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Texas Longhorn Breeders Association of America
General Membership Meeting
January 11, 2008 - 10:00 am
Radisson Fort Worth North
Fort Worth, Texas

1 MR. WRIGHT: If you all will take your
2 seats, we will get started here in just a minute.
3 Thank you.

4 DR. MOELLER: John T. Baker, could you come
5 forward here a minute, please?

6 Folks, can we start our general membership
7 meeting?

8 As usual, we've got several items to go
9 through. We will go through them this morning. We
10 have a board meeting at 1 o'clock. Hopefully we don't
11 go clear through until 1 o'clock. But I do want to
12 call to order the general membership meeting of January
13 the 11th here in Fort Worth, and I would like to begin
14 our proceedings with a little saying from John T.
15 Baker.

16 MR. BAKER: Would y'all mind standing with
17 me, please. We will say a prayer for this meeting.

18 Our Heavenly Father, we thank Thee for the
19 opportunity in this free country to come to this
20 location to conduct a meeting of this organization. We
21 pray that as we progress through the activities of this
22 day and those that come, that You will be with us, keep
23 us safe, free-thinking, for the benefit of all in this
24 association. Please guide and direct us, these leaders
25 of our organization, as we continue up the trail of

1 success. Be with us, each and every, during our time
2 here and on our return to our homes.

3 We ask these things in Christ's name.
4 Amen.

5 ALL PRESENT: Amen.

6 DR. MOELLER: There is actually a -- the
7 board sits in session during this general membership
8 meeting also, so we are going to start with a roll
9 call. And Scott -- Scott Simmons is our secretary.
10 Could you give a roll call of the board, please?

11 MR. SIMMONS: Kaso Kety.

12 MR. KETY: Here.

13 MR. SIMMONS: Debra Lesyk.

14 MS. LESYK: Here.

15 MR. SIMMONS: Scott Simmons, here.

16 Maurice Ladnier.

17 MR. LADNIER: Here.

18 MR. SIMMONS: Gene Juranka.

19 MR. JURANKA: Here.

20 MR. SIMMONS: Harvey Rasmussen.

21 UNIDENTIFIED SPEAKER: He's here.

22 MR. SIMMONS: Aubrey DuBose.

23 MR. DUBOSE: Here.

24 MR. SIMMONS: Kerry Mounce.

25 MR. MOUNCE: Here.

1 MR. SIMMONS: Robert Richey.

2 MR. RICHEY: Here.

3 MR. SIMMONS: Charlie Buenger.

4 MR. BUENGER: Here.

5 MR. SIMMONS: J.T. Wehring.

6 MR. WEHRING: Here.

7 MR. SIMMONS: Paul Braswell.

8 MR. BRASWELL: Here.

9 MR. SIMMONS: Dr. Bob Kropp.

10 DR. KROPP: Here.

11 MR. SIMMONS: Dr. Fritz Moeller.

12 DR. MOELLER: Here.

13 MR. SIMMONS: Bob Larsen.

14 MR. LARSEN: Here.

15 MR. SIMMONS: And Colonel Fraser West.

16 COL. WEST: Here.

17 MR. SIMMONS: All are here.

18 DR. MOELLER: Thank you, sir.

19 The minutes of the meeting last night were
20 transcribed by a court reporter. They will be
21 available on the E-Trails, and they will be available
22 in hard copy for a small fee from the headquarters.
23 Generally those have been taking about three weeks or
24 so to get back to us, so anybody interested in knowing
25 the word-for-word process of the meeting last night,

1 they are transparent and available.

2 I guess this is the place where I give my
3 annual address. I want to read some of this simply so
4 I don't forget some things. But it's a new day at the
5 TLBAA. There's no denying this board and its officers
6 accepted those roles on August the 20th, 2007. There's
7 no denying our organization was in a little trouble at
8 the time. However, from this chaos and turmoil that
9 occurred a year ago and then occurred again on August
10 the 20th, TLBAA has come a long way. We now find
11 ourselves in a stable and calm state.

12 Let me review briefly some of the progress
13 that we have had. First thing that we had to do was
14 establish an attitude for an atmosphere under which we
15 would begin to move forward. That attitude has been
16 honesty, common sense, following the rules, and what
17 most reasonable folks would consider just doing the
18 right thing.

19 Even though we had been led to believe that
20 our financial matters were in order, the opposite was
21 true. Many accounting methods were found to be
22 improper and incompetent. We moved our CPA supervision
23 and support from Houston to Fort Worth, so that now all
24 accounting software remains in our office at all times.
25 Software programs are being consolidated for better

1 control. Audit methods are being reviewed and brought
2 up to date. Monthly income and expense statements are
3 now available on a timely basis. There are some
4 arithmetical errors because of some improper posting in
5 different areas of the programs. That is being
6 addressed and corrected. Prior to that we didn't have
7 -- and we couldn't believe those figures either, but
8 prior to that we had no balance sheet since April 2007.
9 So a lot of these accomplishments have transpired, and
10 more will quickly be transpired now that we have
11 somebody in the office that is directing us on a
12 day-to-day basis.

13 We found that we were carrying a
14 significant past due accounts receivable. We did
15 discuss that last night in detail. In many instances,
16 people had not even been billed. This is taking some
17 time to clean up. It is being cleaned up. I can tell
18 you that the balances in all of our cash accounts are
19 improved since August, and the TLBAA remains very, very
20 solvent.

21 Registrations and transfers were, frankly,
22 a mess. Thanks to some policy changes and efforts of
23 Deandra Berger and Melanie Thompson - who you will meet
24 later - we are caught up to within seven days; and we
25 even instigated -- Dennis instigated some policy

1 changes just this past week to make sure that that's
2 where we stay and maybe even get it up closer to less
3 than seven days.

4 Another area of progress is the
5 establishment of a stable and competent management
6 staff. Our search for a business manager began
7 immediately after the August meeting and has culminated
8 in the hiring of Mr. Wright, which many of you met
9 yesterday. Dennis began his duties on December the
10 3rd. He has already made an impact at headquarters.
11 Along with his day-to-day running of our organization,
12 he has been busy reviewing, revising, and establishing
13 policies long in need of attention.

14 The cattle sales and show divisions have
15 been combined, and in keeping with the hiring of stable
16 and competent management, Allison Chipman has come on
17 board to guide this Special Events Division. I am very
18 pleased with her accomplishments in the two short
19 months since her employment. I can give you many
20 examples of just some changes that have taken place.
21 No contracts existed prior to Allison, prior to August,
22 for sales, for management. We had no records to go
23 back to. That's all been corrected. We now have
24 contracts. Simple little things like we had no -- we
25 owned panels; we didn't know where they were, how many

1 we had, what were damaged, what were worth renting, how
2 to rent them, and no contract's ever been signed for
3 them. We now know exactly where they are, exactly what
4 we have and contracts are now in place, and they are
5 available for rental but you sign a contract. We can
6 trace what's happened.

7 The Trails magazine editor in chief, Brenda
8 Cantrell, and her staff, because they have helped me
9 run this thing until we got some of these other hires
10 in place, they are now able to return to their primary
11 focus and that's the marketing in our award-winning
12 Longhorn Trails magazine. We need to also thank all
13 the other headquarters staff members. Believe me,
14 gentlemen, they have been extremely loyal and
15 hardworking. Early on and even relatively recently,
16 people have tried to hire these folks away from us and
17 they have remained loyal. They literally thumbed their
18 nose at them and said we're happy where we are, we're
19 TLBAA people and that's where we are going to stay.

20 During this period of recovery, the
21 arbitration hearings between TLBAA and Don King and
22 SuzAnn Spindor have been concluded and while our award
23 was less than the amount we were seeking, the amount is
24 substantial and represents not only a moral victory but
25 a financial one as well.

1 I remind you all that their counterclaims,
2 which were the fact that we in fact owed them money,
3 were all denied.

4 Since the arbitration has been completed,
5 we have been reimbursed approximately 23 percent of the
6 total award. We've gotten some money from both of
7 them. Further legal action has been taken by us in
8 order to obtain the balance. We are not letting it go.
9 We're not bargaining. We are not going to settle for a
10 lesser amount.

