

2019

Annual Report



RED ANGUS ASSOCIATION OF AMERICA



Red Angus Creates Value Like Never Before

By Tom Brink, RAAA Chief Executive Officer

Albert Einstein once said, “Strive not to be a success, but rather to be of value.”

Red Angus has long taken that approach to the beef business and is now reaping the benefit of being valued by its customers for positive traits ranging from cow to carcass. As we look back at fiscal year 2018-2019, it is easy to see value being created in many different facets of the breed. We are setting records in areas like active cow inventory and tag enrollments (naming just two), but more importantly, Red Angus genetics are becoming a cornerstone in the ranching sector. **Ranch Tested. Rancher Trusted.** is more than a marketing slogan. It is a fact.

The starting point is with great females. Another year of KSU/ Superior Livestock data has again validated commercial Red Angus heifers as the most valued in the industry. Bred heifer prices were added to K-State’s earlier analysis on open heifers during the past 12 months. No surprise, Red Angus bred females ranked first among all breeds and breed crosses, selling for an average of \$177 per head above the base female in the evaluation and \$134 per head above the next highest breed. Commercial cattle producers vote with their checkbooks. They have elevated Red Angus to a position of honor as the most valued female in the industry. This honor was hard earned over decades of staying focused on traits that matter to commercial producers.

Further along the supply chain, Red Angus is also experiencing unprecedented demand from feedlot buyers. They look to our breed for quality and consistency and have actively communicated with RAAA about their desire to feed more Red Angus and Red Angus-influenced cattle. Case in point being the new and budding relationship we have developed with Five Rivers Cattle Feeding and Adams Land and Cattle. Both of these entities feed hundreds of thousands of cattle annually and Red Angus is on their radar, particularly as “program” cattle that fit the beef brands they support.

RAAA also had a strong year advancing the breed. We grew to historically high levels in cows, tags, DNA tests, social media views, advertising expenditures and several other areas, while maintaining financial strength for the future. When asked to list departmental accomplishments during the past fiscal year, staff members ended up with a bullet-point list over five pages long. Yes, RAAA employees are working hard for the breed and much has been accomplished.

Below are a few selected highlights shown by department:

Accounting – Positive budget year/all long-term debt retired.

Breed Improvement – Transitioned to IGS-BOLT EPDs in September 2018.

Registration Department – Maintained excellent turn-around/ supported REDSPro education with 80% of all registrations and transfers now being completed online.

Commercial Marketing – Record high tag enrollments (210,300 head), added a new staff member and attended a record number of bull sales.

DNA – Processed record numbers of samples, improved process efficiency and increased educational efforts.

Membership – Reached new highs in regular and junior memberships.

Juniors – Fantastic Round-Up in Arkansas and Young Stockman Program in Iowa.

Convention – Record level of sponsorships and attendance at the 2018 Watertown Convention.

Shows – Created the new publication, Buckle & Banner, and moved national open show permanently to Denver.

Communications – Streamlined and broadened advertising efforts, improved feature article pick-ups and advanced social media.

ARA Magazine – Expanded advertising, total page counts and overall reach of publication.

This abbreviated summary provides a window into the value-creation process at RAAA. Our job is to support the growth and prosperity of the Red Angus breed and its breeders. It’s a role we take on each day with passion and enthusiasm. Although we’re proud of our accomplishments during the past fiscal year, we are more excited about the strong position Red Angus holds in today’s beef industry. There’s a “sort” going on among beef breeds. Some breeds are being sorted out and culled, while Red Angus is most often sorting itself to the top. Why? Because Red Angus is creating more value for its customers. Turns out Einstein was right.



Red Angus Sets the Foundation for a Bright Future

By Johnny Rogers, RAAA President

As I complete my first term as RAAA president I begin to reflect on my eight years of board service. It has been a once-in-a-lifetime experience that has challenged me with opportunities for growth and afforded me the chance to contribute to this wonderful organization. The journey was not always easy but in the end, the rewards are worth the price. We have laid a strong foundation and will continue to provide the beef industry with innovative products, programs and services. Let's look at a few accomplishments for fiscal year 2018-2019.

REDSPro Stabilization

The heart of any breed association is its database and the accompanying software. For those outside the technology world (like me) it is difficult to understand the complexities associated with this system and the transition. Now that we have successfully moved from Red Bull software to REDSPro we can learn from this experience and will continue to build on this platform to provide greater member service. Each month more RAAA members are using REDSPro and the feedback is very positive. Our registration department staff has done a great job training members on how to navigate the new system.

RAAA = Debt Free

The RAAA office relocation to Commerce City involved financing a portion of the new facility. The sale of the Denton property yielded enough funds to retire most of the mortgage. However, the RAAA Finance Committee reviewed the current market climate and decided to allocate some funds toward debt reduction and placed the balance in other investments. The finance committee members continued to evaluate this decision during their quarterly meetings. Early in 2019 it was determined to be the right time to pay off the debt leaving RAAA with no long-term obligations. The RAAA investments continue to perform well giving us a strong financial position.

RAAA Growth

This year RAAA made a substantial achievement by reaching more than 102,000 active cows. This milestone is a testament to breed popularity and gives us a strong base for future growth. Most of the genetic inputs we provide to the commercial industry are in the form of bulls. A growing base of cows bodes well for our capacity to provide genetics in the future. The RAAA Tech and Breed Improvement Committees have been very active this year developing new tools to allow us to select and improve the cattle we offer the industry.

Regular and junior memberships have shown positive gains with more breeders wanting to become part of our dynamic breed. Our staff has developed a "New Member Orientation" program that introduces new breeders to key procedures for doing business with RAAA. This is a great proactive approach and helps overcome the challenges that members could experience.

The JRA continues to thrive under the leadership of Kim Heller. She and other RAAA staff are developing the next generation of beef industry leaders while keeping it fun and interactive.

