

President's Perspective

Joe Hampton shares his perspective on serving on the American Angus Association Board of Directors.

Story & photos by *Sauna Rose Hermel*

Why did you run for the Board of Directors of the American Angus Association?

I've always been impressed by the professionalism of the American Angus Association. It allowed Robin and me to produce cattle that helped our neighbors, and I valued those things. Personally, it was very appealing to me to offer to give something back. It was my expectation that my offer would be turned down, but I thought it was the right thing to do.

Serving on the Board has added dimension to my work, and my work has helped me do a better job on the Board. The two things have complemented each other. My work has influenced who I am today and how I look at solving problems.

Problems don't really bother me. A problem is really an opportunity to do something better, and that's what we do here at the station. We take problems and find solutions to them.

Once you knew you were on the Board, what did you hope to accomplish?

I had no goals, because I didn't know what the Board did, and I didn't have a neighbor or an uncle, a father or a grandfather, who had ever served on the Board.

Was that an advantage or disadvantage?

I didn't come in with any preconceived notions. What I found early on was that the Board members asked hard questions and there was a wide variation of opinions. I

learned that some Board members were more open-minded than others. It was my intent to learn from fellow Board members and staff and then make the best decision I could make. I tried not to come to a discussion with my mind already made up as to how it should be.

Part of that is because I didn't have the background to have prejudices over things that happened in the past. When something came up, what I knew about it was what we did there. I didn't have the past as a reference point, so I listened to both sides of it. There's a wealth of knowledge sitting around that Boardroom.

If you look at the people I have had the pleasure of serving with, there's a lot of intelligence and a lot of wisdom in that group. Those are two different things. God gave you intelligence. You can't make yourself smarter, but you can get wise. If you will listen and learn and not make the same mistakes over and over, you can be wise. That group is gold.

What were some of the issues the Board was dealing with when you first came on Board?

The hot topic we dealt with early on was how we fit a heifer. Remember the aerosol and paint discussions? The next thing that took a lot of our time was ultrasounds, going from a single lab to multiple labs. I think we got that right, because that became the model we've used with our genomic companies now, and we are able to say that we'll do business with anyone who will meet 'these' guidelines.

In the last five to six years, you've dealt with some major problems — financial, defect issues, where we fit in the industry. What is the most significant challenge we've addressed in the last five years?

I think the most important thing that we've done is taken the concept of using DNA from somebody's thoughts to being a selection tool, but I would also say that we are in the very infancy of that. What we'll be doing in five years, what our commercial customers will need in five years, is a lot different than what we offer them today. The commercial cattleman is going to get that information from somewhere, and if triple-A



►The long-range planning process helped the Association Board and staff get a better understanding of what customers expect, said Joe Hampton. "Before that, I thought they wanted us to produce good bulls. They want good bulls; they also want good information."

is not the source of that information, someone else will be.

So if you would ask me, 'Are our molecular markers for growth traits and carcass traits the most important thing that we've done?', I would say not the traits, but the fact that we're in the business, and we're helping make these tools more descriptive.

If we could peek ahead, we're going to be better at breeding Angus cattle in six or eight years than we are today. I think we'll be able to breed what I refer to as specification cattle. We'll be able to breed cattle for the heat and humidity of fescue country that's a little bit different in their adaptability than high-altitude cattle. And they'll both be able to produce a high-quality carcass. With our genetic diversity and our selection tools, we won't have to sacrifice that.

Do you worry that with DNA and heavy use of artificial insemination (AI) and embryo transfer (ET) that we could narrow our gene pool?

I think that's a possibility, but do I worry about it? No, and I'll tell you why. I think we'll identify other cattle in the breed that today we haven't found. I think we have unknown herds of cattle scattered throughout our membership where someone has done a good job selecting for a particular trait. That's going to be the source of new genetics.

Once we have a DNA system that allows us to identify those cattle, it won't matter if their sire or grandsire was an AI sire. If they'll ring the bells, if they'll check the boxes, they'll be OK. So I think we could have a more diverse population as we go down the road. It would make sense that somebody who ranches at 8,000 feet would have cattle that are adapted to that environment, and I probably wouldn't recognize the pedigrees. And there's somebody in Tennessee or North Carolina who has a good herd of Angus cows that shed off in May, and I don't recognize those pedigrees. I might be using a bull out of that herd in five years.

We have people who are doing different things with Angus cattle. We have people who are concentrating on low-input genetics. We have people who are concentrating on growth. We have people who are concentrating on high-carcass-merit cattle. We have people who are very into the phenotype. It would make sense that the same genetics wouldn't work in all four of those situations.

In the last couple of years, you have championed a long-range planning (LRP) process for the American Angus Association. What was your reasoning?

That's what I was passionate about. I don't have the history and the traditions that every



►While most of his fellow Board members come from the perspective of multi-generational Angus ranches, Hampton says he was blessed with the perspective provided by his role as superintendent and research operations manager of North Carolina's Piedmont Research Station, where problem-solving is job 1. Here biodiesel made from used vegetable oil helps fuel the station at a lower cost.

other president that I served with had. So when it became obvious that I might be the president, it also became obvious that we needed to know where it was that we were headed. I can take us somewhere if you tell me where it is we are going. But I can't if I don't know where the membership wants us to go.

The exercise of developing that plan allowed us to be more understanding of what other people's thoughts were. You saw that whenever you read the member surveys. You saw that when we brought people in for listening sessions. You could hear it in Denver out in the tent. You heard a lot of different opinions as to where this breed needed to go.

As you look back through the LRP process, what are some of the key things that we learned about our members, our customers, and the Association and its entities?

