

# **A Vision for the Future: Long Range Plan for the American Highland Cattle Association (2009-2014)**

In light of a fundamentally changing environment, the Board of Directors of the American Highland Cattle Association (AHCA) has thoughtfully examined its future role in preserving, protecting, and promoting the Highland cattle breed. In a rapidly changing world, even our venerable breed cannot escape the realities of fundamental changes in the agricultural landscape, the shifting interests of rural communities, and the changing preferences in markets for food products.

This plan is the culmination of a major effort to examine the status of the Highland breed and the Board's role and processes for leading the organization in the future. The process began with a white paper developed by the Ad Hoc Long Range Planning Committee, which highlighted the association's past success and some of its future challenges. The Board then conducted two strategic planning workshops, solicited input from the regional associations, and held many committee meetings. The Board has already adopted a number of important changes to its leadership structure and processes and will place a major revision of our organization's Articles of Incorporation and By-laws to a vote of the membership in June 2009.

This document is the result of our collective efforts. It summarizes the historical success of the AHCA, candidly identifies the Association's most pressing challenges, and lays out an ambitious, but achievable, vision for the future.

This long-term plan will be presented to the membership at the annual meeting in June 2009.

## **HISTORY OF SUCCESS**

AHCA has much to be proud of – especially given its progress over the past twenty years. The key question today is whether the organization is appropriately positioned to make further progress in the coming decades.

Despite being the historic breed of Scotland, the foundation stock of many modern cattle breeds, and an established breed in the United States as early as the 1850s, the Highland cattle breed just twenty years ago was listed as an endangered breed by the American Livestock Breeds Conservancy. The estimated population of purebred Highland cattle in the United States was just a few thousand animals. Further, in 1984, the membership in AHCA was merely 320. But, as a result of pioneering leadership and an underlying resurgence of interest in heritage breeds, AHCA membership grew to 950 members in 1996 and today numbers more than 1450. More significantly, the breed registry now contains 44,904 animals with an estimated “live active” population of nearly 22,000 registered females. Today, few are worried that the breed will disappear any time soon.

Further, the national organization is now supported by nine regional associations which sponsor a total of 18 point shows around the country, including 5 “super” point shows. The National Show and Sale at the National Western Stock Show (NWSS) in Denver each January attracts exhibitors from Maine to Washington State and consistently ranks as one of the top breeds in terms of the number of animals shown among the 28 cattle breeds participating in the NWSS.

AHCA has developed a junior program dedicated to fostering the interest of young people in the breed. And, significantly, the association publishes a professional quality quarterly magazine, *The Bagpipe*, with a circulation of approximately 1600. In addition, AHCA maintains an attractive and functional website.

The annual AHCA National Convention attracts breeders from up to 100 farms and ranches for a 4-day exchange of information and educational programs, including farm visits and university lecturers. Importantly, this convention and the activities of the regional associations have helped build a community committed to nurturing the Highland breed. Many owners have developed extensive personal networks based on social relationships grounded in shared interests in this distinctive heritage breed.

Finally, the Highland Cattle Foundation (HCF) was formed in 2001 to promote the Highland breed through education and research. The Foundation has provided scholarships to junior AHCA members, funded educational projects, including the *Highland Breeder's Guide*, and is making selected research grants for university-sponsored projects exploring the unique nature of the Highland breed.

## **CHALLENGES**

Despite these successes, AHCA faces a wide array of challenges. In the view of some, the organization lacks a well articulated point of view about the future of the Highland cattle breed. And, its existing programs are both modest and inconsistent in their emphasis and focus com-

pared to other specialty cattle breeds. The comparative advantages of the breed are not well documented and are not consistently articulated. And, the organization's approach to governance has not evolved to provide the leadership to confront these challenges.

### **Uncertain Focus**

Demonstrated superior attributes on key dimensions (e.g., flavor, taste, palatability, nutritional values, birth weight, hardiness, production costs, etc.) are essential to any cattle breed's long term viability. This is especially true for Highland cattle – and a number of other specialty cattle breeds – because the breed has not been highly successful in conventional beef production environments.