11 The expulsion of Mr. King and Ms. Spindor
12 from membership in the TLBAA has been initiated. The
13 next step in these proceedings will take place tomorrow
14 morning. The closure of this chapter of TLBAA turmoil
15 should further help us to move on to bigger and better
16 things and a new day at TLBAA.

17 In closing, let me say that these are just
18 some of the highlights along this ongoing journey I
19 call progress. In the course of this progress, we have
20 made some decisions that some of our members may feel
21 unfair, confrontational, and some may feel they were
22 directed at them personally. Please understand that a
23 lot of the problems we have been facing are because in
24 the past rules were bent, exceptions were made,
25 favoritism was shown, and appeasement was exercised.

1 Written policy is put in place to ensure
2 fair application to each and every member. Making
3 concessions or yielding to the demands of those few in
4 order to temporarily maintain some peace just doesn't
5 fit with our mandate of honesty, common sense,
6 following the rules and doing what's right.

7 I am reminded of a quote by Winston
8 Churchill, who said, "An appeaser is one who feeds a
9 crocodile, hoping that he'll eat him last." We ain't
10 appeasing anybody anymore. A new day has dawned at
11 TLBAA.

12 Just to end maybe on a little lighter note,
13 I want to make sure you are all invited to the banquet
14 tonight. The awards banquet is going to be held a
15 little different way. We are doing some kind of new
16 and exciting things, probably for the first time in my
17 memory. I've been a member for 20-plus years, I've
18 been a board member for eight years. This is one of
19 the first times, I know, we're not going to have a
20 silent auction or a live auction in our banquet. So
21 people can come, not feel guilty because they may not
22 want to bid on an item or feel obligated to bid on an
23 item. Come and have a good time. Enjoy camaraderie,
24 congratulate your fellow people that are going to win
25 some awards tonight. The Hall of Fame individuals,

1 there are 50 people, we've got five categories, ten in
2 each, we are going to give those awards out during our
3 social hour, and our social hour we have extended to
4 two hours. We are going to start at 5:00, go to 7:00.
5 During that time, the Hall of Fame awards are going to
6 be given out. Something a little different than we've
7 tried.

8 You are going to find that the sale on
9 Saturday, Linda and the staff have some really nice and
10 interesting and fun things in store for us during that
11 sale that's going to be different. You're going to
12 like it. It's going to be exciting.

13 Because you are not going to have to spend
14 your money on sale items at our banquet, you can save
15 your money and spend it on heifers the next day.
16 That's another one of our little thoughts.

17 We should also understand, folks, about,
18 again, it's nice to talk about positive things instead
19 of negative things, and of all the little rumors
20 floating around in there, thank gosh they're nice now
21 little rumors. I want to reemphasize the fact that we
22 are extremely fiscally sound. As an example, our Horn
23 Showcase, even though we don't have it down to the
24 penny in some re -- we will have, but we don't now, it
25 looks like we're going to make twice as much money as

1 they made last year as a net-net profit. It was
2 something like 34,000 net profit last year. Looks like
3 we might make as much as 75,000 on our Horn Showcase
4 and Horn Showcase sale.

5 (Applause.)

6 DR. MOELLER: One of the tenets of the
7 splinter group has been to solicit new buyers and new
8 people into our organization. Let me tell you
9 something. Since August, up until -- and there's been
10 more, but up until the 20th or the 15th of December, we
11 have 400 - four hundred - new members. And these are
12 people that have bought cattle.

13 (Applause.)

14 DR. MOELLER: Anybody that thinks this
15 organization isn't growing is nuts. We are strong and
16 thriving.

17 And on that note, I think the next person
18 on the agenda is Mr. Wright, has a report from the
19 business manager, and I will turn that over to Dennis.
20 Thank you all.

21 (Applause.)

22 MR. WRIGHT: Thank you, Mr. Chairman.

23 Good morning. I stand here before you this
24 morning, having been your business manager for five
25 weeks now exactly today. Not long by some measures,

1 but long enough to have formed some opinions and long
2 enough to have plotted some short-term strategies.

3 I believe the TLBAA is a storied outfit
4 that continues to make worthy contributions to the
5 Texas longhorn community. I also believe that the
6 current TLBAA leadership, your board of directors and
7 the volunteers that serve on committees and affiliated
8 groups are dedicated, talented and worthy of the tasks
9 ahead. I also believe the TLBAA staff is competent and
10 willing to do a good job. There are, however, some
11 problems to sort out. But these problems can be
12 overcome with some modifications to our internal work
13 flow and procedures, some training on our software and
14 equipment, some improvement in our tools, and some
15 coaching and mentoring. My short-term action plan,
16 unless modified by the board of directors, is as
17 follows:

18 The current financial management and
19 reporting needs considerable work, as Fritz has
20 mentioned. At the present time, the system in place
21 does not respond well to the needs of either the staff
22 or the board of directors. We need to work at
23 modifying the form and format of the current reports,
24 make them easier to understand and digest. At the same
25 time, we need to tighten some of our internal

1 procedures and better define many of the roles and
2 responsibilities for the collecting and reporting of
3 this financial data.

4 Number 2. Due primarily to considerable
5 staff turnover recently, some work needs to be done on
6 the division of labor among the staff such as writing
7 job descriptions, developing and writing internal
8 procedures and improving the work flow, and we are
9 going to get working on it. We have already started
10 working on that.

11 3. Member service -- or customer service
12 needs improvement, particularly where cattle
13 registrations are concerned. For example, I think we
14 need to leverage our web site to help in the process of
15 registering and transferring cattle and we are going to
16 do that, as well as some other things.

17 Number 4. The TLBAA policies need to be
18 compiled, written down in an understandable format and
19 reconfirmed by the board. This will, I believe,
20 eliminate some of the current confusion that exists in
21 some areas and deflect some occasional ire that is
22 directed at the staff.

23 This list is not meant to be rank ordered
24 in any way. I hope to tackle all these items and
25 perhaps more, simultaneously over the course of the

1 next several months.

2 In closing, I would like to take this
3 opportunity to thank the members of the TLBAA board for
4 allowing me the opportunity to continue my involvement
5 in the membership association industry. I pledge my
6 dead-level best to do my best to the TLBAA, and I ask
7 for your help and patience. I truly believe, as Fritz
8 said, it's a new day at the TLBAA.

9 Thank you.

10 (Applause.)

11 DR. MOELLER: Thank you, Dennis.

12 Next on the order of business, Ty, I'd like
13 you to come up and say a few words as treasurer. They
14 don't have to be long. They don't have to be detailed.
15 They don't have to be in your usual language.

16 (Laughter.)

17 DR. MOELLER: But could you come up and
18 just assure the membership of some of the things that
19 you have had the opportunity to work with since we took
20 over in August.

21 MR. WEHRING: Good morning.

22 Some of the things that we have had to get
23 into on our money situation was our accounts receivable
24 and our collections got pretty far behind, and we have
25 made great strides for that. We've still got a lot of

1 accounting to get straightened up, as Fritz has said,
2 and I don't really have a lot to say other than last
3 night we did pass a rule on our collectibles to kind of
4 pay as you play, you know, like you've got to do it,
5 you've got to pay your bills. And we are giving a
6 60-day lenience of catch-up time and after that we are
7 not going to let you transfer cattle, register cattle,
8 enter shows, until your bill is paid. And this is a
9 business and we're going to run it like that and I
10 think our board of directors has really come to the
11 front on this. And our money situation is, as Fritz
12 says, very good, and on the foundation -- we will talk
13 about foundation. I'll go ahead while I'm up here and
14 get that.

15 All of these scholarship foundations, our
16 money is very, very, very safe. We're fixing to move
17 it. I hate to tell y'all this. We are taking it from
18 Fort Worth to Houston. We can get a little better
19 return down there than we're getting.

20 Anyway, if there's any questions on the
21 foundations or anything on the funds, it's all in money
22 markets and low-bearing interest and we're going to try
23 to make it make a little more money for our
24 scholarship. We're doing great. If you have
25 questions, come ask me afterward. I don't know what

1 you want to hear, so I'm not going to say anything.

