

# In the Driver's Seat

*Private treaty affords breeders control of marketing while keeping innovation at their fingertips.*

*by Kim Holt, Angus Media*

**P**rivate treaty is one avenue of marketing that allows breeders to deal with customers one-on-one. It's a unique tool for relationship building, and can pay off for those who plan ahead and invest their time and effort.

## Positives of private treaty:

1. Show off an entire operation and management style, from the Angus cattle and their genetics to the environment and facilities in which they're being raised.
2. It provides a personal opportunity to "tell a story" and sell a program in a low-stress atmosphere.
3. It allows time for questions and answers; decisions aren't being made under a time constraint or at a rapid pace, as at a live auction. These direct conversations develop valuable business relationships.
4. The cattle producer is in control. They are able to

communicate with customers and ask questions ahead of time; this allows them to prepare data and sort cattle accordingly before the customer's arrival.

5. Control over the marketing process allows the breeder to determine price, sale conditions, terms and delivery, and also gives way for innovation such as sharing of information online [see "Get Noticed" below for more information].
6. Private sales can help bolster a program's reputation over time, in addition to building a customer base. A willingness to learn what potential customers' herd needs are can help determine future breeding and marketing plans.

## Things to consider:

1. Potential buyers need to know what an operation has for sale. Resources may be as simple as a sales sheet created in Excel®, for example. Or perhaps a

brochure or online sale book with photos, pedigrees and data [see "Get Noticed" below for more information]. Repeat and prospective buyer contact lists will need to be maintained.

2. Marketing privately does take time. The breeder's schedule needs to allow time for hosting prospective buyers and the ability to answer questions, from potentially arranging for or delivering cattle, to following up post-sale.
3. Seller determines price, so market research is in order to price cattle in a private offering. The producer will also need to be comfortable with price negotiation and assuming risk for payment collection.

For best results, individuals entering into private treaty sales need to have very good marketing knowledge, says Jane Parish, beef cattle specialist at North Mississippi Research and Extension Center.

## Get Noticed

Private treaty sales lack the restraints of other marketing channels, allowing the seller more control over the process and free rein to often try innovative approaches to selling seedstock.

Angus Media provides a one-stop shop for print, digital and video needs, including private treaty sale books and brochures. With the Angus Media Pasture to Publish<sup>SM</sup> sale book platform, private treaty sale books include a minimum of four pages. Additional pages can be added in increments of one. The books come with two gratis 30-minute updates for the six months they are posted online at [angus.org](http://angus.org).



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## A Living Document

In their 63rd year of the registered Angus business, Walter Shealy III and family are using a private treaty sale book through Pasture to Publish to trim down numbers in their historic Black Grove Angus herd, located near Newberry, S.C.

Shealy shares, "We put it online on a Wednesday night, and Thursday morning we got a call and sold five pairs, sight unseen."

The family is able to guide new and repeat buyers to the sale book posted online at [www.angus.org](http://www.angus.org), an option easily navigable from his website's homepage ([www.blackgrove.com](http://www.blackgrove.com)).

With years of marketing experience under his belt, Shealy appreciates Angus Media's sale book portal because he likes to write — and update — his own narratives.

"I want the flexibility to be able to drop in key items or point out certain things," he explains. "The idea to me is that for six months, I can modify any way I want — I can change it. It's like a living document."

It affords Shealy the luxury, for example, to mark animals as sold or update breeding information, including artificial insemination (AI) and pregnancy check. It works for his needs.

"You know, you get back what you put into it, but the flexibility is there and it's so cost-effective in my opinion," Shealy says. "This is, to me, one of the best returns on investments in marketing that I've ever made."


"They should know the current market conditions and prices and qualities of competing products," she says. "With this information, they then need be able to determine fair market values for the cattle for sale by private treaty."

Another consideration and part of selling a program is ensuring the cattle and farm or ranch look the part of sale day, every day.

In the January 1997 issue of the *Angus Journal*, Keith Evans, then director of communications and public relations for the American Angus Association, wrote, "In everything you do, consider the impression you will make on potential customers, and whether it's the message you want to deliver."

He pointed out even a farm sign can make a difference. Fast-forward to the digital age: How does a website or Facebook page compare with others? Is it updated regularly? Private treaty sales can benefit from a well-maintained online presence.

Parish says advertising or avenues that capture attention for a private treaty event are a key factor and another task that falls on the shoulders of the seller. Oftentimes, breeders designate a start date for when their private treaty event begins, which allows for all factors, from paperwork to promotion and cattle to facilities, to be in order before pushing "go."

Just like in a live auction, however, repeat business is key, and that's why service after the sale of an animal sold private treaty is important. Visiting buyers one-on-one at their farm or ranch or following up by phone on sales made this year puts a producer in the driver's seat to secure sales next year. 

## The Storyteller

In southwest Missouri, relationship-building is a focus of Traves and Kenadee Merrick's Gleonda Farms, an Angus operation started by Traves's grandfather more than 50 years ago. This past April wasn't the Miller, Mo., operation's first private treaty offering, but it was the first they made into a one-day "event" that included educational speakers and a *Certified Angus Beef*® (CAB) lunch.

The Merricks used their field day and sale book to help tell their program's story. With fewer than 30 bulls catalogued, Traves used Pasture to Publish to economically build his own book.

"It was super easy. I did all of the layouts and footnotes," he says, adding he used Angus Media because he wanted his sale book online so he could share out the link on social media, text and email to repeat and new customers.

He also had Angus Media produce and send out a postcard, in addition to printing 100 sale books for the big event. As it turned out, bulls were bid off, encouraging true price discovery.

Sale day saw twice the number of visitors anticipated. One-half of their offering sold to new customers, and they grossed \$40,000 more than Merrick projected.

"It actually exceeded my expectations entirely," he says.

## A Game Changer

"Invaluable" is how Harold Miller describes the online private treaty sale book built by Angus Media this past spring for Rooney Angus Ranch, Chippewa Falls, Wis.

Miller, of 7 Triangle 7 Cattle Co. and consultant to Rooney Angus Ranch, says he needed an attractive, organized way to present the bulls offered for sale, along with their video links.

"That whole piece became the crux of our videos that I could refer [prospective buyers] to," he says. "It was so much more effective than me sending out spreadsheets like I've often done in the past. When I use spreadsheets, I have to keep updating every Friday if I really want to be current."

The sale book and YouTube videos worked hand in hand, and even attracted some people who were not on any of their mailing lists. All lots had sold by May 1.

"I wouldn't approach a private treaty sale without a sale book," Miller says. "It just makes too much sense. Everything being said, we didn't give up much from what I had projected from a net standpoint. So, it was very effective for us. I like the fact that it could stay up over an extended period of time."

It also allowed them to spell out their guarantee and indicate which bulls were sold, a useful feature for buyers who may need additional bulls late in the season.

"I'd always focused on auctions, but for a smaller number of bulls and so forth, I can't imagine not doing it," Miller explains. "I would think some of these people that have a good understanding of the digital side of marketing could sure help themselves. With the online thing, it's a game changer"