Highland cattle, in particular, have been attractive for other characteristics, including hardiness, ability to browse, and aesthetic attractiveness. Partly for these reasons, the breed has attracted many hobbyist owners. Many are attracted to the aesthetic characteristics of the breed – the distinctive long horns, long hair, and variety of colors. For these owners, Highland cattle are valued as part of a landscape as well as for – or instead of – the beef. And, ownership of Highland cattle opens the door to joining a community of other like-minded heritage breed enthusiasts.

The natural economic advantages of Highland cattle are widely believed to revolve around the taste, flavor, and palatability of its beef – especially on grass-finishing programs – because of its comparative lack of connective tissue and other attributes of tenderness. Similarly, the Highland breed may have natural advantages when bulls are used to cover first-calf heifers, herds are used in rangeland remediation, or purebred cattle are used in terminal crossbred beef production systems.

Yet, these propositions are not clearly defined, nor systematically articulated.

### **Little Factual Evidence**

Today natural, organic, and/or grass-fed beef are the fastest growing segments of the beef market. Many believe that Highland cattle are well suited to both organic and grass-based production systems. Others believe that crossing Highland cattle with many other breeds produces an extraordinarily productive commercial calf – especially in challenging forage conditions.

While claims about the performance of Highland cattle have been asserted for years on many dimensions, little systematic evidence has been compiled. At best, the most frequently used assertions about Highland cattle are supported by a few data points that anecdotally support the conventionally held wisdom.

### **Modest Breed Promotion Efforts**

AHCA breed promotion efforts are modest at best. While the Quality Highland Beef program was developed a number of years ago, it has lacked strong leadership and a budget to ensure its broad adoption. There are no other formal programs that promote Highland beef attributes. And, AHCA sets no expectations for a regional association's role in undertaking breed promotions at the local level.

Until very recently, advertising and other promotions have been visibly absent in specialty publications such as the *Stockman Grass Farmer* and *Western Livestock Journal* and in the magazines catering to small-scale hobbyists and specialty breeders, such as the *Small Farmer's Journal*.

### **Inconsistent Show Programs**

The extensive system of point shows developed by AHCA over the past twenty years – as well as numerous other exhibitions by breeders – has contributed significantly to the broader awareness of the breed through presence at important fairs and regional agricultural shows. Many current Highland owners' first exposure to the cattle was at one of these events.

However, these show activities are not coupled to a long-term vision of the breed and, in some ways, the incentives fostered by these shows may be inconsistent with reinforcing the inherent strategic advantages of the breed.

### **Undeveloped Governance Approach**

The challenges now confronting the Highland breed are the result of AHCA's success in renewing and expanding the breed over the past twenty years as well as major changes in the broader environment. Certainly, these challenges are not unique to the Highland breed. Nevertheless, prior to the first strategic planning workshop in 2007 in Madison, Wisconsin, AHCA's Board had not "stepped up to the plate" to set an agenda for addressing them.

AHCA's approach to governance has evolved little since a major revamping in the mid-1990s. While supported by a capable and energetic office manager, few significant changes to program content or board process have occurred since that time. The AHCA Board has tended to focus on tactical issues involving the administration of already existing programs and to follow a long-established pattern of activity.

There have been few opportunities to address broader questions. The Board has been meeting only two times a year and the basic revenue model of AHCA (namely, the reliance on dues and registration and transfer fees) has not been examined in many years. Significantly, the Board has not had an active Long Range Planning Committee, nor has it had formally stated goals or objectives.

## **MOVING FORWARD**

Like most not-for-profit organizations which depend on volunteer leaders, the challenges facing AHCA may seem daunting – especially

with the potential demands on personal time and energy. Nevertheless, the Board has made a collective commitment to developing a program for the future: one that meets the diverse needs and interests of hobbyists, show enthusiasts, and beef producers among the membership.