2 DR. MOELLER: Thank you, Ty.

3 We've got a little spot at the end when all
4 the reports are done where we will accept matters from
5 the floor, questions from the floor, comments from the
6 floor, so the audience isn't excluded from this
7 conversation. Let us get through these reports,
8 though.

9 We are going to go through committee
10 reports and old business right now. First item on the
11 agenda is Brenda with her Trails report.

12 MS. CANTRELL: Good morning. I feel like a
13 singer. You don't want me to sing, I promise.

14 It's such a pleasure to be here today and
15 see some very happy faces out there. Last year was
16 a -- January was kind of a scary day for the staff as
17 we sat in the corner huddled, waiting for the next axe
18 to fall. So it's really nice to be here today and see
19 you all.

20 Before I begin my report, I want to take
21 this time to introduce some very special people to me.
22 As you know, I was the contact person since the August
23 meeting and that took me away from my duties as the
24 editor in chief of the Trails magazine, but that
25 magazine continued to get out every single month on

1 time. And it got better without me, I think. I don't
2 know if they need me anymore. So they're not going to
3 like this, but I'm going to ask them to come up to the
4 front because I want y'all to see them.

5 I first want to introduce Laura Standley.
6 Laura is the art director for the Trails magazine.
7 Wave your hand.

8 (Applause.)

9 MS. CANTRELL: Laura, I promise you, we
10 would not have been able to get through the shows in
11 the fall if it had not been for her. She was the only
12 cow person on staff, the only person who had ever
13 showed cattle. In fact, she won the Houston Livestock
14 when she was in high school. So she really -- 1986.
15 Cole always corrects me.

16 Anyway, so she really knew what she was
17 doing. And we went on weekend trips together and we
18 decided that we kind of liked traveling a lot, so we
19 had some good times. I could not -- I promise you, I
20 don't know what we would have done without Laura.

21 I want to introduce Cole Dowden. He is the
22 editor of the E-Trails. I am going to talk some more
23 about some of the progress he has been making in a
24 moment. He's our photographer. He's my reporter.
25 He's my guy. Cole is going to be accepting a -- well,

1 he's going to be attending law school beginning in the
2 fall at the University of the District of Columbia. I
3 am very proud that he has been accepted into law
4 school.

5 (Applause.)

6 MS. CANTRELL: It still hasn't hit me that
7 he's going to leave. In the back of my head I keep
8 thinking he won't. But he promised me that he will
9 find his replacement and train them, so -- and he will
10 be a phone call away.

11 And then I would like to introduce Myra
12 Basham, who never comes to anything. I'm so glad she's
13 here today. She's in our graphics department. Myra
14 has been a part of the Trails magazine for how many
15 years?

16 MS. BASHAM: Off and on, over ten.

17 MS. CANTRELL: Over ten years. Is this one
18 of the first things you have attended?

19 MS. BASHAM: First thing ever.

20 (Applause.)

21 MS. CANTRELL: She is a talented, talented
22 person, and what I love about Myra is I'm always going
23 to get a straight answer from her. I never have to
24 worry about Myra sweetening anything. She's going to
25 give it to me straight.

1 I also want to introduce Carolyn Hunter.
2 Everybody knows Carolyn, former editor for the Trails.
3 Carolyn is my mentor. Over the past four months she
4 has been proofing the magazine, she's been listening to
5 me. On many occasions, say, "Did you know this was
6 going to happen, is that why you left?" But she always
7 has a great, great sense of humor. She's very calm and
8 she has been a very important part of the Trails and to
9 me.

10 And Henry King. Henry is one of our
11 contributing editors. He writes an article for me
12 every single month. Love him to death because I can
13 call him a few days before an article is due, five days
14 before an article is due, two days before an article is
15 due, and he manages to get it done for me. And I am so
16 pleased to have him part of my group, too. Thank you.

17 (Applause.)

18 MS. CANTRELL: That's the staff that we
19 have at the Trails, and they are very dear to me. Very
20 dear. Thank you, guys.

21 (Applause.)

22 MS. CANTRELL: Just a quick little update.
23 Last night the policy on competitive advertising was
24 passed by the board of directors to remain the same.
25 We continue to get the magazine out the first of the

1 month. We slipped, had a slip in November because we
2 needed to put a catalog in the magazine, but other than
3 that we've been getting out the first of the month.
4 Every month, Laura has made sure. She's the one that
5 railroads that through.

6 February, our February issue is looking
7 real good. Advertising, as you know, came in from that
8 August meeting and there were notes all over my desk
9 and e-mails, pulling ads here, pulling ads there. What
10 I would not have done without the people that called me
11 on the phone and said, "I really don't need to run an
12 ad but I'm going to take a full page anyway." It meant
13 very -- a lot to the staff. And I thank each and every
14 one of you that called me, call the staff once a week
15 to see how we are doing, and we are slowly, slowly
16 making progress and our ad pages have continued to
17 increase since August. February is our herd sire
18 issue. If you want to promote your herd sire program,
19 you better get to Laura or Carolyn.

20 Rick Fritsche isn't here today. I forgot
21 to talk about Rick. He's another account executive
22 that we have. He's down at Will Rogers helping set up.
23 He has become the cowhand of the organization.

24 I want to show you a new feature that we
25 are going to be putting in the magazine every month and

1 Dr. Moeller referred to it earlier. I wanted to show
2 that we have about a hundred members come on board the
3 TLBAA once a month, at least, and some people were
4 saying how we were becoming stagnant and so I asked to
5 have the number of members that have applied for
6 membership since August so that we could publish it in
7 our January issue. And Dr. Moeller didn't tell you
8 this, but 440 applications of membership have come into
9 the TLBAA since August. And I am going to be
10 publishing this page every single month of the names of
11 the people that are joining this organization, and I
12 hope that y'all will call, send them a note and welcome
13 them aboard.

14 But I am also doing this because I want you
15 to see that if you are not in this magazine, that's how
16 many people you are missing every month. If they don't
17 see you in here, they don't know who you are. I may
18 know who you are and y'all may know one another, but if
19 your ad's not in here, they don't know you. So you
20 have missed 440 people if you haven't advertised since
21 August. Just a little thing I think is important.

22 Now I want to talk about E-Trails really
23 quickly. Cole is a very talented human being and he
24 can do a number of things and one of them is he
25 redesigned our E-Trails. I don't know if y'all have

1 been online to see it or not. I thought I had a copy.
2 Have y'all seen this new design? It was up yesterday
3 morning for the first time. Some of the features is it
4 has a scrolling marquee. In the past, if we ever had
5 anything that we needed to get out to the membership,
6 we had to do a quick e-mail which costs us money to do.
7 But now Cole can do a marquee. Once a day, if you just
8 want to check it, there's going to be "Breaking News"
9 just tallying along on that marquee, which I am so
10 excited about that.

11 Also, the banners on the side are going to
12 be rotating. So you're not always going to get the
13 top, and you're not always going to get the bottom, and
14 you're not always going to be in the middle. You're
15 going to get to see your banner float up and down. I
16 think that is a wonderful feature to have, too.

17 Subscription sign-up form allows interested parties to
18 subscribe to the E-Trails at any point on the E-Trails
19 web site. You can sign up at any point on there.

20 And the new design layout offers easy
21 readability and faster page loads. Some people were
22 complaining that they couldn't load it quick enough, so
23 this new design, you should be able to load it up very
24 quickly.

25 E-Trails' breeder directory has 420 active

1 listings. A year's listing on the E-Trails breeder
2 directory costs \$120. All active listings were
3 invoiced and mailed on January the 7th. So we are
4 actually going to start charging y'all for being on the
5 breeders directory, because that's what it was for in
6 the first place but it never got billed. So if all 420
7 breeders send in their payment and want to continue to
8 be on there, it's going to show a lot of money coming
9 into the TLBAA. So this is just another revenue
10 portion of the Trails staff that could be very, very
11 important for us all.

12 Currently E-Trails has four banner
13 advertisers. Those are costing about -- those cost
14 \$120 a month. If you haven't seen that, get online and
15 look at it, because you might want to take part in
16 that.