In addition to cattle marketing, the RAAA commercial marketing team does an outstanding job with our education programs. Red Angus Summit, Young Guns and Brain Trust provide new and experienced breeders opportunities to spend time together learning about industry trends and issues.

Never underestimate the value that you have on your fellow RAAA members. Shared experiences between breeders are a great way to help our breed grow. The collective knowledge that we possess with our membership, staff and stakeholders is tremendous and we need to leverage this advantage.

What's Next?

This fall we will start the Strategic Planning process to chart our course for the next five years. The official roll-out will be at the 2020 National Red Angus Convention in Harrisburg, Pennsylvania. The Strategic Planning process will feature numerous opportunities for you to provide your thoughts on the issues facing the breed. Please use this occasion to share your thoughts because working together, we will continue to make a significant impact on the beef industry.

RAAA is the only major beef breed association with sustained growth over the last few decades. We've had a great run and we have done it our way by staying true to our principles. What's next? Have we reached a plateau? Or is this a launching pad to even greater heights? I believe it is the latter and we have only seen a glimpse of the possibilities.

I encourage every Red Angus member to become engaged and focused on improving your herds and your association. We are in a great position, but we must come together as a Red Angus team to achieve our goals.

Congratulations on a great year and thank you for the opportunity to serve.

Red Angus Mission Statement

Our mission statement outlines the purpose towards which we commit our work life. These are the reasons for the existence of the Red Angus Association of America and it clearly describes who our customers are and what we produce as outcome benefits for them.

Our Mission is to provide our members and their customers with innovative programs and services, to continue advancing the quality, reliability and value of Red Angus and Red Angus-influenced seedstock used in the commercial beef industry.

We pursue this mission to promote the economic well-being and satisfaction of our members and their customers, and to equip them to be progressive cattle producers.

Red Angus Vision

The Red Angus Association of America provides visionary leadership and innovation to enhance the beef industry's profitability through the competitive advantages of Red Angus and Red Angus-influenced cattle.

Red Angus Core Policies

1. It is the RAAA's primary role to create an environment that promotes the financial stability of its members.
2. The RAAA supports the development and use of membership-driven strategic planning.
3. The RAAA creates marketing tools for commercial bull customers, creating more demand for Red Angus and Red Angus-influence genetics.
4. The RAAA is committed to objectively describing and recording cattle, utilizing economically sound scientific principles with the least number of prediction values. Furthermore, the RAAA encourages good stockmanship and sound visual appraisal in seedstock selection.
5. Since its establishment, the RAAA has understood and accepted economic value of heterosis through planned crossbreeding.
6. The RAAA does not take a role in the marketing of an individual member's cattle, therefore, the ARA Magazine editorial content has a commercial and technical focus. Individual seedstock supplier articles are avoided.
7. It is the duty of the RAAA to proactively communicate with its membership, therefore, proxy voting is not allowed. This policy was established in the Constitution and Bylaws of the Association at its inception to ensure that voting members are current on all pertinent information.

Historical Perspective

"The decision to form an association was based on the feeling among the breeders that there should be a herd book for these animals in order to perpetuate Red Angus as a useful breed of cattle. The members also felt that there was an opportunity with a relatively small group such as this to incorporate into the structure of the association itself, rules and standards for the selection and registration which would accelerate the improvement of the breed by taking advantage of some of the more recent advances in animal breeding research.

In general then, the policy of the [Red Angus] Association is to discourage the more artificial practices in purebred cattle production, and to place its faith instead in objective tests, consisting for the most part of comparisons within herds of factors of known economic importance and known heritability. By making it an integral part of the registration system, the Red Angus breeders feel that even faster progress can be made toward the ultimate goal of more efficient beef production."

– Waldo Forbes, founding member and first President, August 1954



RAAA Founding Board, 1954



66,516
Head
Registered



187,650
Head Enrolled in FCCP



22,650
Head
Enrolled in
Allied Access



102,043
THR Cow
Inventory



2.6 Million
Head Enrolled
in FCCP & AA
Since 1995



2,594
RAAA
Members



15,031
Bulls
Transferred



1,052
JRA
Members



2,275
Commercial
Females Tested



Ranch Tested. Rancher Trusted.
Red Angus

Commercial Marketing Programs Achieve Record Heights and Accelerate Industry Demand

By Katie Ochsner, Commercial Marketing Coordinator

A Milestone in Tag Enrollments

The beef industry's longest-running age, source and genetic verification program, the Red Angus Feeder Calf Certification Program, blew past last year's record enrollments to meet a significant milestone this fiscal year. The marketing team celebrated as annual enrollments reached a groundbreaking 200,000 in May, but the growth didn't stop there. FCCP and Allied Access enrollments continued to roll in through the end of the fiscal year as producers added value to 10,000 additional head, bringing the final enrollment numbers for 2018-2019 to 210,300 head – a nearly 9% growth from year prior.

Producers who enroll in Red Angus tagging programs are taking the step from simply selling their calves, to marketing them. In the past five years alone, the FCCP has returned significant premiums to producers who take that extra step. University research shows a \$2.98-per-hundredweight premium on average for calves enrolled in the FCCP versus Red Angus-sired calves that are not enrolled. This premium equates to nearly \$18 on a 600-pound feeder calf and more than \$1,400 on a truckload of tagged calves.

Chessie Mitchell, RAAA tag program coordinator, says of the increased growth and premium, "The value of the FCCP to commercial ranchers across the country has been nothing short of tremendous. The success we have seen in the number of calves enrolled in the past fiscal year directly correlates to the program's creation of extra dollars for Red Angus-influenced calf crops."



EID-Only Option Added

In March, the marketing team was thrilled to offer another tagging option for producers enrolling calves in the FCCP and Allied

Access programs – stand-alone EID tags. An increasing number of cattle feeders and packers are requesting EID-tagged cattle and this new option enables commercial cattlemen and women to meet that demand.