## Major Objectives

The major objectives of the long-range plan are to:

- Create a strong, self-perpetuating organizational structure and leadership team
- Sustain and expand our community of Highland cattle enthusiasts
- Foster a nationwide show program that positively reinforces the breed's fundamental advantages as a specialty beef breed
- Promote the Highland cattle breed to both prospective breeders and to wholesale beef buyers and consumers

In pursuit of these goals the Board has adopted specific performance targets to be achieved by 2014:

- Regular membership of 2000 or more dues-paying members
  - 9 (or more) regional organizations with core programs
    - Education
    - Promotion
    - Show sponsorship
  - Junior program with at least 100 active members nationwide
- Most prominent specialty cattle breed at National Western Stock Show
  - 300+ animals exhibited
  - National Sale proceeds in excess of \$300,000
- Nationwide network of Highland cattle shows of at least 12 shows exhibiting more than 50 animals
  - Grass-fed category
  - Judging guidelines based upon production attributes
- Effective Highland beef promotional programs sponsored by the Highland Beef Marketing Association with
  - At least 20 sponsoring beef producers
  - Annual budget of more than \$100,000
- Visible promotional presence among leading beef cattle magazines, websites, industry conferences, and bull sales
  - Regular promotion in at least 5 national promotional vehicles (magazines or websites)
  - Highland bulls in at least 3 nationally advertised bull sales
  - Highland semen and embryos offered for sale in multi-breed sales

To accomplish these ambitious objectives the Board has adopted a comprehensive program of initiatives across five key areas (see exhibit for summary):

- Overall Organization
- Regional Associations
- Breed Protection & Promotion
- Shows
- Finance & Audit

## Overall Organization

Significantly, the Board has committed to meeting at least four times per year (twice in person) and to maintaining an agenda for shaping the organization's future. To accomplish its objectives, the Board has adopted an active committee-based model. The revised governance process will rely on four primary standing committees: Breed Protection & Promotion, Finance & Audit, Governance, and Shows. These committees will be active and meet 4-6 times per year with an annually established schedule, which will be published in *The Bagpipe*.

In light of the history of AHCA, these changes in structure and process are truly significant as they lay the groundwork for tackling the substantive issues facing the organization. Under the leadership of active chairpersons, each committee has already begun the task of defining its specific future agenda. And, with the assistance of the Governance Committee, the Board will adopt formal goals and objectives each year and then review its progress annually. Committee chairs will report status and progress against goals at each board meeting.

The Governance Committee has also implemented other practices of well-governed not-for-profit organizations, such as adopting charters for each standing committee, formalizing the expectations for participation by board members, and conducting an annual board self-assessment.

The Articles of Incorporation and By-laws of the AHCA have been revised and updated to reflect the changes in organizational structure and to ensure compliance with applicable laws and regulations governing not-for-profit organizations. The Board has approved these changes and recommends that they be adopted by the membership at the annual meeting in June 2009.

With these fundamental changes to the governance approach, the basic structure and processes will be in place to ensure that AHCA can become an effective, modern industry trade association working on behalf of the Highland breed.

## Regional Associations

The regional associations are a fundamental building block of the Association. They provide a local focal point for anyone interested in the Highland breed. Importantly, our associations build a sense of community among breeders – especially since many cannot participate every year in the National Show in Denver or the annual convention.

During the next two years, the Association will initiate new programs to strengthen the regional associations and to align their activities with the long-range plan. The Board will ask each regional director to pair with an at large member of the Board to conduct a review of each regional association. A review of each association will be conducted at least twice during the five-year period of this plan. These reviews will be conducted jointly with the officers of each association and shared with the regional membership. In addition, the Board will convene a workshop each year at the annual convention to allow officers of each association to exchange “best practices” and to share goals and objectives of each association for the coming year.

Each regional association is expected to conduct regular activities within their geographic areas which promote the breed and recruit new members to the AHCA. These efforts by the regional associations are critically important to achieving this plan’s membership objective for 2014. Broadly speaking, regional associations will be encouraged to undertake activities in four areas:

- Cattle promotion and displays: A well performing regional association will conduct at least one event every two months. These activities may include, but are not limited to, the following:
  - Regional AHCA sanctioned show
  - Farm field days
  - Animal displays
    - Farm shows
    - Regional Scottish festivals
    - Local fairs which are not part of a breed show
    - ALBC sponsored displays
  - Highland beef tastings
    - Chefs
    - Food editors
    - Consumers
- External communication: Each association will maintain an active program of communicating with its members and outreach to prospective owners and breeders.
  - Maintain a dynamic and up-to-date website
  - Post contact information on their website of knowledgeable members who are willing to talk to potential breeders
  - Maintain a clearinghouse for registered Highland cattle offered for sale
  - Have articles about Highland cattle published in regional and/or national publications
- Education: Each association will develop and execute an education program and will assist in gathering production data.
  - Participate in bull tests and other AHCA sponsored production tests
  - Actively provide education and guidance regarding cattle selection – especially with regard to bull calves
  - Conduct a local “cattle college” every other year and/or hold a meeting with a knowledgeable presenter at least once a year
- Organization: Associations will hold regular meetings to promote camaraderie and the building of informal networks and will actively promote and support the overall programs of AHCA.
  - Hold an annual meeting that is not part of a breed show
  - Recruit new members through outreach to non-member Highland cattle owners
  - Create and conduct programs affiliated with the AHCA Junior Program
  - Encourage participation at the AHCA annual meeting
  - Maintain a 100 percent membership in AHCA

Through a conscientious and broad based effort by each regional association, the awareness and acceptance of Highland cattle as a productive cattle breed will grow and the membership of AHCA can expand to meet our target over the coming five years.

## Breed Protection & Promotion

The promotion of the Highland breed by AHCA has enjoyed relatively little success in recent years. One of the major contributing factors has been that the efforts have been spread across multiple, quite different, promotional targets. AHCA has been split across promoting Highland beef to the consumer on the one hand and promoting the breed to prospective breeders on the other. Both target audiences are large and quite distinctively different, requiring very different approaches. These inconsistent efforts have been supported with minimal resources with, not surprisingly, few results against either target.

## **Formation of Highland Beef Marketing Association**

In light of these challenges, the plan calls for focusing the efforts of the Breed Protection & Promotion Committee on attracting new and existing breeders of cattle to the Highland breed. A new affiliated entity, the Highland Beef Marketing Association (HBMA) will be created to focus on the distinct task of marketing to consumers and wholesale buyers, including restaurateurs. The concept is that the leading Highland beef producers will form an affiliated, but separate, organization that will be governed independently of the Association (but probably with two or more overlapping directors). These producers will develop a dues and/or assessment approach which will provide funding for Highland beef promotional activities on a “pay to play” basis.

The new organization will likely hire a marketing consulting firm (or firms) to develop and implement an overall marketing program. The HBMA is expected to assume the administration of the Quality Highland Beef program and will make use of the copyrights and other intellectual property under a license agreement with AHCA. Examples of key initiatives will include the development of consumer-targeted collateral materials and the creation of regional tasting events with chefs, food writers, and consumer opinion makers. A clearinghouse for identifying retail and wholesale Highland beef suppliers will be made available on the web. And, Highland beef samples and expert spokespersons will be offered to local and national network radio and television program producers.

The Board will convene several working sessions during the next year with leading Highland beef producers from across the country to facilitate the launch of this new approach to Highland beef market development.

## **Active Promotion to Prospective Breeders**

The Breed Protection & Promotion Committee will itself undertake a more focused effort to promote the Highland breed to current and potential cattle breeders. These activities will include the development of advertising copy and collateral materials aimed at potential owners, both hobbyists and commercial breeders. The committee will undertake an advertising program in selected magazines and will seek the regular placement of articles about Highland cattle in cattle industry publications. The committee will consider retaining a part-time public relations consultant (either paid or volunteer) to assist in the creation of press releases and the placement of Highland cattle-related stories. The committee will actively discourage the use of unsubstantiated claims in the promotion of Highland cattle by the Association and by its members.

The committee will also work with regional associations to provide collateral materials and other support for promotional animal displays and will set targets for the overall number of promotional events held across the country each year.

The Association’s website will be targeted to current and prospective breeders of Highland cattle.

## **Promotion of National Sale**

Significant attention will be paid to the evolution and expansion of the National Sale. The National Sale has lagged other specialty beef breeds (e.g., Lowline Angus, Shorthorn, etc.) in the growth in numbers of bidders and total sales volume. The committee will significantly expand promotion of the National Sale to other breeders of cattle (for purposes such as crossbred beef programs, use on first-calf heifers, predation protection, and rangeland remediation browsing projects).