17 The E-Trails is e-mailed to over 900
18 subscribers every Wednesday at 9:05 p.m. The addition
19 of the subscription form on the web site was placed to
20 encourage new subscribers and increase the E-Trails
21 circulation. The E-Trails receives approximately a
22 thousand visitors and over 2,000 unique page views a
23 week. That's a lot. This number varies depending on
24 the subject matter of the E-Trails for each issue. Big
25 issues after the TLBAA events usually generate more

1 traffic.

2 So as you can see, we have -- we have a lot
3 of new marketing ideas that we are going to be coming
4 out. I'm not going to share them all with you today
5 because we are going to surprise you with some of them.
6 The staff is back intact. I'm -- now that Dennis is
7 here, I'm going to give it every single bit of myself
8 because the Trails magazine is going to continue to
9 grow. Thank you so much.

10 (Applause.)

11 DR. MOELLER: Next report, I'd like the
12 affiliate presidents meeting that was this morning.
13 I'd asked Kenn Harding to chair it. Normally our
14 executive vice president chairs that meeting. That was
15 a little oversight on my part.

16 Mr. Harding, are you in the audience, could
17 you come up? Use that mic and address the audience and
18 give us a quick report of the meeting this morning.

19 MR. HARDING: I consider myself the, simply
20 the convener of the group this morning since
21 Dr. Moeller had asked me to chair that.

22 We had a -- I didn't keep count. How many,
23 do we know how many?

24 MS. CANTRELL: I didn't count but it was a
25 full house.

1 MR. HARDING: We had a full room. It was
2 well attended. I attempted to attend the meeting a
3 year ago and showed up at the appointed time, and Tim
4 Johnson and I were the only people there. Everybody
5 else was still in that extended board meeting going on
6 and so there was no meeting a year ago.

7 I'm not going to give a big report on what
8 happened there. There was a lot of discussion. Brenda
9 and Dennis both made some reports to the people. One
10 thing that was voted on and suggested again was that,
11 Fritz, that in the future, that at least for chairing
12 this meeting, that a board member be appointed to chair
13 the meeting, whether it's someone in practice, someone
14 that would be there, rather than necessarily needing a
15 chair throughout the year.

16 But there was good discussion. We didn't
17 get to do a lot of reporting but we got a lot of
18 discussion about some of the issues that are
19 confronting the delegates right now that was discussed.

20 DR. MOELLER: Thank you.

21 I think it's a -- it's, again, another sign
22 of a new day at TLBAA. We've got affiliate presidents
23 going to meetings. It just shows you that the -- the
24 enthusiasm that's going on and how much people want to
25 step up and help, and are in fact stepping up and

1 helping.

2 Dr. Bob Kropp, could you give us a breed
3 advisory report, please?

4 DR. KROPP: Good morning.

5 Good morning. Usually I don't have any
6 trouble with mics.

7 The breed advisory group as we have known
8 it over the past probably decade has basically been
9 nonfunctional. That group was initially established to
10 provide educational leadership for this association, to
11 help put on seminars, to serve as advisory people for
12 breed type, whatever you wanted this group to do. This
13 group is chaired by myself, it has Dr. Harlan Ritchie
14 from Michigan State University, Dr. Charlie McPeake
15 from the University of Georgia, now retired,
16 Dr. Randall Grooms from Texas A&M Extension Service,
17 now retired, the -- Scott Schaaque from Kansas State
18 University, Marshal Ruble from Iowa State University
19 has served on this committee, to provide you input as
20 you desire.

21 As I mentioned, this group used to meet
22 twice a year. We would meet here at the annual meeting
23 as well as meet at the World Show in June and we
24 usually had a fairly packed house of breeders that
25 would attend that meeting and we would discuss whatever

1 the participants would like to discuss, and I would
2 tell you that no other, no other breed association in
3 the United States, including Angus or Hereford or any
4 association, has a university-based breed advisory
5 group. None except this association. And so I would
6 stand to tell you that these people are there to give
7 you assistance. All you have to do is simply ask. All
8 these people have had Texas longhorn cattle very dear
9 to their heart. Many of them have judged your shows in
10 the past and they truly desire to provide assistance
11 when needed.

12 We have had three other national breeder
13 symposiums in the past. We used to have some cow
14 colleges way back in the '90s. We had a cow college at
15 Stillwater in I believe it was 1993 that set the record
16 for temperature in Stillwater on a given Saturday. It
17 was the hottest day in the history of Stillwater that
18 Saturday, blew all the air conditioners in the Holiday
19 Inn, and it was a little hot and steamy but the beer
20 sales went up a little bit.

21 But we did have a good turnout the
22 following year in '94. We went to Tyson Leonard's in
23 North Carolina, had a seminar at his place. And then
24 the following year, in '95, we went to Baton Rouge,
25 Louisiana, and had a seminar the Louisiana people,

1 including an evening meal at the governor's mansion and
2 some really good jambalaya and a little bit of zydeco
3 music and we had a good time.

4 It was a philosophy amongst the board that
5 they kind of held those back for a while, and then we
6 had three successive seminars in Stillwater. And you
7 say, Well, why do you have it in Stillwater? Well,
8 because I am in Stillwater. And when I'm in Stillwater
9 and I'm putting the thing on and am basically doing 180
10 percent of the seminar, it's a little bit easier for me
11 to conduct it from Stillwater than conduct it from
12 College Station or somewhere that I don't have quite as
13 much control over meeting rooms and et cetera. And so
14 we had some discrepancy in terms of finances, the board
15 would tell me that we're losing 10 to \$15,000 a time,
16 and I would have difficulty understanding that because
17 I knew how much money I was spending on food, how much
18 money I was spending on rooms, how much money I was
19 spending on manuals, and I just couldn't kind of add
20 all that up to where I was losing 10 to \$15,000 a time.
21 But it was a perception of the board that due to low
22 attendance, that we stop those.

23 And so at one particular board meeting I
24 got pretty belligerent with the board and told them
25 that if they would attend, that we would have more

1 attendance, because the last one we had, only two of
2 the board members - myself and Maurice Ladnier - were
3 in attendance. Only two. And then they're griping
4 about low attendance. And so I would tell you that the
5 breed advisory group, the number one thing that this
6 association needs is education. The number one thing
7 you need.

8 (Applause.)

9 DR. KROPP: There are a lot, these 440 new
10 members, I promise you they need to be brought up to
11 speed on this breed. There are numerous new breeders
12 in this association that obviously like the cattle. I
13 mean, there's no question. But as far as general
14 management, vaccination schedules, nutrition, visual
15 appraisal, picking the right animals, picking the right
16 pedigrees, et cetera, et cetera, they are clueless. I
17 mean, they are. Let's face it, that's where we are.
18 We have a bunch of non-cattle people that are involved
19 in a breed because they love them, and if they're going
20 to properly manage and raise these cattle over time,
21 they need education. And so when the last breeder
22 seminar at Stillwater was cancelled, I was told by the
23 chairman of the board, previous chairman of the board
24 that I had to make a decision by June 1 whether that
25 seminar would be held or not, and it was scheduled to

1 start I think the 20-something of June -- I don't even
2 remember now. But on June 1 we had nine people had
3 signed up for that seminar. And so obviously we pulled
4 the plug.

5 And Paul and Mari-Kathryn Braswell called
6 me. They were two of the nine that had signed up, and
7 they called me and said, "Would you come to Decatur,
8 Texas, and put on a seminar?" I said, "I would be
9 happy to."

10 And so they stepped up, along with some
11 sponsors, and they held the first one and that would
12 have been about November the 17th or -- July. The
13 first one was in July. The second one was November.
14 We have had a second one since then, the 17th, and
15 we're going to have a third one will be at West, Texas,
16 on February the 9th. And so at this one we will cover
17 evaluation, we are going to spend a lot of time in
18 trying to get you kind of zeroed in on what to look
19 for, how to evaluate Texas longhorn cattle against the
20 breed standards.