Members: One of the challenges that our long-range plan brings into focus is that every member does not expect the Association to be the same entity. And I think that is a challenge. The long-range plan brings into focus that different groups need different services from triple-A. That's not to say that one group is more or less important; there are different needs. The advantage of a long-range plan is now you can identify some of those specific problems and address them.

Customers: Regardless of where they are in the supply chain, our customers expect information. When you think about the seedstock person and their relationship with their commercial cow-calf producer, the

information is EPDs. When you start talking about those on down the way, they want to know the product we started is going to fit their needs. We heard it over and over again, our customers expect triple-A to provide relevant information for them to make decisions. It's a little bit different depending on where you are in the chain, but everyone expected information from us.

They want our information because it's going to impact their bottom line. That's what it is about. I have a wonderful relationship with Dennis Myers (a commercial customer), and part of it is because he believes I help his bottom line more so than the fella who sells Charolais bulls.

The Association and its entities: We learned that we can improve the way we work together. We learned that there are some synergies available to us. The CAB DNA test that is presently evolving with AGI (Angus Genetics Inc.) and CAB (Certified Angus Beef LLC) probably would not be as advanced as it is today if it weren't for those entities thinking about what the long-range plan was telling them to do and because the leadership in both groups embraced the concept and then acted.

It's going to be a bellwether event when I can go to Dennis Myers and say, 'We're going to get a drop of blood from each one of your steer calves and we're going to evaluate their potential to grow and to grade.' Now Dennis's calves are all of a sudden worth another tier above where they were. My neighbors who sell SimAngus and Balancers can't offer that to Dennis.

If you were to ask me what I am most

CONTINUED ON PAGE 60

President's Perspective CONTINUED FROM PAGE 59

proud of that's happened these 12 months, if this happens, this will be 10 times higher than anything else that happened during that period, because this is a game changer. We can offer our customers something that no one else can provide.

This LRP was unique in that it started with gaining input from members and their customers. Do you see that as something the Association will continue?

I think we created some expectations from our members that we'd better ask again, because one of the things that I heard multiple times was, 'Thanks for asking.'

I really think it (seeking member input) needs to be continual. I think we need to develop a culture where membership believes that the Board and staff want to know if they're not happy and if they've got a suggestion. If our members feel empowered to move suggestions forward, then we were successful.

Looking back, what do you consider to be the top 10 things that happened that had an impact on the members during your tenure — positive and negative?

- ▶ BSE (bovine spongiform encephalopathy), because BSE changed the cattle industry in the United States. And we've not gotten over it yet. It shut down markets that still aren't opened. But let's broaden that to foreign animal disease. That's now part of our life, and it wasn't before BSE.
- ▶ DNA.
- ▶ The move to multiple labs for

ultrasound because of the evolution of how we do business. Our DNA is affordable because there's multiple labs involved.

- ▶ We moved our national sire evaluation in-house.
- ▶ AAA Login.
- ▶ The *Angus Beef Bulletin*. I was on the API Board when we got serious about distributing it to commercial cattlemen. We removed the qualification process to get the lower periodical postage rate. The Board said we would pay the full postage rate to send it to more people. From that day on, the *Beef Bulletin* wasn't this small thing. We increased circulation to nearly 100,000 in a matter of 18 months or so. What do we do better than the *Beef Bulletin* for our customers?
- ▶ Financial decisions of 2009. As treasurer at the time, that was miserable for me. We were in the same situation as the government in 2008. We made different decisions than the government did. We made some structural changes. Was that something the Board wanted to do or enjoyed doing? Absolutely not. It's one of the most painful things I've ever been a part of. But, we did three things: We cut our expenses by 10%, we found new and innovative ways of generating additional revenue, and we approved use of reserves. That was the right answer.
- ▶ The new structure, which included an executive management team.
- ▶ Defects. They haven't all been good things; the defects definitely had an

impact on our membership. But where BSE won't ever go away, if we identify a genetic defect and are honest, we can eliminate it from the breed.

- ▶ AGI. It should have been No. 3 or 4.

What does it take to be a good Board member?

Be willing to learn from your fellow Board members.

I think you have to consciously divest your thought process from what's good for you to what's good for the breed and the membership.

I think you have to be inquisitive to be a good Board member.

Your skin has to be thick. Being the 1 on a 14-to-1 vote won't kill you. I know; I've been there.

If you were going to challenge the Board, how would you challenge them for next year?

The beef industry will change more in the next 10 years than it has in the last 50 years. We're in good shape. Our breed is well thought of. We have wonderful programs. Who wouldn't want everything to be just like it is now? But even the American Angus Association is not powerful enough to keep things the way they are. It's not possible and that means we have to change.

So, be bold and know that you're going to have to make decisions to keep us relevant in an ever-changing industry.

The word relevant seemed to come up a lot during the long-range planning process and especially when we had guests come in to speak to us.

What that speaks to is it's a moving target. A program or an activity that's relevant today, in five or eight years may no longer be relevant as the needs of our members and our customers change. We have to acknowledge that. We don't need to fear it. It's an opportunity.

How do you want people to remember your term on the Board and your presidency?

Every time I voted and every action I've taken as chairman I did to make this organization a better organization.

I don't know how folks will remember me, but I want them to know how much I appreciate the genuine friendship and warmth that's been shown to Robin and me. We have friends all over the country, and that's something that truly is a blessing. That's how I'll remember this year.



▶ "God likes Angus cattle," Hampton says, reflecting on the challenges the breed has weathered. "I tell all my friends that have different breeds of cattle that," he adds with a chuckle.

AY