"Red Angus is excited to bring stand-alone EID tags to our already successful Feeder Calf Certification Program. We want to make sure our customers are receiving the best possible value when ordering tags and investing their money in Red Angus genetics. We look forward to expanding our array of tag options and know it will provide a positive return on investment for Red Angus producers," said Mitchell. Producers now have three tag options when enrolling in FCCP or Allied Access – the traditional visual tag for \$0.99, the EID button for \$2, or a combination pack with both visual and EID tag for \$3.

Tag the Ladies!

Year after year there seems to be more steers than heifers enrolled in FCCP and Allied Access. However, the marketing team highly encourages tagging the entire calf crop – including heifer calves – especially in light of recent data reported through a study conducted by Kansas State University utilizing Superior Livestock Auction data for 2010 through 2018. The study divided Red Angus-sired steers and heifers to analyze the price advantage for heifer calves only enrolled in the FCCP versus those that were Red Angus-sired but had not been enrolled.

The study revealed an astonishing \$5-per-hundredweight premium on average for heifer calves wearing the tag – money that would have been left on the table had those producers chosen not to enroll the females! On 600-pound heifer calves, that's a \$30 premium per head. Keep that number in mind when you enroll your next calf crop in FCCP, and make sure to tag the ladies!



Harold Bertz
Director of
Commercial Marketing



Katie Ochsner
Commercial
Marketing Coordinator



Chessie Mitchell
Tag Program
Coordinator



Nolan Woodruff
Commercial
Marketing Specialist



Barrett Simon
Commercial
Marketing Specialist



Red Navigator

An increasing number of producers are realizing the value of utilizing DNA testing in commercial herds. During fiscal year 2018-2019, 2,275 commercial Red Angus-influenced females were tested with Red Navigator. Red Navigator results include sire identification and percentile ranks for important traits and indexes. For best accuracy, Red Navigator is recommended for commercial females with 75% Red Angus influence or higher.

As the Red Navigator test celebrates its fourth year in the marketplace, early adopters are noticing the difference it has made in their commercial herds. The ability of DNA testing to decrease the generation interval and expedite genetic progress allows producers to meet their breeding goals more rapidly. While Red Navigator continually gains new fans, the majority of tests are ordered by repeat customers who have built a solid trust in Red Navigator and are using it as a tool to stay ahead of the competition.

Busiest Bull Sale Season Yet

When bull sale season rolls around, there is no doubt in the minds of the commercial marketing team that the Red Angus breed is growing. Between the fall and spring bull sale seasons, staff attended 124 sales, an increase of 19 sales compared to the year prior. Staff saw 1,653 bulls marketed during the fall season at an average price of \$4,216.

As the spring bull sale season ramped up, marketing staff was met with the challenge of attending more bull sales than ever before during the toughest winter in recent history. Red Angus staff saw a record 7,692 bulls marketed at an average price of \$4,367 during the spring. Prices were depressed from the year prior to the tune of \$400 per head on average, which is likely attributable to the severe weather conditions that faced producers across the nation. From the historic bomb cyclone that ravaged the central U.S. in mid-March, to the late snows and rains that affected other parts of the country, many potential

RedAngus.org

buyers were forced to stay home from the bull sales. We look with optimism to a better year forthcoming and a return to the increase in Red Angus bull sale averages we have seen in previous years.

Red Angus Feeder Calf Sales Catch Fire

Sale barns across the nation are recognizing the value of gathering a large volume of high quality, FCCP-tagged calves to be marketed on the same day. In 2018, the number of special FCCP fall calf sales grew by 21% to a record 40 sales across the nation. These sales are highly attractive to focused cattle buyers searching for a large volume of consistent, high quality calves backed by verification. FCCP customers who market calves through their local auction barn are encouraged to determine the date of their local sale barns special FCCP sale and market their calves on that day to receive top dollar. The commercial marketing team provides support for barns hosting an annual sale, and can help initiate a special sale for barns wishing to start.

Video Auction Market Holds Strong

The Red Angus commercial marketing team maintains strong relationships with various video auction companies, which represent thousands of Red Angus cattle annually. RAAA sponsors summer sales for Superior Livestock Auction, Northern Livestock Video Auction, Cattle Country Video and Western Video Market. Commercial marketing staff attended the majority of summer sales hosted by these companies throughout the summer. Cattle enrolled in the FCCP and Allied Access perform very well through these marketing venues as buyers are on the hunt for program cattle.

Demand by Feeders and Packers Accelerates

Perhaps the most exciting development in Red Angus commercial marketing over the past year has been the notable increase in demand for Red Angus-influenced cattle by feeders and packers. With the increased consumer demand for cattle backed by verification, the ready supply of Red Angus cattle verified through the FCCP has become very attractive to packers and feeders across the country. Through out the year, the demand for Non-Hormone Treated Cattle and Global Animal Partnership-qualified cattle has also skyrocketed, making FCCP-tagged calves with these additional verifications the most highly sought after. Last fall, Red Angus entered an agreement with IMI Global to provide convenient access for FCCP customers wishing to attach additional verifications to their calf crop. FCCP and Allied Access tags can now be used as the identifier for both Red Angus and IMI Global programs. Cattle enrolled in several added-value programs attract the most attention at auction time from competing bidders. For more details on feeders and buyers actively seeking Red Angus cattle, visit RedAngus.org and see 'Added Value Options' under the Marketing tab.



Red Angus Visibility in the Media Continues Upward Trend

By Brandi Buzzard Frobose, Director of Communications

During fiscal year 2018-2019, Red Angus communications staff worked across a variety of mediums to increase the presence of the Red Angus breed in the media.