The committee will continue the recent evolution of the sale to include production-related auctions lots such as purebred and crossbred market steers, prospect calves, embryo-recipient cows, and proven semen. An important objective of the long-range plan is to increase the number of bidders and the aggregate sales totals for the National Sale, as these metrics are key indicators of the breed’s continued commercial viability.

## **Well-substantiated Performance Data**

Finally, the Breed Protection & Promotion Committee will collaborate with the Highland Cattle Foundation (HCF) in the development of science- and trial-based data on the attributes of Highland cattle. The committee and HCF will focus on the attributes that most likely differentiate Highland cattle. In particular, a sound factual foundation will be sought regarding:

- Performance of Highland cattle as foragers in grass-based or legume-based feeding and finishing programs
- Use of Highland cattle as browsers to enhance pastures and/or control woody weeds or plants
- Performance of Highland bulls as sires on first-calf heifers in terms of birth weight, successful weaning percentage, and calf weight gain
- Attributes of purebred Highland and crossbred Highland beef in terms of taste, flavor and palatability compared to other beef
- Sources of difference in taste, flavor, and palatability in Highland and crossbred Highland beef in terms of genetics, diet, and/or age of animal at slaughter
- Nutritional attributes of Highland and crossbred Highland beef compared to other beef breeds and/or to other meats on dimensions such as cholesterol, fat, omega-3, CLA, and beta carotene
- Specific genetic markers occurring in purebred Highland cattle related to beef attributes (e.g., taste, flavor, palatability) or to animal attributes (e.g., temperament, birth weight, back fat, weight gain, range mobility, longevity)
- Performance of Highland cattle in “fall finished” programs, which utilize mature forage together with new growth.

The committee will also conduct a review of the Performance Program, which was originally intended to collect data that would yield Expected Progeny Differences (EPDs). Given that experts have found that the size and structure of Highland herds in the United States (e.g., small average herd size and very few herds with multiple sires) will make development of reliable EPDs very unlikely, the committee will determine how to most effectively adapt the Performance Program data gathering effort to focus on other important criteria such as birth weights, weaning weights, and cow pregnancy productivity.

## Extended Breed Registry

A critical role of the Association will continue to be the protection of the integrity of the Highland breed through its administration of the breed registry. The Pedigree Committee, which is a subcommittee of the standing Breed Protection & Promotion Committee, oversees this crucial task. Over the recent past, the Pedigree Committee has upgraded the safeguards to the Highland bloodline through the use of DNA testing and vigorous evaluation of pedigree irregularities. The Association now sets registration standards that are internationally recognized for integrity. A core assumption in this plan is that these breed registration and protection tasks will continue to be well executed.

The Breed Protection & Promotion Committee will also explore as part of this long-range plan the possibility of a crossbred breed registry. As breeders have increasingly found that crossbred animals with 50 percent or more Highland bloodlines have attractive performance characteristics in specialty beef production programs, interest has grown in ways to certify crossbred animals as genuine Highland descendants. A number of other specialty cattle breeds have successfully created crossbred registries to augment the primary purebred registry. These other breed experiences will be carefully reviewed to determine if such a supplemental registry would increase the attractiveness of Highland breeding. An important secondary consideration will be the potentially significant source of revenue from registration and transfer fees, which could help further promote the use of Highland cattle.

Taken together, these multiple breed promotion initiatives hold the promise of making a substantial difference in the awareness of and market for Highland cattle.

- Overall Organization
- Regional Associations
- Breed Protection & Promotion
- Shows
- Finance & Audit

## Shows

Shows have played a vital role in the development of the Association. Ideally, shows accomplish three objectives:

- Promote the breed by presenting Highland cattle in an attractive public setting (e.g., county and state fairs, regional livestock shows) where there is substantial traffic among current cattle breeders and prospective owners, both amateur and professional
- Build camaraderie and participation among owners and enthusiasts that extends the tradition of commitment to the Highland breed
- Encourage selection of highly productive cattle with attributes that positively differentiate Highland cattle from other commercial cattle breeds.

Despite the success of the network of regional shows and the National Show over the past ten years, significant opportunity remains to better align show activities to the long-run objectives of the Association.

