Coercion or Collaboration?
Silence...
Open Book!
Guidance to a friend...
Then the friend broadcasts in a quiet subtle manner...
We will share information.

BUT – we share how we want!
We don’t like authority.

In the American DNA.
So the real title of this talk...
I’m not here to win an argument.

But, I am here to start one.
Accountability or Empowerment
trace·a·bil·i·ty

• Trace – discover by investigation
• Ability – means to do something

In producer language – “The means to investigate.” “Find me. Know me. Supervise me.”

What is your response if a government official (with “the means to investigate” for the “common good”) locates you and your house concerning the veracity of your tax return?
Cowboy Math

Avg Producer ~ 35 calves @ 600 lbs/calf = 21,000 lbs to sell

Example:
In 2003, directly following BSE cow, feeders dropped roughly $15/cwt.
Cowboy Math

Avg Producer ~ 35 calves @ 600 lbs/calf = **21,000 lbs to sell**

Example:
In 2003, directly following BSE cow, feeders dropped roughly $15/cwt. So, our producer sold in that window and lost $3,150.
Now, if he choses to implement 840 EID tags. Cost, shipping, time ~ $5/calf. $175 in tagging. If tags “save” him once every 10 years then he spends: $1,750 to avoid losing $3,150 = ROI of $1400 or $140/year.
His question: Is cost, hassle, & giving “the means to investigate” worth it?
I’d wager – most frequently his answer is NO.
So what became of 2003?

• Anything mandatory? Not really

• But did anything become of the Christmas Cow?

  • Only proof that value adds and incentivizing works!

  • IMI Global proves producers will share info if value to be captured.
    They will even pay to submit the data and participate in the program!
Too much of the talk is about tech limitations.

• Technology challenges are obviously real, but...

• I’d argue the bigger issue is Philosophy.

• Do we want ADT to happen? Do we want producers to want this to happen? Do we want them to see value in traceability?

• Then we better approach it from the vantage point that there has to be opportunity, at least for serious, profit focused producers (regardless of size) to capture and add value to their programs.
My contention...

We will either incentivize data capture or it will not happen. And many producers don’t see a value add in ADT alone.

EMPOWERMENT vs. ACCOUNTABILITY
And they don’t want unearned money

• Producers don’t want a handout.
• All they want is a little leverage in the form of knowledge.
• They want feedback on the performance of their calves.
• They want feedback on the health of their calves.
• They want feedback on the carcass merit of their calves.
• They want to make calves that have more appeal in the marketplace.
• They want to bring home more money to their operation & family.
• If these things can be tied to ADT it is a much more appealing sell.
Feedlots

Is there value to their organization of traceable cattle?

Are they willing to pay for that value?

Willing to share so producers can make better decisions?

Appetite for true differentiation?

Buy in or ADT and knowledge transfer ceases.
International Genetic Solutions – What is it?

A collaboration of beef breed associations that realize that producers desire and deserve credible science and genetic tools that they can use on their farm or ranch to in turn make more marketable cattle.

The largest beef genetic evaluation on the planet (by a lot). 18,000,000

Genetics on a multi-breed population of purebreds, composites, and crossbred cattle.
How?

Quid Pro Quo

Receive and Perceive value.
IGS is a tech company

• Big Data to empower our serious members and the industry

• The key – take billions of data points, remove the noise, and make genetic tools to add value.
  • EPDs and Indexes on any breed of cattle
  • EPDs and Indexes on commercial, crossbred cattle
  • IGS Feeder Profit Calculator

• Voluntary data is more valuable than required data
  • More valid and more consistent

• Significant growth in non-IGS seedstock types
• Tremendous growth in commercial clients
Purebred Simmental Genetic trends
IGS Multi-breed Genetic Evaluation powered by BOLT
Trends without IGS approach
“Something for Something” works!

This can work for the traceability conversation as well.

ADT alone isn’t enough “something” for most producers.

ADT needs to be coupled with an information feedback loop.

Then Industry Information Transfer can be used to address whole host of issues and topics – including ADT.
And while Traceability should not be a Ruse for sustainability efforts...

• Collaborative, incentivized, transparent approaches can provide various metrics that have impact on the sustainability conversation.

• Efficiency and Longevity are available now.

• And with collaboration, other more specific metrics are coming.

• BUT, all through voluntary participation. Not mandatory.
What do we need to do to add value of traceability to producers?

- They need tools to make profit minded decisions in their operation.
- Management – need health info feedback.
- Genetics – need gain and carcass data feedback.
- This allows for price differentiation.
- Feedlots expect packers to provide differentiate to them, but not typically interested in providing it to their suppliers.
- Need major purveyors and retailers involved.

**AND THAT IS HERE!** Either we will do this or they will do it for us.
When enough producers see the value...

• And they can get at least some level of terminal awareness feedback (Either directly or through their genetics provider)
• I’d would suggest producers will flock to that system.
• They will likely willingly trade some traceability for tools to make better decisions on their farm/ranch.
• They make better cattle and cattle with known origin and history.
• Once a suitable supply of traceable calves populate the market that gives a packer the ability to be selective and differentiate prices for traceable vs. non-traceable calves.
• Then, mandatory or not, mass traceability will become a reality.
Let's help them Know the power and advantages of cooperative and voluntary identification of cattle.

So we don’t have to Guess where this effort is headed.
Questions...