One of the biggest developments during the past year was the launch of Red Angus Creative – a media services division of the association aimed at enabling cattle producers to reach more potential customers. Thus far, Red Angus Creative has built and edited websites for producers wanting to expand their reach. Additionally, many producers have sought advice on social media strategy and management.



In fiscal year 2018-2019, RAAA distributed 27 press releases related to topics pertinent to the beef industry including Red Angus awards, marketing updates, industry partnerships and JRA developments. Overall, these releases reached more than 600,000 industry audience members and stakeholders.

Another achievement for the department was the reprinting of many original Red Angus news articles and project reports in trade publications including Beef Magazine, High Plains Journal, Drovers, Missouri Beef Cattlemen, The Stockman, The Stock Exchange News, Western Livestock Journal, The Beef Blog, The Ketch Pen, A Steak in Genomics, Barn Media, Farm Forum, Top Producer, Progressive Cattleman and many state cattlemen's publications.

Social media is a growing opportunity for Red Angus – the strategic use of social media allows the department to reach a wider audience that may be interested in the benefits of Red Angus genetics. Over the past year, the Red Angus Instagram account has grown by 150% (yes, really), while Facebook and Twitter have grown by 32% and 20%, respectively. The communications team is continuously looking for unique ways to differentiate from the crowd in order to stand out on social networks.

As in the past, the communications and marketing teams planned, filmed and released two American Rancher episodes; one airing in September 2018 and one in January 2019. The September episode focused on the added value of the FCCP yellow

tag and the history of the Superior Livestock Data project, completed in conjunction with Merck Animal Health and Kansas State University. The episode also featured the Blew Partnership from Castleton, Kansas, and the groundbreaking work they are doing in commercial ranching and range preservation. The January 2019 episode was centered around the industry's most-favored female. The episode discussed the Show-Me-Select Heifer Replacement program and involved interviews with University of Missouri professors and Extension who are key in the program's success.

The American Red Angus Magazine published 1,028 pages of advertising and editorial in the fiscal year, serving as the official information vehicle to the RAAA membership and Red Angus bull buyers. Published 10 times a year, each issue reaches over 14,000 mailboxes – three-quarters of which are commercial cow-calf producers purchasing Red Angus genetics. The magazine's editorial focuses on commercial cattle production and education, and is delivered free to bull buyers every year a bull is transferred to them. The magazine is also published online at RedAngus.org and available through the Issuu app.

Looking to the horizon, the communications department is excited about the projects in the upcoming fiscal year including white papers, increased Red Angus Creative activity, a convention media intern and rebranding the RAAA with a new logo.

Evaluating the 5-Year-Old Seedstock Cow: Is She Pulling Her Weight?

Tom Brink, CEO, Red Angus Association Of America

September 3, 2018 09:03 AM





Research Continues With the Help of Many Herds

By Nolan Woodruff, Commercial Marketing Specialist

Of all the beef breeds in the nation, universities, colleges and industry partners have continually chosen Red Angus for their research and “front pasture” herds. Over the past fiscal year, more academic institutions and

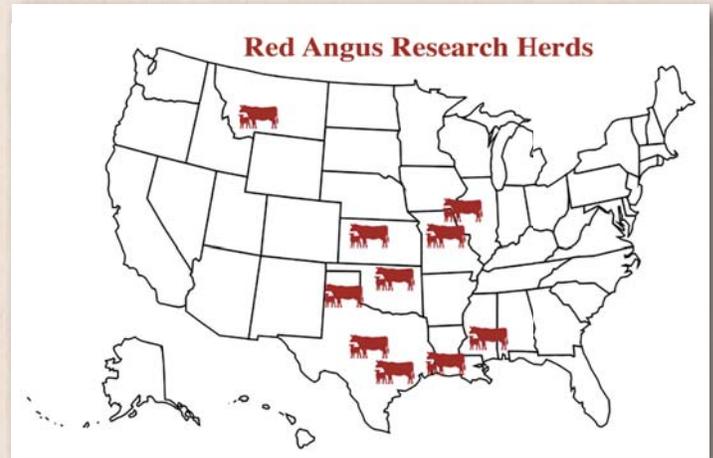
industry partners have approached the RAAA for our assistance in establishing a quality Red Angus herd. With the help of RAAA members, we have been able to assist many universities and colleges with starting their research herds using high quality genetics at a relatively low cost.

Much of the data collected by these research herds goes into checking the accuracy and reliability of the already existent Red Angus selection tools. Some of the different projects that are going on include feed intake data, fertility testing, accuracy of DNA testing and cow efficiency on forage.

Listed below, in no particular order, are the universities, colleges and industry partners that have Red Angus herds, or are in the process of building a herd.

- Fort Hays State University
- Jones College
- Frank Phillips College
- McNeese State University
- Montana State University
- University of Missouri
- Tarleton State University
- Oklahoma State University
- Texas A&M University
- ADM Animal Nutrition

In addition to all these operations utilizing Red Angus genetics, the RAAA has many research projects of our own being



conducted by staff with the help of other industry partners. A recently completed initiative was the LiveWiRED project, which looked at the difference in time to slaughter, feed intake and kill data from calves sired by low-growth bulls and those sired by high-growth bulls. The test group was all embryo calves by the same cow in order to remove the dam variance from the project. The results are in and, to no surprise, have shown that EPDs work for selection of high-growth and low-growth sires.

Another research project is a study on hide color and temperature. With the help of members and staff, temperatures are currently being recorded on red and black hides throughout the south and southeast. We look forward to sharing the results with you when the research is complete.

As the industry moves forward with new technology and new research, the RAAA is excited to be working with our partners to continue research and development to allow Red Angus to continue to THRIVE in today’s fast-paced industry.