21 There's a lot of interest that I hear in
22 the field that we establish some breed guidelines
23 similar to what they might do in other breeds, like
24 dogs or horses or whatever, and that we develop some
25 certified judges that have to pass a test. Every

1 quarterhorse judge in the United States must come to
2 Stillwater, Oklahoma, every three years and be
3 certified to judge a quarterhorse show. We are the
4 central location for the Quarterhorse Association and
5 so we put on all the schools at that university, and I
6 don't care if you judged the World Show last year, your
7 card runs out in three years and you've got to be
8 recertified. And so from that standpoint there is a
9 lot of interest - that I hear, anyway - from members
10 that we get some kind of a standardization as to type
11 and that we have -- so that members know what a good
12 one would be and what a bad one would be and understand
13 that, other than just simply that they're a Peeler or
14 they are a Butler or they're a whatever.

15 And so, again, what we would like to do as
16 a breed advisory group, I think that we need to
17 reinitiate this group and maybe even add some members.
18 I mean, we've got a lot of people that are resource
19 people that could be valuable to us, geneticists at the
20 University of Texas, Dr. Hingis, John T. Baker has been
21 in it a long time. Other people that we could
22 certainly use as resource people, that we get us an
23 education committee or a breed advisory committee and
24 get it back into fold. Nothing better today than on
25 this day every year that we have at least an hour or

1 hour and a half or two hours that we can have a
2 discussion group or a seminar for breeders that want to
3 come to the annual meeting and learn more about their
4 cattle.

5 And so we stand to help you. If you
6 haven't registered for the February 9th meeting, Paul
7 is accepting registrations. We have had a nice group
8 every time. We're going to go to West and try to hit a
9 new central location, try to -- we've got some nice
10 sponsors.

11 MR. BRASWELL: Please also mention, Bob,
12 Brenda is going to start about the marketing, if you
13 would.

14 DR. KROPP: Brenda is going to start the
15 program, as well, about some advertising and some
16 marketing things and we're going to do some cattle
17 work. But this group of people stand ready to help
18 you, and I think that we as an association need to have
19 simply more educational events to help you help
20 yourself.

21 Thank you.

22 (Applause.)

23 DR. MOELLER: It's a new day at TLBAA, and
24 the current board and the administration and certainly
25 the chair is finally having friendly ears for Dr. Bob

1 Kropp.

2 At this point I would like to take a little
3 interruption in our proceedings. I know one of my
4 board members needs to leave on a very important
5 mission and so before he goes, I would like to have
6 some recognition.

7 Every year it has been traditional that the
8 chairman of the board thanks his members, his board
9 members and gives them a little token of his
10 appreciation, and I would like to do that right now. I
11 am going to start with Division C. And, Bob, you just
12 stood up. Would you stand up again, please stay up
13 here. Please accept a gift of our appreciation, a
14 reminder that board members serve at their own expense,
15 it's often very inconvenient for them to attend a
16 meeting but they attend the meeting. This particular
17 board, ladies and gentlemen - hopefully I don't offend
18 anybody - has had a lot of balls. They have made some
19 hard decisions. They did not resign. They stuck with
20 us and, by golly, we got a TLBAA today because of these
21 board members.

22 Bob Larsen, would you step up around here
23 and receive a little token of our appreciation?

24 Consequently Fraser West, do you want to
25 start heading up? Stay up here, please.

1 Paul Braswell, would you step up.

2 J.T. Wehring. Charlie Buenger. Robert
3 Richey. Kerry Mounce. Aubrey DuBose. Harvey
4 Rasmussen.

5 Did Harvey make it down to the meeting?
6 Okay. Gene Juranka.

7 And, you know, I could say something very
8 complimentary about every single member. The next man
9 I ask to come up here is Maurice, and I would like to
10 say something about Maurice. I have been on the board
11 eight years. First got on the board, Maurice was very
12 vocal, he was always questioning things and I thought
13 maybe he was a troublemaker.

14 (Laughter.)

15 DR. MOELLER: But each year that went by, I
16 began to listen to Maurice, and Maurice was right.
17 There were some things wrong with our association and
18 he took a lot of flak and continued to show some
19 intestinal fortitude to stick it out and continue to
20 ask questions.

21 Maurice, thank you.

22 (Applause.)

23 DR. MOELLER: I might add that right along
24 with him was Bob Kropp. Bob got mislabeled many times
25 because he continued to ask questions, particularly

1 about the figures, why we weren't making money at this
2 or why this or why that. He probably had more
3 questions on our financials than anybody else. He
4 suffered because of it, but Bob Kropp was correct.

5 (Applause.)

6 DR. MOELLER: Debra. Debra Lesyk from
7 Canada. Would you step forward?

8 Scott Simmons. Scott catches a lot of --
9 Scott's up there kind of by himself and isolated up in
10 that north central midwest. He's come under a lot of
11 flak over this last year, he's had some disenchanted
12 members, and I want to compliment Scott for hanging
13 with us.

14 Kaso Kety.

15 (Applause.)

16 DR. MOELLER: Folks, we all owe every one
17 of these guys a debt of gratitude, and I personally,
18 personally want to thank them. I would not have done
19 this job if I didn't have this group of guys behind me.
20 Thank you very much.

21 Gentlemen and ladies, Cole would like to
22 get a picture of you.

23 MR. BUENGER: I get called a lot of things,
24 but haven't been called a gentleman in a while. Debra
25 made a mention to me last night that this was still the

1 old -- an old boys club and we're going to add two new
2 members on our board, two new female members to our
3 board so there are going to be three of you in there.
4 So it's no longer an all boys club. Okay?

5 There's one other person that whether this
6 is popular or unpopular and whether I get some
7 criticism for it or not, I don't care. There's one
8 other person -- people, two people that I would like to
9 recognize right now that also displayed a lot of
10 intestinal fortitude and perseverance, went on a
11 mission, and maybe we wouldn't be here today where we
12 are today if there wasn't a whistle blown.

13 Darlene Aldridge and John Parmley, I've got
14 a little whistle. You are our whistleblower of the
15 year.

16 (Applause.)

17 DR. MOELLER: Okay, Allison, now, if you
18 want to follow that. That really wasn't fair to you,
19 was it?

20 MS. CHIPMAN: Thanks a lot, Dr. Moeller.

21 DR. MOELLER: Allison Chipman is going to
22 give us a Special Events report.

23 MS. CHIPMAN: Thank you, Fritz, for putting
24 me behind that. I got asked at the office yesterday if
25 I was getting my feet wet and everything was going

1 okay, and I kind of laughed and I thought, "Getting my
2 feet wet? I feel like I got dunked." In fact, first
3 week on the job we had Horn Showcase. But it's been
4 really nice and I'm very excited about the opportunity
5 to work with everybody, so if I haven't had the chance
6 to meet you yet, please come grab my arm at some point
7 this week and say, "Hey, Allison," and introduce
8 yourself to me because I'd really like to get to know
9 everybody that I get to work -- have the privilege to
10 work with.

11 I am supposed to give you a report on
12 what's going on in Special Events. Shows and sales
13 have now been combined into one unit, so I am going to
14 talk about both shows and sales. I am so excited to
15 see all of you here and I am so excited to get to see
16 all of you again tomorrow afternoon at the sale, okay?
17 So everybody has to come to the sale - shameless plug -
18 select heifer sale is tomorrow afternoon. You're not
19 going to have to buy anything at the banquet tonight so
20 everybody gets to go home with a cow. Okay?

21 As far as what's been going on with Special
22 Events, our Fall Horn Showcase this past year was a
23 great success. We measured 390 head, approximately,
24 in-house, with 150-plus that were measured satellite.
25 So we really did measure quite a few head. I talked

1 about this last night at the board of directors meeting
2 and I was just really proud to see the number of
3 individuals that were represented. Individual breeders
4 represented at this year's event increased from last
5 year. Last year we had 140 present. This year we had
6 163. So there's definitely a lot of growth in our
7 events and enough positive for us to look forward to in
8 the future. The sale was also a great success. We
9 sold 109 head this year and we had some donated lots
10 and that was very exciting, and we had 107 registered
11 buyers and 60 of our buyers took cattle home. So I'm
12 really excited to see everybody come out to these
13 events and participating.

