

**Beefmaster Breeders United
Board Meeting 1/15/14
Moon River Resort, Satin, Texas**

President Steve Emmons called the meeting to order at 8:00 a.m.

Dwight Bertrand opened the meeting in prayer.

Steve Carpenter called roll with the following members in attendance:

Steve Emmons	John Pierson	Melvin Scherer, Jr.
Mackie Bounds	Sheldon McManus	Bob Siddons
Steve Carpenter	Billy Welkener	Clark Jones
Dwight Bertrand	Davin Vaughn	Jerry Davis
Mike Collier	Derek Frenzel	Tom Hood

Dan Gattis and Kito Saenz were unable to attend due to prior engagements and illness.

Steve Emmons asked if there were any additions, corrections or deletions to the minutes presented from the October Board Meeting. **Mackie Bounds made a motion that the minutes from the October 31, 2013, board meeting be approved as presented. Dwight Bertrand seconded the motion and it carried.**

Financial Report - Dwight Bertrand reported on the BBU December financial statement. Collin noted that the reason memberships look low from the projected budget is that the initial renewal notices went out later than expected due to the IBR inventories being sent with the notices. January financials should reflect an increase in that line item. The mail out of the inventory also impacted projected postage and office supply expenses. Osbourn commented on other line items that affected the budget including Brand Wall income, air fare expense to Thailand for Dr. Pascal and unexpected company car repair expenses. Mackie Bounds stated that the Finance Committee should look at the budget to make adjustments to reflect the discrepancies. The profit from the 2013 Convention income positively impacted the projected budget. Bounds stated that Convention income affects the general fund and should always be an income generator for the Association. Salary savings from the vacant EVP position were taken into account when the adjusted budget was approved at the October Board meeting so it had little affect on the December financials. **Mackie Bounds moved to approve the December financials as presented. Dwight Bertrand seconded and the motion carried.**

COO Report - Collin Osbourn

Staff - Osbourn updated the board on recent staff changes. Ryan Cummins, a former JBBA member, has been hired as a Marketing/Member Services Coordinator. The new title will cover field service duties as well as helping Jeralyn on the TV Shows and other marketing projects. A part time person was also hired to help as needed on data entry. Laura, Donna's daughter has a full time job but puts in several hours a week to help out whenever possible. Donna, Marie, Jeralyn and Mary are still putting in lots of hours to keep the office operating and functioning to full capacity.

Advertising - Osbourn reported that the Co Op Ad program is continuing to grow. The goal is to have enough participation in the program so that it will be a zero expense to BBU and then those advertising dollars can be utilized elsewhere. Clark Jones, advertising committee chairman, asked for help to spread the word to get more individuals, ranches and satellites involved in this low cost advertising option. Beefmaster ads can eventually be in publications all over the country with a little more participation. Billy Welkener indicated that the President of the Satellites could promote the co op program. Jones noted that Bud Fichte knows the publications, the circulation and what demographics read that publication and with his help the committee could analyze where to place ads to reap the most benefits. Getting the participation of breeders/ranches/satellites in areas where other large publications are circulated will help grow the co op program to its full potential. We are already in publications such as Cattle Today, The Gulf Coast Cattleman, and the Louisiana Cattleman. Ozark and Heart of America would be a good participant. Bates had intent on contacting them prior to his resignation in December. Pierson stated that the Western States also need help in this area. There are not a lot of members to participate but there are beefmaster cattle and he appealed to the committee to work with them to get Beefmaster ads placed out west as well. Jones noted that Tennessee breeders have gone out on their own in some advertising efforts at no cost the BBU. They have access to some ready made ads that were developed at no expense to them which they will utilize in the future. Clark noted this is in addition to participating in co op ads that help the association and get Beefmasters seen in even more publications.

TV SHOW - Collin passed out a hand out from Superior Video with packages and options offered for television shows. Emmons and Vaughn had expressed an interest in a show leading into their spring sale. We could utilize the American Rancher show and put in two to three minute beefmaster ad spots within the show. They will work with us writing scripts and finding spots we would best fit. This option allows more views than just our two or three shows a year. They are currently booking for Fall shows to be shown in September or October. We need a plan for a show and development and it will still require ads from breeders to sponsor the show and cover the costs. Anyone interested in participating can contact Jeralyn or Ryan.

RESEARCH UPDATES - Dr. Taylor updated Collin on **The University of Missouri** research study on sequence in ten Beefmaster bulls for genotypes. They have the sequence generated according to Dr. Taylor. They had hoped to have all of the bulls, about forty total, through the program by Christmas. Once they get all of those whole genotypes in place, then they will start in on 150 bulls and go through those and hopefully by the middle of March we will have some more information back on the ten genotype bulls of ours and we will go forward from there.