The Trend Continues

By Harold Bertz, Director of Commercial Marketing

The results of the Red Angus Association of America 2018-2019 fiscal year continue the trend for extra value of Red Angus and Red Angus-influenced cattle. Commercial cow-calf ranchers, feeders and packers have all shown their increasing preference for Red Angus by investing more in these high-quality cattle.

The Red Angus female continues to be the industry's most favored, evidenced by the continued value of all classes of Red Angus females. Data from Superior Livestock and Merck Animal Health compiled by Kansas State University, shows Red Angus-sired heifer calves delivered from \$3 to \$11 per hundred-weight more than females of all other breed types, while bred heifers commanded \$41 over other breed sired types.

The Feeder Calf Certification and Allied Access programs posted the largest year ever in their history with 210,300 head enrolled, an 8% increase from the previous year. The FCCP consistently adds value to Red Angus feeder calves, this year sporting a \$2.98-per-hundredweight premium over Red Angus sired calves not enrolled in the program.

Junior Red Angus memberships achieved a significant milestone with 1,052 juniors – a 10% increase! The JRA educational outreach programs and hands-on cattle knowledge continue to be the envy of the industry. A vibrant youth program assures a bright future for Red Angus.

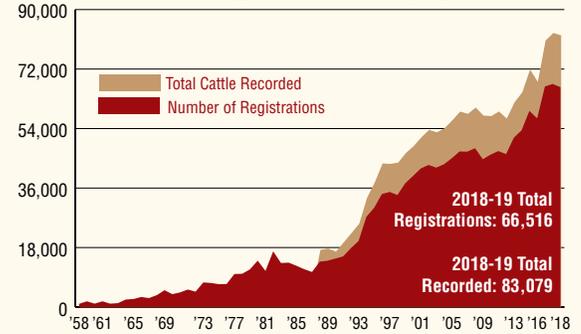
Top 10 RAAA Members by Cow Inventory

LN Cattle Co., Montana	2,025
5L Ranch, Montana	1,519
Beckton Red Angus, Wyoming	1,124
Bieber Red Angus, South Dakota	862
Silver Spur Ranches, Wyoming	858
Schuler-Olsen Ranches, Inc., Nebraska	805
Gill Red Angus, South Dakota	664
Pieper Red Angus, Nebraska	655
Mushrush Red Angus, Kansas	638
Sutherlin Farms, Montana	615

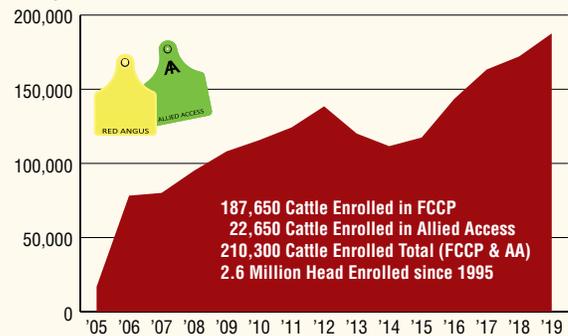
Top 10 RAAA Members by Registrations

5L Ranch, Montana	1,314
LN Cattle Co., Montana	1,150
Bieber Red Angus, South Dakota	956
Beckton Red Angus, Wyoming	857
Silver Spur Ranches, Wyoming	779
Schuler-Olsen Ranches, Inc., Nebraska	750
Mushrush Red Angus, Kansas	682
Gill Red Angus, South Dakota	548
Pieper Red Angus, Nebraska	537
Sutherlin Farms, Montana	494

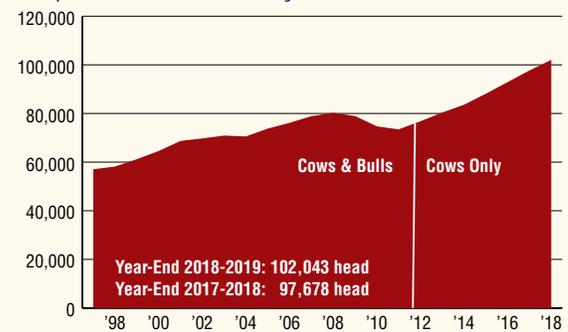
Graph 1. Recorded/Registered Calf Crop by Year



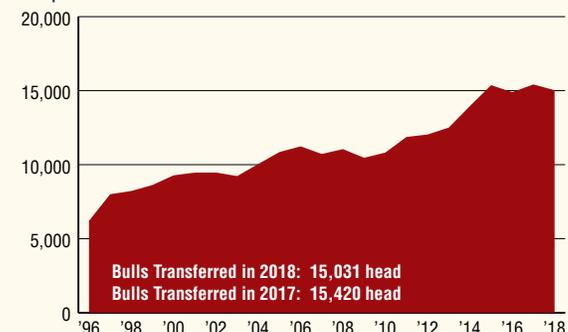
Graph 2. FCCP and Allied Access Enrollment