In general, the alignment between judging criteria and the production attributes needs to be continually assessed and improved. The overall objective of AHCA is to encourage the selection of animals that are highly productive in specialty beef operations and as high quality breeding stock. As a consequence, animals are expected to be able to be drawn from and to return to the production environment when not in the show ring.

Thus, AHCA sanctioned shows will continue to encourage judging criteria that emphasize the breed's advantages as highly efficient livestock in specialty beef operations – particularly in grass-fed and grass-finished environments. Key criteria will include moderate frame scores, well developed – yet lean – muscling, strong feet, flexible joints, and other production-related attributes. Animals in the show ring will be expected to exhibit these desirable production attributes of the breed, for example:

- All heifers beyond the age of two years old shall be pregnant (encourages reproductive health and productivity).
- Cattle will be shown in their natural (i.e., unclipped) coat condition (reinforces role as a production breed).
- Body condition scores of 8 and 9 will be strongly discouraged (obesity reduces breeding effectiveness and excessively grain-fed animals cannot return to forage-based environments).
- Bulls shall be moderately framed with excellent movement – especially in the hips (reinforcing the Highland bull's role when used on first-calf heifers and enabling rangeland efficiency).
- Excessive height will be discouraged (reduces beef yield and rangeland efficiency).

The Show Committee will continue to refine and improve its processes for encouraging key production attributes. These efforts will include, but are not limited to, providing a general guideline to all judges at AHCA sanctioned shows, creating an appropriate process of evaluation and recommendation of judges, and continuing to refine and clarify show rules to emphasize the presentation of production ready livestock. The committee will be vigilant in discouraging the use of superfluous criteria, such as ear shape, color, forelock development, horn shape, and aesthetic appearance, which have no effect on the production value of the breed.

Significantly, the committee will consider for adoption in 2010 the creation of a grass-fed designation for cattle participating in all AHCA sanctioned shows. Cattle with this designation will be judged in the same classes as all other cattle. However, the designation will permit breeders and show visitors to assess the relative performance of grass-fed animals to each other and to cattle on other feed regimens. The grass-fed entrants may be designated with either (or both) a green necklace worn in the show ring or an asterisk in the show program. Owners of grass-

fed entrants will complete a standardized affidavit declaring the feed regimen of the animal. Uniform “grass-fed” standards will be adopted for AHCA and will draw on the standards established by the American Grass Farmers Association and the USDA.

Similarly, classes featuring production livestock in AHCA-sanctioned shows will be refined and expanded. During recent years, carcass competitions and classes for purebred, crossbred, and prospect steers have been introduced into the National Show. Additional production-oriented competitions will be encouraged for typical Highland shows at both the national and regional levels.

The Roll of Excellence awards will continue to be assessed and evaluated. In particular, the designation of AHCA sanctioned point shows will remain an area of careful attention. In general, the Association will discourage point shows that do not occur in public settings (e.g., fairs, multi-breed shows, etc.) because breed promotion is an important objective of show activity and broad public exposure is a key rationale for AHCA sanctioned shows.

Many specialty beef breeds have made substantial gains by explicitly recognizing key breed characteristics in their sanctioned shows. Others, unfortunately, have allowed show criteria to evolve to universal commercial beef cattle standards (e.g., “Angus-like”), which have gradually led to the loss of distinctiveness of the breed (e.g., Shorthorns) and, regrettably, have generally not enabled the breed to compete effectively in the broader commercial beef industry. With this plan, the Association is committed to using its show programs to positively reinforce the unique production characteristics of Highland cattle, while at the same time fostering an active nationwide community of enthusiastic presenters.

## **Finance & Audit**

In terms of financial management and control, the newly created Finance & Audit Committee has made significant strides in the past year. The Association now routinely prepares accrual-based financial statements. And, the Board now regularly reviews balance sheet and income statements, approves an annual budget, and monitors performance against budget.

Further, the Committee has initiated a program-based financial reporting process, which allows the direct comparison of revenue and expenses for discrete activities such as *The Bagpipe*, the National Show and Sale, and the annual convention. And, the Committee has retained an experienced professional bookkeeper to maintain the day-to-day accounting records.