Beef Improvement Federation held a meeting in Kansas City in December that Osbourn watched online. It involved associations now utilizing DNA Enhanced EPD's. The cost of such a program is \$100 to \$150 thousand just to get started. Osbourn noted that if scanning is an indicator of how technology will progress we can review the history of a

slow start to scan use in the 1950's to a widespread use of that technology on bulls by the year 2000. DNA Enhanced EPD's are definitely a future plan. At some point we will need to go through the process and get our own genotype so we can start running tests that have some validity to them. Many tests today are Angus based and thus the tenderness and genestar tests today just aren't accurate indicators for our Brahman influenced breed of cattle. Santa Gertrudis has been collecting DNA for a long time but they still do not have enough funds for a project such as the development of DNA Enhanced EPDs. The Brahman Association has the same issue. The Angus Association has two to three staff people dedicated to DNA data now. Osbourn encouraged DNA submissions and noted that large batches (eight or more) should be sent in an excel spreadsheet. The spreadsheet should be emailed and the samples mailed in to the BBU Office. In the meantime we will keep taking advantage of affordable research programs such as those offered through the University of Missouri. Davin Vaughn reminded the board to promote donations to B.E.E.F. which funded the Missouri research project and will help in funding these future research projects as well.

Information was received on the **Stephen F. Austin research project** from Dr. Erin Brown. The raw data looks good for 205 averages of 2011, 2012 and 2013 calves and these were not on our top end genetics.

Angus x Angus based calves - 538 average
Angus x Beefmaster based calves - 545 average
Beefmaster x Beefmaster based calves - 527 average
Crossbred Angus based calves - 539 average
Crossbred Beefmaster based calves - 553 average

SFA is offering another research project where they will continue to evaluate performance in Beefmaster Cattle and their offspring using frozen genetics with above average EPD's. They will look at growth and carcass performance in calves born to females with above average EPD's, evaluate productive performance and longevity in Beefmaster females with above average EPD's, examine relationships between reproductive performance and longevity and maternal reproductive traits from DNA genotyping, examine the relationship between carcass traits and carcass DNA genotype, examine the relationship between temperament scores, exit velocity and performance traits in Beefmaster cattle and examine the relationship between temperament scores, exit velocity and DNA genotype results. This will tie back to collecting more DNA info on our cattle. It will be a three year research and they are looking for 50 donated embryos the first year, 60 donated embryos the second year and 70 donated embryos the third year. The research cost has not been quoted yet but it will run approximately \$7650 per year. Breeders will be contacted for their support. We need to be sure we get them better genetics for use in this study. **Mike Collier made a resolution to support Stephen F. Austin Frozen Genetic Research efforts for \$7650 per year for three years. John Pierson seconded the resolution and the board agreed.** A letter regarding the resolution will be sent the Stephen F. Austin University and Collin will contact them for an agreement and start date information.

Vaughn asked about the research at Auburn University. Collin has not had contact with the Auburn group but will attempt to contact them to find out the status and available data from the project. Welkener indicated that Texas A & M Kingsville has a big research but the land they use is a King Ranch donation and they may not be interested in our cattle.

The Zoetis DNA study for the horned/polled trait is slow because the lab is currently working on research for the dairy side and beef cattle come second.

Unfinished Business

Mackie Bounds reported that the **SALES TERMS AND CONDITIONS TASK FORCE** has not had time to meet but will as soon as the structure of BBU is in place. The board was assured that the committee is made up of representatives from across the U.S, so all satellites will be represented and there will be open discussion.

2016 CONVENTION PROPOSAL - An email was sent to all satellite presidents in early December encouraging a proposal to host the 2016 convention. The email received no replies. **Dave Loftin** presented a proposal for Central States BBA, Ozark and Heart of America and possibly the Arkansas BBA to host the 2016 Beefmaster Breeders United Convention in Branson Missouri. **Tom Hood moved to accept the proposal.** Mackie Bounds noted a concern for the expense side of the convention and requested that a budget be submitted to the board for approval. With that said, **Mackie Bounds seconded the motion and it carried.**

NEW BUSINESS

Committee Appointments - **Steve Emmons** entertained a motion to approve the 2014 Committee Appointments. **Tom Hood moved to approve the 2014 committee appointments as presented. Dwight Bertrand seconded the motion and it carried.**

Membership Committee - **Dave Loftin proposed that the board approve offering the February renewal rate thru the end of March to the non renewals that the committee will be calling. Dwight Bertrand made a motion to accept the proposal. There were several seconds and the motion carried.**

South 40 - **Trey Scherer** announced the group had picked up a few members since the convention. They were hoping to have a gathering and event at the HLSR but the costs and timing hasn't worked out. The group will be assisting at the 2014 convention where entertainment has possibly already been secured. South 40 will host their first event at the 2015 Convention in Galveston. Trey noted the group was planning a possible recreational summer event. Scherer also noted that the group is hoping to host an educational event in the form of a webinar in the near future.