Graph 3. THR Cow Inventory

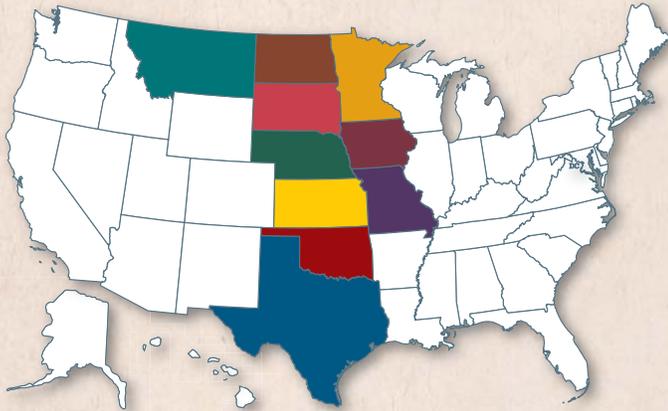


Graph 4. Bulls Transferred



Members by State

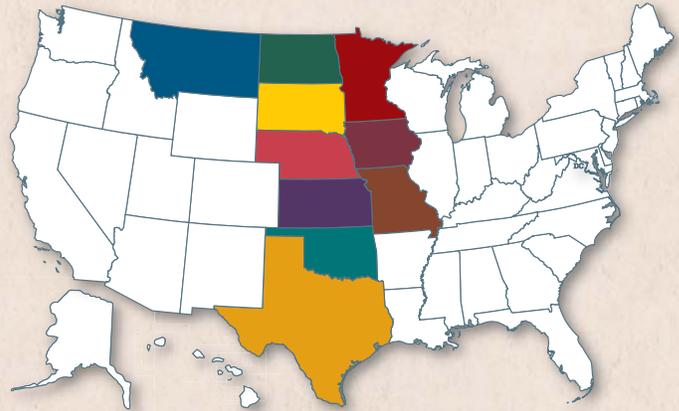
Total number of members in 2018-2019 Fiscal Year – 2,594



1. Texas	303	7. Minnesota	142
2. Oklahoma	167	8. Kansas	140
3. Missouri	164	9. South Dakota	124
4. Iowa	146	9. Montana	116
6. Nebraska	144	10. North Dakota	106

Transfers by State

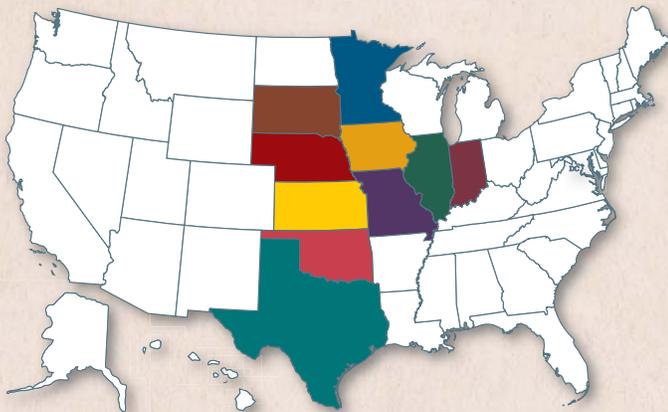
Number of transfers per each of the top 10 states



1. Montana	3,392	6. Missouri	1,794
2. Texas	2,974	7. North Dakota	1,560
3. Nebraska	2,272	8. Oklahoma	1,493
4. South Dakota	2,064	9. Minnesota	1,468
5. Kansas	1,867	10. Iowa	1,270

JRA Members by State

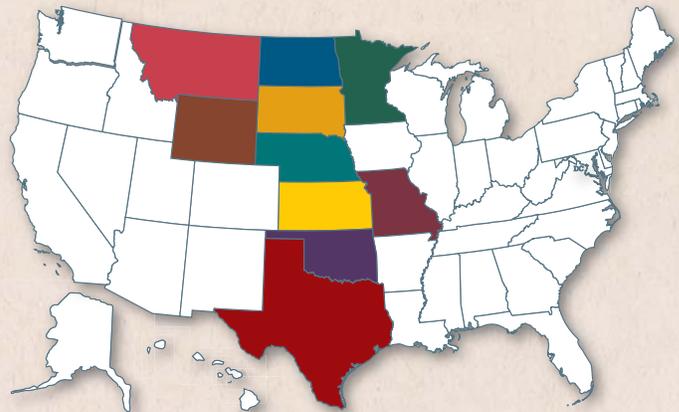
Total number of members in 2018-2019 Fiscal Year – 1,052



1. Texas	193	6. Minnesota	55
2. Oklahoma	123	7. Missouri	48
3. Iowa	91	8. Illinois	41
4. Kansas	64	9. Indiana	33
5. Nebraska	60	10. South Dakota	31

Registrations by State

Number of animals registered per each of the Top 10 states.



1. Montana	8,794	6. North Dakota	4,405
2. Nebraska	6,672	7. Wyoming	3,961
3. South Dakota	5,661	8. Missouri	3,863
4. Kansas	4,878	9. Minnesota	3,058
5. Texas	4,767	10. Oklahoma	3,051

Name	#Progeny	HB	GM	CED	BW	WW	YW	ADG	DMI	MILK	ME	HPG	CEM	STAY	MARB	YG	CW	REA	FAT
BROWN JYJ REDEMPTION Y1334	1058	167	52	16	-4.5	63	111	0.30	1.64	16	-11	4	7	14	0.71	0.08	40	0.31	0.02
H2R PROFITBUILDER B403	760	131	55	12	-2.5	79	127	0.30	1.08	8	-4	10	5	8	0.88	0.21	33	-0.01	0.05
5L DEFENDER 560-30Z	759	145	53	15	-3.9	65	106	0.26	1.74	10	-7	11	4	10	1.00	-0.04	11	0.17	0.00
5L BOURNE 117-48A	686	183	52	13	-3.5	74	111	0.23	0.98	16	-5	9	7	16	0.76	0.16	20	0.10	0.06
HXC DECLARATION 5504C	647	220	58	10	1.1	79	141	0.39	0.90	19	-2	10	6	18	0.64	0.12	58	0.36	0.01
3SCC DOMAIN A163	603	298	55	16	-0.8	64	111	0.29	0.46	25	-3	20	5	27	0.78	0.21	33	0.11	0.06
5L INDEPENDENCE 560-298Y	563	167	52	17	-4.5	66	107	0.26	1.10	11	-10	10	8	12	0.72	0.07	20	-0.08	0.00
9 MILE FRANCHISE 6305	438	187	54	16	-5.8	51	99	0.30	1.06	28	-1	15	10	13	0.73	0.02	42	0.78	0.05
SILVEIRAS MISSION NEXUS 1378	416	156	52	15	-2.7	68	116	0.30	1.23	19	8	10	8	12	0.36	-0.03	33	0.39	0.00
PIE CINCH 4126	407	184	49	13	-2.1	73	115	0.26	0.94	16	-4	8	10	16	0.17	0.27	33	-0.12	0.05
Avg. EPD "Weighted" by Registration Count		181	53	14	-3.0	68	115	0.29	1.17	16	-5	10	7	14	0.71	0.11	32	0.19	0.03
Average Percentile Rank		47%	9%	29%	28%	20%	12%	11%	64%	76%	35%	56%	48%	65%	21%	54%	33%	42%	51%