14 Tomorrow is going to be another example of
15 a great way for us to look at change in a positive way.
16 We are trying to make these events fun, to establish
17 that camaraderie and that relationship amongst our
18 breeders and give you an opportunity to exhibit what
19 you are working on at home and also to market those
20 cattle that you are so passionate about. So for Fall
21 Horn Showcase this year we are looking at the
22 possibility of moving the event to an alternate venue.
23 We are being squeezed a little bit by Will Rogers and
24 the dates that they have offered us to have our events
25 at Will Rogers Memorial Center are less than amenable

1 to our entire calendar, so we are entertaining the idea
2 of moving the event elsewhere and we are going to be
3 forming a shows committee and a sales committee with
4 the help of our board of directors to steer these
5 events to meet your needs and your desires as far as
6 avenues for you to exhibit and sell cattle. So there
7 is a potential to move Horn Showcase this year to an
8 alternate venue so that it doesn't overlap with some of
9 the other events that are taking place within our breed
10 association, because the dates that Will Rogers offered
11 us were in October.

12 Other things that are happening, West Sales
13 are continuing to be a great opportunity for our
14 breeders to market their cattle. We have one coming up
15 March the 3rd, so I look forward to seeing everybody
16 there.

17 Our numbers, we are working on, we don't
18 have great numbers, we don't have great historical
19 data, but I am working hard to organize the information
20 that we have to make it usable and functional so that
21 we can look at these events and make sound decisions
22 for the association as a whole. The information that
23 we have in our office is kind of sometimes hard to get
24 your arms around and your hands around, and I am
25 working really hard to make sure that you have the

1 information and I have the information so that we can
2 make good decisions as to how to proceed to market
3 these cattle in a positive avenue.

4 Prior to this meeting, a group of us got
5 together and talked about this year's World Show. It's
6 going to be in July this year and I will be giving a
7 full report on that meeting this afternoon, but just a
8 little taste of what's to come, we are going to have a
9 theme contest on E-Trails. So if you would like to
10 have input on this year's World Show theme, I am going
11 to be working with Cole. He's very surprised probably
12 right now to hear that. So, surprise. But we talked
13 about a lot of things that are going to be really
14 important to this year's World Show. The dates in
15 July, we are going to work with the schedule so that we
16 are not overlapping the Best of Texas Sale, that
17 everybody that wishes to participate in both events
18 will have the opportunity to do that because we don't
19 want anybody to forego any opportunities.

20 So we are going to work with the schedule
21 and work with everybody to make sure that everybody has
22 a positive event. So this year's event will be in
23 July, the week of July 8th at Watt Arena this year, and
24 there's some great things to come. If you ever have
25 any questions about the events, sales or shows that are

1 going on, please feel free to contact me.

2 I also have two lovely young ladies that
3 work with me. Kim Barfield helps out on the sales.
4 She's actually over there right now checking in all the
5 select heifers that you guys are going to take home
6 tomorrow. So she's a wonderful asset to help me with
7 the sales. And Leslie Gandy helps with the shows and
8 she does a wonderful job of making sure that we get all
9 of the information so we can get you guys a great place
10 to exhibit your cattle.

11 So if there's anything that I can ever do
12 for you to make your progress as Texas longhorn
13 breeders that much easier, please don't hesitate to
14 contact me. Thank you.

15 (Applause.)

16 DR. MOELLER: Ty already gave a momentary
17 or a brief foundation report.

18 And, Ty, unless you want to say anything
19 else about the foundation, I think you covered it
20 pretty good in your report.

21 T.M. Smith, could you come up and give us a
22 report on recreational cattle?

23 MR. SMITH: This will work. Thank you,
24 Fritz.

25 Recreational cattle. Probably a lot of the

1 old-timers and I know the majority of the newcomers
2 don't realize that all of our longhorn cattle are
3 really recreational cattle. If you watch PBR bull
4 riding, you see a lot of longhorn bulls bucking them
5 good cowboys off. I've been to Canada, I watched them
6 use the cows in the wild, cow milking, they roped their
7 calves in the tie-down roping, the yearlings are used
8 for team roping and bulldogging. That pretty well
9 covers the breed. And then we're seeing lots of big
10 steers ridden, shows, parades and all that. So if you
11 watch TV, you'll see a lot of longhorns in all phases
12 of the rodeo and the western life. And so when you
13 talk about recreational cattle, it probably pretty well
14 covers all of it.

15 But we in this country, probably the
16 biggest part of it is they've got to be big team roping
17 cattle. It's really getting bigger every year. And I
18 know that when the time comes that you go to your
19 pasture and you find bull calves, you wonder what
20 you're going to do with it, and most of them will wind
21 up as a team roper, as you know, if you don't have
22 something else special for him. The main thing that we
23 need to do, of course, raising the longhorn cattle is
24 trying to make these bull calves work when you get
25 ready to sell them or wean them. And my story really

1 goes along with Dr. Bob Kropp when he's talking about
2 what we should do to make our cattle sell and work for
3 us. So we need to probably work with Dr. Bob in that
4 part of it on the roping cattle.

5 All of you that's been around for years
6 have heard me say that we need to keep our roping
7 calves out of the local auction barns. The buyers are
8 just not there to make these cattle worth more money.
9 So we've got to set committees, and of course I've been
10 saying this for 20 years, for 25 years, we need to
11 organize so we can kind of control the movement of bull
12 calves. And it don't make any difference if you just
13 have one or if you have 50 every year to sell. We need
14 to organize and show that we can do this. I've -- in
15 the past I've talked to Fritz on the affiliate
16 presidents to get with me and I'd help them line up,
17 make a program to create a market for these cattle. So
18 with what we've got going now and a new day, maybe we
19 can do this.

20 There's things that all of you do, I don't
21 care where you live, if you will organize and work
22 together with your calves, you make them worth more
23 money. Maybe I ought to ask, does anybody have any
24 trouble selling them?

25 That's -- I'm going to start working and

1 we'll see if we can't get some organization organized
2 in each affiliate or each area so we can help you make
3 these calves bring more money. It's bad when I see the
4 Mexican cattle coming out of Mexico with an M on them,
5 a lot of them have got big ears and everything but
6 they're still bringing a hundred dollars more than our
7 good longhorn cattle, and this is -- it shouldn't be
8 that way. Our cattle are just as good or better than
9 theirs. I know, Dr. Fritz, I was looking at a Trails
10 magazine, I think in '96 you had an article about the
11 cutting horse business, and they're really -- the
12 cutting horse really likes the longhorn, the heifers
13 mainly, but there's a lot of them being used for
14 cutting horse training.

15 I'll work further on trying to get stuff
16 organized, but any of you affiliates that -- presidents
17 that want to contact me, I'm in Texas, in the
18 directory, Texas. I live at Boyd, Texas. That's where
19 our headquarters are, about 30 miles northwest of here.
20 So if you want to talk to me, I'll be around here the
21 rest of the week and -- or when you get home if you
22 want to call me and talk to me, well, just give me a
23 call.

24 Anybody got any questions?

25 DR. MOELLER: There is one question in the

1 back there and then I think Dr. Kropp would like to say
2 something.

3 MR. SMITH: Yes, sir.

4 MR. SHAN: You used to do the rope roundup
5 for different affiliates. Are you going to try and do
6 that again?

7 MR. SMITH: Well --

8 MR. SHAN: At local auction barns where
9 somebody can just come in, you're there to buy the ...

10 MR. SMITH: Well, a few of you from South
11 Texas know I used to be down there nearly every
12 weekend. I worked with the affiliates down there and
13 we'd have a place on Saturday morning that they start
14 bringing their cattle in there. I'd always have a pot
15 and a 32-foot stock trailer and I'd usually fill the
16 pot and the trailer both. They'd bring their calves to
17 one location, I'd buy them, and it worked real good.
18 But that got to be a long road and tiring, and I don't
19 know anybody else that wants to do that. But that's
20 the way we used to do it and it sure worked good for
21 everybody.

22 DR. KROPP: Lonnie, I think that we, as an
23 association, we need to try to do something that we can
24 coordinate in Fort Worth or at West or at Red River
25 Livestock or at some facility that we would gather some

1 cattle together and advertise them for roper type
2 events and see if we can't get some of these rodeo
3 contractors or these kinds of situations that would be
4 willing to pick up 25 or 30 or 40 yearlings or
5 something, but it probably would take Tim to kind of
6 help coordinate that or somebody that's in the rodeo
7 business, but I think there's some opportunities with
8 that.