Multi-view Ad Proposal - Multi-view is a company that secures, builds and inserts ads on websites. TSCRA and the New Mexico Cattleman are clients of theirs. BBU would receive thirty percent of what they make through the ads. We would have the right to restrict participants. We would have to restrict those who currently have an ad with us -

Breeder Partners. There is a potential for 10 - 15 ads. Multi-view is looking for a three year contract. **Davin Vaughn made a motion to accept the Multi-view ad proposal for the website for a three year contract. There were several seconds and it carried.**

BBU Banking - Collin Osbourn reported that BBU currently pays Bank of America \$175 a month for a business account analysis which we do not utilize or benefit from yet it is a standard fee for a business account. Collin has talked to representatives from several financial institutions to find lower fees to what we currently have. Crockett Bank has offered the best option thus far and is an Agricultural Industry based bank. They don't have a local branch so the drawback is no availability to make cash deposits. Osbourn will continue to seek out the best banking option for BBU. Osbourn also pointed out that several substantial accounts have not been generating any interest in the past few years. **A Special Financial Investment Committee was recommended to look into this matter. The committee will consist of five members to include: Mackie Bounds, Darrell Glaser, Chris Kauffman, Dwight Bertrand and Collin Osbourn, CFO. Billy Welkener made a motion to approve the special Financial Investment Committee as presented. Sheldon Mc Manus seconded and the motion carried.**

Davin Vaughn, President of **B.E.E.F.**, announced that Mark Blau had resigned as a director for Texas 3, but Gerald Galbraith, from the same area was interested in replacing him. **Mackie Bounds made a motion to approve Gerald Galbraith to fill the vacancy left by the resignation of Mark Blau as a director for B.E.E.F. District Texas 3. There were several seconds and the motion carried.**

Committee Directives - Any directives for committees for the July Board Meeting should be emailed to Steve Emmons. The Commercial Producers Survey progress was questioned. Osbourn reported that even through several attempts to contact Dr. Pascal for the email list he offered Dr. Perkins, have been made, no reply has been received. Several members indicated that The Cattleman mailing list may be available for free and the Beef Magazine mailing list can be obtained for a minimal cost. The suggestion was made that the satellites be made aware of the issues up for discussion at the July meeting and be invited to share their input on the topics.

Spring Board Meeting - Locations were discussed for the Spring Board Meeting. Options were: Mar 21 Tunica, MS (Dixie National Sale); April 19, 2014 Calhoun GA (Unity Sale); March 28, Reno, NV (WSBBA meeting). **With a vote Tunica, MS on March 21, 2014 was the chosen date and location for the next board meeting.**

Pierson made a plea to the board for support for the Western States. **Mackie Bounds made a resolution that the BBU board will support WSBBA and will put every effort forth to revitalize it. A letter will be composed and sent to them stating such intent. Mike Collier moved to approve the resolution. Dwight Bertrand seconded and the resolution carried.**

Dwight Bertrand made a motion to move into executive session. Clark Jones

seconded and the open session closed with a vote.

Open Session reconvened

Melvin Scherer made a motion from the BBU Executive Vice President Search Committee that the board accept Bill Pendergrass as Executive Vice President and Collin Osbourn as Chief Operating Officer/Chief Financial Officer as new heads of BBU under the contract structures approved in executive session today. There were several seconds and the motion carried with a unanimous vote.

Steve Emmons thanked Collin for his hard work for the past several months and for holding things together in the interim. Mackie Bounds noted that a new structure will require some tweaking. Bounds and Vaughn are working on final contracts that will be brought to the board for final approval and will be presented to the BBU attorney.

PRESIDENT'S REPORT - Steve Emmons stated working with the search committee was a privilege. The New Structure will bring marketing, field reps and staff together where we need them, building relationships, moving ahead and getting our membership active This restructure is a positive move for BBU.

Bob Siddons challenged all satellites to join together and co-sponsor something to feed into the WSBBA area to help their revitalization efforts.

Dwight Bertrand moved to adjourn the meeting. Melvin Scherer seconded and the meeting adjourned.