fax <u>r7jim@yahoo.com</u> Steve Irsik 620-335-5363 – office 620-335-5350 – home 620-272-1538 - mobile 5405 6 Rd. Ingalls, KS 67853

- 45 Cows
- 45 Bred heifers

From McCarty Land & Cattle

- Mike, Denise, & Travis McCarty HC1 Box 358 Ashland, KS 67831 620-635-2340 – home 620-635-2940 – fax wildcat@ucom.net
- 110 Cows Ald to 616, GAR Consistence G798, GAR Commitment K908, GAR Commitment 6099, GAR Focus 6590, GAR Precision 7118, GAR Consistence G798
- 20 Bred heifers Ald to GAR Commitment K908, GAR Commitment 6099, GAR Focus 6590, 616

From Snake Creek Ranch

Mark Luckie HC 1, Box 232 Ashland, KS 67831 620-635-4599 luckie@ucom.net

 50 Bred heifers bull bred to sons of Precision, 1407, Future Direction, Focus, Prime Time, Retail Product, 616, T510 & New Design. Will calve for 45 days beginning 2/1/06.

From Schooler Farms

Melvin Schooler 1354 W Victory Rd Logan, KS 67646 Daytime 785-689-4696 Night 785-689-7413 <u>schooler@ruraltel.net</u> 188 Bred heifers

Buyers may bid online. Go to www.cattleusa.com and register to bid.

Guaranteed Gardiner Genetics



A Branded, Source Verification Program Designed to Add Value to Your GAR Genetic Investment.

Marketing traits (continued)

stock business are 15 years in the making. It also explains why the vast majority of highly capitalized operations have failed to make an impact. Patience is a critical component of timing. Benjamin Franklin said, "Genius is an aptitude for patience."

6. They forget. The wrong bull, a bad decision, is rightly treated as something in the past. They do not let past mistakes and history impede their progress.

7. They are well grounded in the economic drivers of the business and understand what makes for a more valuable eating experience and more profitable production. They understand the tenants of animal breeding and animal husbandry and it is this grounding in the fundamentals that serves as a de facto risk mitigation policy.

8. They aren't afraid to steal from their mentors. They pick out the best of various programs and incorporate their successes into their own programs.

9. They are constantly learning. Clarity of purpose, but a constant search of how to get there more efficiently.

10. They embrace balance. Not only in terms of their genetic program, but in their life as well. Some of the most successful producers struggle with the concept of balance, but it means keeping cattle in their proper perspective which usually means well below family, God, and even includes an occasional hobby or interest outside of the cattle business. They have learned to say no twice as often as they say yes, while still embracing the future and staying positive. Something much easier said than done. They actually get more accomplished and tend to be more innovative by living a balanced life. They enjoy the journey as much as the destination and find themselves working with the laws of nature rather than trying to bend them to their will.

11. They are committed to continual growth, evolution and transformation. By constantly striving to grow they have developed or evolved a vision that helps them transform their operation and themselves into something far greater than when they started.

12. They live the concept of integrity and character. Ralph Waldo Emerson, said "The force of character is cumulative." They have a clearly defined set of values that they live by that leads to an integrity that is easily evidenced. Character is far more than honesty and they understand it starts with the little things, things that are rarely seen by others.

13. They love life, they love their family, they love what they do, they love their cattle, and they love their customers. Success begins and ends with love.

14. They are flexible and teachable. While they are firm in certain beliefs, they are always

adapting their views and are constantly looking to learn and to find better ways.

15. They understand that maintaining previous successes will require even greater effort than they did in the first place.

16. They are intense, but never emotional. They view their operation in much the same manner a horseman views a young horse. Consistency and persistency is the key. Focused effort is a must, but it is a fine line between intensity and emotionalism. Emotion is often more harmful than beneficial. The goal is consistent and positive improvement and results.

17. Despite their competitive nature they avoid excess and focus on moderation.

18. They are disciplined.

19. They are team players. Talent and perfectionism are a terrible combination. A team of less talented people can accomplish far more than one truly talented individual.

20. They understand that it is the little things that make big things happen. The attentiveness to detail is paramount. It might be great to mate the right cow to the right bull, but if you only get 30% conception rate then it is for naught. They make excellence a habit.

21. They have a plan, and they utilize every minute of the day. They don't mistake activity for achievement.

Simple all, and certainly nothing new—but their few secrets to success, other than the key, is implementation.

APPROXIMATELY 2,200 GAR INFLUENCED COMMERCIAL FEMALES SELL!

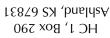
Maddux Cattle Co. COMPLETE BRED COWHERD DISPERSAL Mon., Nov. 21, 2005 • 1 PM MST • Ogallala Auction Market, Ogallala, NE

Selling 4000 Angus & Red Angus Crossbred Females John Maddux: 308-350-1133 or 308-882-3016 • (1,500 AI bred to GAR bulls)

Plan now to join us Saturday, April 1, 2006, for the Gardiner Angus Ranch 27≞ Annual Production Sale. Winter Ranch COMMERCIAL FEMALE SALE Wed., Nov. 16, 2005 • Noon • Winter Livestock, Dodge City, KS

> Selling 700 bred heifers Brian Winters: 620-225-4159 • (50% bred to GAR sires)







ВЕТИВИ ЗЕВУІСЕ ВЕQUESTED