9 Fraser?

10 COL. WEST: I would just like to report,
11 the 8th roper sale in California is going to come up in
12 late February or March and they sell anywheres from 400
13 to a thousand head every year there, and this has been
14 going on and getting bigger and bigger and bigger. And
15 it's a good facility, people can bring cattle over from
16 Nevada, down from Oregon and Arizona, and it's a big
17 deal in California for roping cattle.

18 DR. KROPP: I think what we -- that's what
19 we need to do. We need to organize, as T.M. said, and
20 try to get us an advertised roper sale type situation,
21 have some volume. And obviously that's the key, is
22 volume. If you want to take one or two calves to the
23 local sale barn -- and I'll just give you an idea of
24 what it is in Oklahoma. Today -- you know, you hear a
25 lot of discounts. Today it's about 60 to 70 cents

1 discount for longhorn calves against, say, Black Angus
2 calves. And the reason is simply they can get by with
3 it. I mean, there's no one there to buy them, and so
4 if there's no one there to buy them they're obviously
5 going to sell them at some price. And I've seen
6 situations that they've brought less money than a
7 day-old dairy calf that they're going to bottle-feed.
8 And so that's just simply volume. You know, if you're
9 going to sell one or two, you're going to haul them to
10 a town, you're fixing to take a beating on them.

11 The other thing that I wanted to -- so I
12 think we need to organize as T.M. said.

13 The other thing that is important for you
14 to understand is that the major packers in the United
15 States, for whatever reason, have made a stand, and
16 this stand basically is, is they're not going to --
17 they've told their order buyers not to buy any fat
18 longhorn cattle. That's what they've told them. And
19 so basically there seems to be very little market as
20 far as you trying to market them via the packers unless
21 you try to kill them yourself. Now, if you want to
22 kill them yourself, they will take them. But we've
23 been informed that if you will dehorn your calves at
24 birth or shortly thereafter or certainly at some point
25 in time, and feed them as dehorned cattle, then they

1 will bid on the cattle. Now, that's fine if you want
2 to go through that much labor, but on top of that,
3 they're going to bid on them and they're not going to
4 bid you what they're worth.

5 These cattle, if they are properly managed
6 and handled and put into a feed yard, they will grade
7 at least 80 percent choice. They're going to buy them
8 as select and standards. They're going to discount you
9 if -- you know, because they get by with it. Okay? So
10 if you are grouping cattle together yourself, you are
11 going to put them into a feed yard, then you need to
12 sell them on a grade basis and make them kill them and
13 pay you what they're worth on the rail. And they will
14 do it, but don't expect them to bid on them live
15 otherwise. And that's what we've been -- you know.
16 All three major packers -- I've got past students that
17 are head procurement. I found out about it through Lew
18 Meibergen that they wouldn't feed his cattle because
19 they weren't going to be able to sell them.

20 I got on the phone and talked to all three
21 of these people that on any one-day basis probably buy
22 somewhere close to 100, 150,000 head of cattle a day.

23 And so they said because of bruising, the
24 horns bruising the carcass, having to cut out the
25 carcass, and because of their low meat yield in

1 relation to their live weight that they simply could
2 not afford to kill the cattle. That was B.S. What
3 they wanted to do was simply discount the cattle. It's
4 business, okay? They wanted to discount the cattle.
5 So what I'm telling you is that if you want to group
6 some of your calves together or some affiliate wants to
7 group some calves together, it takes volume to have a
8 roping calf sale. It takes volume. Thousand head,
9 something like that, to get people to come in to a
10 roping calf sale. Now, if you're going to sell
11 yearlings, it probably needs to have a group of
12 anywhere from 25 to 50 to sell yearlings for dogging
13 cattle. And so you just have got to group together as
14 affiliates. If you're going to feed them, you need to
15 hang them on the rail yourself or do some management
16 prior to, to get those cattle to be sold. So I just
17 wanted to touch base with the membership.

18 DR. MOELLER: Thank you, Bob.

19 MR. SMITH: I'll add a little to that.

20 These ropers when they get through with these cattle,
21 used cattle, back when I was handling a lot of them, I
22 kept about 300 head of used roping cattle in the
23 feedlot all the time. I had three pens, starting,
24 medium and a finish pen, and I'll guarantee you, when
25 I'd take those steers to 1100 pounds, they'd bring

1 right up there with any other cattle. The day I
2 cleaned out my feedlot out in the Panhandle, the man
3 called me and said he'd cleaned the lot out and my
4 cattle lacked 80 cents bringing tops that day, and
5 Mumford bought them. So everybody knows who Mumford
6 is. They knew what they was getting.

7 One other thing, our man with -- our
8 computer man, I want to get with him and see if we
9 can't get something on the network to see where there
10 will be a way to contact everybody that wants to sell
11 their cattle or if they're a roper wants to buy them,
12 maybe work out something like that.

13 Thank you.

14 DR. MOELLER: Well, I think that you're
15 going to see, again, an effort made by the current
16 administration as far as committees doing a little bit
17 more than what's been done in the past, which is
18 nothing.

19 T.M., thank you very much for your report.

20 (Applause.)

21 DR. MOELLER: Some of you that are in the
22 audience or everybody that attended that didn't sign
23 in, we would appreciate you signing in. Just come to
24 Brenda and she'll ask your name.

25 We've got one more report on the TLBT.

1 Bonnie Scott usually gives this report. She's got an
2 unfortunate illness occurring in her family - not
3 Bonnie - and was unable to attend. And this might be a
4 good place to inform the membership that we are going
5 to approach our show system and particularly our youth
6 show system, we're going to tweak that a little bit.
7 We are going to have -- also have a committee, an
8 advisory committee to Allison for the youth. We've got
9 a scholarship program going to be presented and at some
10 point, hopefully sooner than later, we'll have a
11 scholarship program to equal anyone that used to be
12 present with us.

13 Election of Division B. That election has
14 been completed. If you are not aware, I would like to
15 announce and formally install the new 2008 directors
16 from the newly completed elections. I'd like those
17 people to step forward up here.

18 Donnie Taylor from Region 7. Stacey Taylor
19 from Region 8. Robert Richey, Region 9. Charlie
20 Buenger from Region 10. Ty Wehring from Region 11.
21 Steve Zunker, Region 12. Directors At-Large, Lana
22 Hightower, Dr. Zech Dameron. These are the people that
23 will be serving for the next three years from
24 Division B. Congratulations to all of them. You are
25 formally installed.

1 (Applause.)

2 DR. MOELLER: These people will participate
3 in the board meeting starting at 1 o'clock. They will
4 also participate in the election of the new officers
5 starting at 1 o'clock.

6 We also appointed some candidates last
7 night that were -- gave a presentation before the board
8 and the board elected these people to fill the
9 vacancies. They are Doc Heider -- and I'd like for
10 these people to step forward also. Doc Heider,
11 At-Large Division A. Doc is from Bay City, Florida.
12 Carl Brantley; he is serving in Region 4 from
13 Division A, Wilkesboro, North Carolina. Carl is going
14 to be my new sergeant at arms. Division C At-Large,
15 Steve Quarry, Prague, Oklahoma. Jim Johnson, At-Large
16 Division C, from Anthony, New Mexico. Michael
17 Sitzmann, Division C, Region 13, Merrill, Iowa. And
18 Rodney Lind is going to serve in Division C from Region
19 14. He is from Elk Creek, Nebraska. He is not here at
20 the present time, he just recently had some pretty
21 extensive hip surgery. But he will be also serving on
22 our board. So these gentlemen will help complete our
23 board.

24 We will still have some vacancies in both
25 Division A and in Division C. I choose to leave those

1 spots vacant and we will fill them on the next election
2 cycle.

3 Again, thank you, gentlemen, for stepping
4 up. These are all going to be your new board members.

5 (Applause.)

6 DR. MOELLER: And you guys are expected to
7 be at the board meeting at 1 o'clock this afternoon.
8 You will also participate in all those activities,
9 including the election of the new officers.