BOLT Evaluation Improves Reliability of Genetic Predictions

By Ryan Boldt, Director of Breed Improvement

The 2018-2019 fiscal year was exciting in terms of breed improvement and genetic prediction. The process of genetic prediction is an ever-improving science. Advancements in statistics, computer science and genetic research are combined to form genetic predictions for animals in the form of EPDs. This year, RAAA took another step forward in its ability to improve the reliability of our genetic predictions. On Sept. 4, 2018, the RAAA released the first set of EPDs calculated through the IGS Multi-Breed analysis powered by BOLT. The BOLT evaluation software is developed and operated by Theta Solution LLC which is a leading provider of genetic and genomic analytical tools. This transition represents a step forward in the Association's ability to analyze genetic merit of animals for economically relevant traits.

One of the biggest advantages to the new evaluation system is its ability to combine genomic information simultaneously with pedigree and performance data in what is known as a single-step genetic evaluation. The main advantage to single-step predictions is that it allows for all known data to be analyzed simultaneously. By doing this, as more data is added, the genetic evaluation naturally improves over time. Additionally, with the transition to BOLT, weekly genetic evaluations are now performed for the traits available through IGS. The advantage to more frequent evaluations is that now EPDs more accurately represent all of the data that is available in not only the RAAA database but the databases of all IGS breed associations. When making mating decisions this allows the EPDs available in the

REDSPro system to represent the most current information possible on each animal.

Since the release, the IGS science team has worked hard to make sure that each evaluation is as accurate as possible. Several improvements have been implemented. These improvements have led to better use of available data which leads to more accurate genetic predictions. The animal groups used to calculate percentile ranks have also been improved as well. Previously, percentile ranks were calculated on many different groups and it was impossible to compare the ranks across the groups. These groups were simplified to make rankings more comparable across the Red Angus population. Currently, there are three groups that are used for calculation of percentile rank: active sires, active dams and non-parent animals.

This commitment to constant improvement is not embraced only in terms of genetic predictions; the RAAA is committed to making every selection tool as accurate as possible. In the next fiscal year, RAAA will continue its transition of more traits to the IGS-BOLT genetic evaluation. Furthermore, a project is being conducted to update RAAA's selection indexes. The RAAA has partnered with AbacusBio to perform updates to RAAA's current selection indexes. This project will be a partnership between the two organizations with the goal of providing the most advanced selection indexes available to RAAA members and their customers. Although change is never easy, the improvement in the reliability of genetic predictions should allow for Red Angus genetics to continue to be highly demanded throughout the industry.



Junior Members Get Behind the Brand of Red Angus

By Kim Heller, Junior Programs Coordinator



The Junior Red Angus Association of America focuses on equipping and preparing JRA members to be leaders, innovators, stewards and advocates for the Red Angus breed, the beef industry and agriculture. The 2018-

2019 fiscal year was full of big events and leadership for JRA members. Throughout the year, members took part in several leadership and growth events to help them grow as future beef business leaders. A major milestone was met this year when the junior membership of RAAA exceeded 1,000 members.

Members attended the Young Stockman Program in March 2019 in Ames, Iowa, to take part in hands-on educational activities focused on animal nutrition, handling and health in the feedlot, as well as beef product development and food safety. They also gained exposure to real-life EPD and DNA application through evaluation of performance and carcass data of the recently harvested calves in the LiveWiRED project.

RAAA and the JRA are proud to provide scholarships to junior members that are active in the association, as well as in their communities and the beef industry. This year, six recipients proved their leadership and professionalism are a step above of the crowd and received official JRA scholarships. Those individuals receiving scholarships were: Trey Harvey, Jenna LeBlanc, Kristin Massingill, Andrea Rutledge, Shaye Koester and Haley VanWagner.

The annual summer conference and meeting of the JRA, Round-Up, took place in Texas and New Mexico, where 38 members engaged in competitions, toured local agricultural, completed team-building exercises and listened to beef

industry stakeholders share insights. Site visits ranged from Red Angus seedstock and commercial producers to commercial feedlots, a feed company, and university facilities. Faculty at New Mexico State University and West Texas A&M University provided hands-on learning experiences in beef reproduction, forage management and genetics. Additionally, attendees elected the 2019-2020 JRA Board of Directors: Shaye Koester (North Dakota), Andrea Rutledge (Montana), Mia Gibson (Iowa), Izzy McGibbon (Arizona) and Peyton Nagel (Illinois).



Another avenue of participation for JRA members takes place in the show arena. The 2019 Fort Worth Stock Show and Rodeo was home to the Red Angus Junior National in fiscal year 2018-2019. In addition to exhibiting their animals for the show, juniors participated in a workshop focused on JRA opportunities as well as reproduction technologies in the beef industry.

The North American Junior Red Angus Event (NAJRAE) hosted their event in Grand Island, Nebraska, June 16-22, 2019, where JRA members and their families flooded the halls and arenas of the Nebraska State Fairgrounds. Events for the week included a public speaking contest, livestock judging contest, queen and princess selection, herdsman contest and fitting clinic, in addition to performance classes and showmanship.

Junior Red Angus members are an asset to the Red Angus Association of America and will continue to work closely with RAAA staff and stakeholders to build young leaders that will move the Red Angus breed forward.



