

CHALLENGES AND OPPORTUNITIES IN THE NINETIES

William L. Mies
Department of Animal Science
Texas A & M University
College Station, Texas

The decade of the nineties will be a watershed time in the U.S. beef cattle industry. The challenges to the industry are no longer as deeply involved in defending the image of beef in the eyes of the consumer, but rather to develop the production and marketing efficiency which will allow beef producers to compete with pork, chicken and fish at the retail counter. The challenge will be to not allow beef to be positioned as a luxury like lobster. I really don't want to be in the position of bragging about how the product is selling for

\$10 per pound but knowing at the same time the average per capita consumption has been cut in half. This a formula for obscurity. We must continue to seek out those production practices that make our operations more efficient, and work to develop a marketing system based on real value rather than perceived value.

We have been through a period of time when the emphasis was on "more". We had a mind set in our industry to produce more lbs., more height and more gross return, and many went broke trying to accomplish these goals. The nineties will be a decade when the emphasis will be on resource management to maximize net returns.

The challenges that will impact Florida producers most directly will be those dealing with the environment. Maintaining cattle operations in a state with a large human population will become increasingly difficult. Regulations of

the operations that drain toward Okeechobee are being talked about at this time. These types of regulatory efforts will intensify during the nineties. Cattlemen must make a substantial investment in research so that they do not become victims to some unproven theory. They must also invest in lobbying efforts to carry the true facts of the situation to the legislative and regulatory people in state government. These kinds of costs will have to be recognized as part of the cost of doing business in the nineties.

An even more difficult challenge for the nineties will be the area of animal rights and animal welfare. The two subjects are different and must be considered separately. Animal rights is a concept under which animals are given the same considerations as to their physical and mental well-being as humans. The groups which back these issues are not slowed down by scientific fact or logic. Their driving force is emotion and their agenda includes ending red meat consumption in the U.S. diet. The cattle industry's defense lies in informing the rest of the population about our industry and how we handle animals so as not to be "shouted down" when legislation is introduced affecting animal care.

Animal welfare activists are concerned that animals are treated well and not abused or unnecessarily stressed

during their lives. These groups will respond to research data and logic. Cattlemen have the challenge of developing data and means of communication with these groups to tell our side of the story. Cattlemen must also face up to the fact that if there are operators who routinely abuse animals in their operations we will have to educate them to change their practices or face regulation.

Each of the challenges that I have discussed brings with it opportunities for the innovative producer. As value-based marketing becomes a reality, the innovative producer will receive an increasingly large premium for his production over the average to poor producer. If we simply don't respond to the challenge, there will be small profit incentive for the truly top producers. In the areas of the environment and animal rights/animal welfare, the cattle producer has the opportunity to create a bond with the average consumer through informational and legislative programs showing both the necessity for animal production and the positive aspects of beef cattle producers.

The decade of the nineties will at times be frustrating, environmentally centered, characterized by debate, ruled by legislation and if we do our homework and cooperate, profitable.