To ensure compliance with generally accepted accounting principles and controls, the Committee has retained an outside firm to conduct an annual review of the financial statements and of the Association’s control procedures. Going forward, this review will be presented annually to the Board.

The Finance & Audit Committee will prepare an annual report on the membership roster of the Association. This report will present the trend in numbers of members over the most recent five-year period and will report the number of new and non-renewing members. This annual report will also analyze changes in membership by segment (e.g., by geography, by tenure, by size of fold, etc.) in order to provide the Board with an assessment of important trends.

In addition to sustaining these recently adopted practices, the Committee will undertake a fundamental review of the Association’s method of funding its programs. The committee will map out a five-year revenue plan and will address the relatively narrow base of financial support for the Association. In particular, AHCA is highly dependent on registration and transfer fees for its revenue. Membership dues contribute less than 25 percent of total revenues and the Association currently has few other revenue-generating activities.

The Committee’s review will explore alternative approaches including, but not limited to, creating three or more voluntary dues categories (e.g., Regular, Supporting, and Sustaining Members), sponsoring AHCA-dedicated fundraising events (e.g., raffle, web-based eBay-style auction, etc.), increasing merchandise sales and margins, and revising user fee schedules. The initial recommendations from this review will be made to the Board for implementation in 2010.

The planned program of the Finance & Audit Committee will ensure the exercise of the Board’s fiduciary responsibility while at the same time enabling a forward-looking process that will help match resources to the Association’s future initiatives.

## **SUMMARY**

Taken together, the programs outlined in this plan hold the promise of expanding and extending the role of Highland cattle in the specialty beef industry, strengthening the formal and informal networks among Highland enthusiasts, and building broad awareness among wholesale buyers and consumers about the qualities of Highland beef.

The plan is intended to provide a focused, effective means for AHCA, its membership, and the breed to move forward in the coming decades. However, the plan is also an evolving document and it will be adapted as experience and new information is accumulated and reviewed. Its implementation at the local, regional, and national levels is critical to success. By adopting this plan, the Association's members are expressing their collective commitment to do so.

The Board will monitor the success or failings of the programs and changes implemented pursuant to this plan. An evaluation will occur at least biannually. This monitoring will help the Board determine appropriate changes to the plan and related programs, which will facilitate a better result and minimize problems as time progresses.

The effort will not be an easy one, but with the commitment and leadership of the Board, the active involvement of the regional associations, and the support of the Association's membership, the execution of this long range plan can make substantial contributions to the long run viability of the Highland cattle breed.

### **Schedule of Major Initiatives Long Range Plan (2009-2014)**

<b>Initiative</b>	<b>Status</b>
<b>Overall Organization</b>	
• Amend By-laws	Completed
• Amend Articles of Incorporation	Completed
• Adopt standing committee structure	Completed
• Approve committee charters and institute annual goal setting process	Underway
• Implement year-round meeting schedule	Completed
• Adopt long range plan	June 2009
• Conduct board self-evaluation	Underway
<b>Regional Associations</b>	
• Undertake joint assessments of associations	2009-2014
• Set regional membership targets	2009-2010
• Conduct annual "best practices" workshop	2010
<b>Breed Protection &amp; Promotion</b>	
• Launch breeder advertising campaign	2009-2012
• Redesign website with focus on prospective breeders	2009-2010
• Evaluate extended breed registries	2011-2012
• Launch collaborative development of science-based performance data on Highland attributes	2010-2014
• Expand National Show	2010-2014
• Convene potential members of Highland Beef Marketing Association	2009
• Launch Highland Beef Marketing Association	2010-2011
<b>Shows</b>	
• Disseminate and continuously refine judging guidelines	Underway
• Develop judge evaluation process	2010-2012
• Adopt grass-fed category	2009-2010
• Align rules to production ready criteria	Ongoing
• Consider addition of production-oriented classes	2010
• Reassess Roll of Excellence shows and criteria	2009-2010
<b>Finance &amp; Audit</b>	
• Create accrual financial statements	Completed
• Prepare program-based budgets	Underway
• Make annual report on membership	First report in June 2009
• Undertake annual insurance review	First review completed
• Conduct independent financial review	Fiscal year-end 2009
• Evaluate alternative revenue models	2009-2010