**RED ANGUS ASSOCIATION OF AMERICA INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2019 and 2018**

ASSETS

	2019	2018
CURRENT ASSETS		
Cash and Cash Equivalents	\$670,402	\$661,080
Accounts Receivable, Net	131,368	98,253
Prepaid Expenses and Supplies	9,638	21,503
Receivable – Foundation – Affiliate	2,654	0
Deposits	14,338	2,619
Total Current Assets	<u>828,400</u>	<u>783,455</u>
PROPERTY AND EQUIPMENT		
Land	125,000	125,000
Building and Improvements	710,137	703,380
Furniture and Equipment	112,227	104,245
Computer Equipment	102,822	95,944
Vehicles	43,323	52,417
	<u>1,093,509</u>	<u>1,080,986</u>
Less Accumulated Depreciation	<u>(213,156)</u>	<u>(199,171)</u>
Net Property and Equipment	<u>880,353</u>	<u>881,815</u>
OTHER ASSETS		
Investments – Other	320,000	260,000
Investments	2,631,046	2,443,925
Computer Software	1,608,064	1,608,064
Less Accumulated Amortization	<u>(784,354)</u>	<u>(575,090)</u>
Total Other Assets	<u>3,774,756</u>	<u>3,736,899</u>
Total Assets	<u>\$5,483,509</u>	<u>\$5,402,169</u>

**A full copy of the financial statements and the independent accountant's review report
and accompanying notes are available upon request.**

**RED ANGUS ASSOCIATION OF AMERICA INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2019 and 2018**

LIABILITIES AND NET ASSETS

	2019	2018
CURRENT LIABILITIES		
Current Portion of Long-Term Debt	\$0	\$35,232
Accounts Payable	170,626	160,857
Accrued Expenses	139,811	188,895
Deferred Revenue	117,190	114,560
Due to Members	<u>38,042</u>	<u>46,246</u>
Total Current Liabilities	<u>465,669</u>	<u>545,790</u>
LONG TERM DEBT		
Mortgage Note Payable	0	386,506
Less Current Portion	<u>0</u>	<u>(35,232)</u>
Net Long Term	<u>0</u>	<u>351,274</u>
Total Liabilities	<u>465,669</u>	<u>897,064</u>
Unrestricted Net Assets	<u>5,017,840</u>	<u>4,505,105</u>
Total Liabilities & Net Assets	<u>\$5,483,509</u>	<u>\$5,402,169</u>

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
June 30, 2019 and 2018**

REVENUE AND SUPPORT		
Member Servicing	\$4,067,186	\$3,676,750
Magazine	751,993	741,467
Juniors	112,234	99,912
Investment Return	205,713	241,375
Gain on Sale of Texas Property	0	469,801
Other	<u>6,458</u>	<u>20,000</u>
Total Revenues and Support – Unrestricted	<u>5,143,584</u>	<u>5,249,305</u>
EXPENSES		
Member Services	3,717,049	3,616,413
Magazine	825,458	850,874
Junior Activities	<u>88,342</u>	<u>72,092</u>
Total Expenses – Unrestricted	<u>4,630,849</u>	<u>4,539,379</u>
Increase in Net Assets	512,735	709,926
Unrestricted Net Assets, Beginning of Year	<u>4,505,105</u>	<u>3,795,179</u>
Unrestricted Net Assets, End of Year	<u>5,017,840</u>	<u>4,505,105</u>

**A full copy of the financial statements and the independent accountant's review report
and accompanying notes are available upon request.**



Breed's Growth Reflected in Success of Shows

By Chessie Mitchell, Show Coordinator

Red Angus has been the center of the show ring nationwide this past year. With overwhelming growth in class numbers, junior memberships and overall eye appeal, the Red Angus breed has been nothing short of impressive. This

past year, the breed created a junior-focused publication, moved the National Open Show home to the National Western Stock Show and launched Red Angus shows at larger national venues.

NWSS

Red Angus enthusiasts can plan to be in Denver the first week of January for many years to come, thanks to the Red Angus Association of America's Board of Directors' decision to make the National Western Stock Show the permanent home for the National Red Angus Open Show. The decision was made at the January board meeting, held in conjunction with the NWSS, and was based on many years of increasing attendance and entries at the prestigious stock shows.

"The RAAA Board's decision to make the NWSS the permanent home of our national open show was logical because of its central location, growth in the number of cattle shown there each year, and its close proximity to our national office," said Tom Brink, RAAA CEO.

Buckle & Banner

In January, Red Angus staff released an innovative new publication connecting the show ring and the beef industry. Buckle & Banner is a quarterly online and printed publication with an emphasis on Red

Angus shows, juniors and breed education. This new publication highlights cattle exhibitions and related topics through creative editorial, while still staying connected to broader association issues that are the driving force behind the beef industry and the Red Angus breed.

Buckle & Banner features information and tips that are beneficial to stock show exhibitors and their families. Content revolves around topics that equip exhibitors with the tools and knowledge they need to succeed in the show ring, as well as improve their herds for the betterment of the breed.

North American Junior Red Angus Event

NAJRAE has seen unprecedented growth in numbers in the past few years. Red Angus juniors gathered for the week-long event this past June at the Nebraska State Fair Grounds. Twenty-one states were represented with more than 300 Red Angus juniors participating in satellite events, shows and leadership competitions. More than 475 head of Red Angus cattle showed that week and marked the largest NAJRAE show to date.

American Royal

Each October, cattle enthusiasts gather for one of the largest and most respected cattle shows in the country in Kansas City, Missouri. The American Royal welcomed the Red Angus breed in October 2018 to its show line-up. The event hosted a Red Angus junior show that included bred & owned classes, showmanship and an open show. More than 65 head of Red Angus cattle walked the ring for the inaugural show last fall and we look forward to a chart-topping year of growth this October.