10 MR. BRANTLEY: I'll be wherever you want me
11 to be as long as you feed me.

12 DR. MOELLER: We are wrapping this up at a
13 quarter to 12:00. The board meeting starts at
14 1 o'clock.

15 Carl, you're going to have to feed yourself
16 before that board meeting.

17 Are there any matters to come before the
18 floor?

19 Mr. Braswell, there is the microphone.

20 MR. BRASWELL: Dr. Moeller, this is the
21 questioned audits that we need to confirm.

22 UNIDENTIFIED SPEAKER: Speak up. We can't
23 hear you.

24 UNIDENTIFIED SPEAKER: Can't hear you.

25 MR. BRASWELL: I'm just having a brief

1 conversation. Pardon me.

2 Last evening, as we had our board meeting,
3 we came to the conclusion and the agreement as a board
4 and concerns the following letter, which I will do my
5 best to read to you.

6 (Reading) The Board and
7 Dr. Moeller have reviewed the audit
8 reports of the TLBAA and the Foundation
9 for the years 2004-2005 and 2005-2006.
10 Also had an opportunity to review the
11 basic financial statements from the same
12 period. Mr. Brown, our expert witness
13 and forensic auditor, reviewed the same
14 material. Throughout his report he
15 brings to light numerous transactions
16 that are questionable; however, the
17 books are as they are. We have two
18 options regarding the two years in
19 question. The first option is
20 commission an audit for each year to
21 review the data. Investigation of this
22 option has indicated the Association
23 would incur at least \$25,000 per year to
24 prepare these audits. The second option
25 is to choose to waive our requirement

1 for an audit.

2 I'd like to share the
3 following about the financial audit we
4 would receive. First, it would be based
5 on the best information, which is
6 sparse, that we could provide to an
7 auditor. This information would
8 basically be from financials and limited
9 supporting documentation from the two
10 periods in question. This would not be
11 a discovery endeavor. The audit would
12 simply report that our books agree with
13 the revenue received and the amounts
14 disbursed. Some amounts might be
15 reclassified in this process but the end
16 result is that the association had
17 income and expense. No amount of audit
18 work will change the fact that Mr. King
19 and Ms. Spindor were taking some of our
20 money. Mr. King and Ms. Spindor
21 evidently made every effort to mask
22 their activities. The money we paid to
23 Mr. Brown was necessary to determine
24 their activities. We should consult
25 with our CPA to determine how to book

1 the arbitration award including monthly
2 interest in the current year and move
3 forward.

4 What our board decided last night was to go
5 ahead and accept the option of foregoing additional
6 audit on these two past years. It's a considerable
7 amount of money that we're going to spend and there's
8 not enough information there, in my opinion or in most
9 of the other people's opinions who have looked at these
10 records, to make any changes to the situation we're in.
11 The reason we're bringing it up at this time is in
12 order for us to waive that requirement, we felt as a
13 board we should come to the membership meeting and get
14 a count of hands to allow us to affirm that decision.

15 I'll turn it back to you.

16 DR. MOELLER: Thank you, Paul.

17 Is there anybody in the audience that did
18 not understand that and would like a little more
19 clarification of it?

20 Yes, sir?

21 UNIDENTIFIED SPEAKER: I have one question.
22 Did you say that the years that we are talking about is
23 the two thousand -- July 2004 through June 2005 and
24 July 2005 through June 2006; is that correct?

25 MR. BRASWELL: I believe that's correct.

1 UNIDENTIFIED SPEAKER: So we will have the
2 July 2006 through June 30th, 2007, done?

3 MR. BRASWELL: The books on that period of
4 time have not been completed at this point in time.
5 When those are completed, they will be put under an
6 audit. These are just covering those two years.

7 The reason we're having to go back and do
8 this is because the gentleman who did the audit work,
9 who looked at the numbers, was not certified to
10 practice in Texas. Okay?

11 UNIDENTIFIED SPEAKER: I just wanted to
12 clarify the year.

13 MR. BRASWELL: So those are the two years
14 we are looking at, yes, sir.

15 DR. MOELLER: The years from that point
16 forward are going to be audited in a qualified manner.

17 So, not hearing any other questions, I
18 would appreciate this audience giving the board
19 confidence in proceeding as we voted last night. All
20 in favor of allowing the board to do this, signify by
21 saying aye.

22 (Ayes.)

23 DR. MOELLER: Is there anybody opposed to
24 this?

25 Hearing none, I get to hit this gavel

1 again.

2 Thank you very much, that's the way it's
3 going to be. You guys just saved us \$50,000 that was
4 just going to be money we pittered away.

5 Are there any other matters to come before?

6 Yes, sir?

7 MR. SISK: I'd like to address the cookbook
8 that was supposed to come out two years ago.

9 DR. MOELLER: Okay. If you would stand,
10 identify yourself, come up to the microphone, so we can
11 all hear and our transcriber can document that.

12 MR. SISK: My name is Paul Sisk, and I
13 think it's two years ago we had a cookbook supposed to
14 come out, and myself and several others paid a
15 considerable sum of money to have our brands put on it.
16 It was an auction at the meeting at the Horn Showcase.
17 Jim Curry had been telling me it was going to come out
18 in June, it was going to come out in October, it was
19 going to come out in March. And then it's kind of
20 died.

21 I brought it up at our meeting of STLA and
22 Maurice didn't even know it existed, so -- and I
23 apologize, Maurice, for not getting back with you, but
24 I had slipped up and not got back with you on it and
25 you may have the answer for me.

1 But I'd like to know what the outcome of
2 that is going to be because some of us paid a lot of
3 money. And it's a sentimental thing for me because my
4 son was killed and I had his brand put on that book,
5 and I would like to have the book. I don't want the
6 money.

7 DR. MOELLER: I understand. Thank you very
8 much for bringing that up.

9 (Applause.)

10 DR. MOELLER: That has been addressed and
11 Ms. Cantrell can answer that question for you.

12 MS. CANTRELL: I guess it was April or June
13 of last year, Larry Barker came to my office with a
14 file that was about this big (indicating), stuffed full
15 of recipes and letters and notes, and said, "This is
16 the cookbook we were supposed to be doing." And I'd
17 never heard about the cookbook. So I contacted the
18 publisher that published our last cookbook, had a
19 meeting with her, got the costs, presented it back to
20 Larry Barker and he told me to put it back on the back
21 burner.

22 In the last week, Dennis and I have been
23 discussing the cookbook and we're going to get that
24 cookbook done. Dennis had said that he and I together
25 are going to co-edit it. We're going to go to the

1 same, probably, cookbook publishing company that did
2 our last one because that's what they do and they are
3 very easy to work with and they understand us. So we
4 are hoping to have a cookbook for you by November so
5 that they can have a Christmas sale.

6 So, that's our goal. Does that help? I'm
7 so sorry. Okay.

8 DR. MOELLER: And I don't want to end this
9 meeting on a negative note, but when we came on board
10 in August, everything we looked at was a mess, needed
11 attention. The cookbook item, it wasn't you that
12 called me, I had another gentleman call me at my house
13 in New Mexico and said, "Where's my cookbook? I've
14 sent my money, I haven't gotten any response, I have
15 called multiple times."

16 So one of the first things I did when I got
17 in the office, I said, "What's the story on the
18 cookbook? Nothing has been done."

19 They said, "Well, what do we do?"

20 And I said, "You do what's honest, what's
21 right, use some common sense and do what most people
22 would do. You return the money to those people or you
23 print a cookbook."

24 We have been embroiled in a lot of other
25 things and things had to be prioritized and,

1 unfortunately, the cookbook didn't get prioritized as
2 one of the first things we had to get done. It is now.
3 Brenda and Dennis will get that done. And I personally
4 apologize for the previous administration that ignored
5 that.

6 Any other items to be brought before the
7 floor?

8 Hearing none, I will entertain a motion for
9 adjournment.

10 MR. BUENGER: I make a motion.

11 DR. MOELLER: Charlie Buenger made the
12 motion.

13 MR. LADNIER: Second.

14 DR. MOELLER: Maurice seconds the motion.
15 Anybody opposed?

16 Membership meeting is adjourned.

17 (Applause.)

18 (Ending at 11:51 a.m.)
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