



The VIEW FROM HERE

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I'm sure by now, all of you have heard about the JBS acquisition of National Beef Packing, Smithfield Beef Group, Five Rivers Ranch Cattle Feeding and Tasman Group. According to JBS, the value of these four acquisitions will total \$1.7 billion, yes that is billion, with a B! With these acquisitions, JBS has processing plants in five countries with a daily slaughter capacity of 80,000 head.

I'm also sure, most of you have already formed your opinions as to how this will both negatively and positively impact the beef business up and down the supply chain. We can save that discussion for a later date, but if there was ever any doubt regarding the importance of marketing U.S. beef globally, this news should make it crystal clear.

Regardless of which side of the fence you stand on regarding these acquisitions, there is something to be learned from JBS. What is now the largest beef processor and cattle feeder in the world began in 1953 in Brazil with a slaughter plant capable of processing five head per day. In the '60s and '70s they purchased two more plants and raised their capacity to 500 head per day. Over the years, they continued to grow with the help of more than 30 acquisitions. Sounds to me like they had a plan and did a great job of working that plan.

The amazing thing to me is that it only took them 55 years. I'm being serious here. To grow from five head to 80,000 head in a little more than half a century is truly amazing.

I think too many times, those of us involved in seedstock production forget that it takes time to grow and develop something that is truly unique. We jump in the business without a well-thought-out plan and expect to become an industry leader practically overnight.

The truth is, that doesn't happen very often. The majority of the truly successful seedstock operations in the United States, regardless of breed, have been at it for a while.

The Limousin breed has its fair share of producers who are in it for the long haul. This last January, to kick off their 40th anniversary, the North American Limousin Foundation recognized members who have been active for more than 30 years. Not surprisingly, many of those same firms have hosted production sales for the last three decades.

If asked, I'm sure each of these outfits will tell you the process of building a cow herd, a customer base and a solid reputation for producing quality genetics didn't happen overnight.

I'm sure the folks at JBS would concur.

Whether you are building one of the world's most dominant cattle feeding and processing companies or a successful seedstock operation, patience and perseverance are two of the most important ingredients in the recipe for success. Seedstock production is definitely more of a marathon than a sprint.