

TO FIND BETTER MARKETS FOR JERSEYS

For the first century of its existence, The American Jersey Cattle Club concentrated on creating a demand for Registered Jerseys, but stood on the sidelines when it came to connecting buyers with sellers. Among all the present-day functions of the U.S. Jersey organizations, direct marketing of Jerseys was the last to be added.

T. J. Hand, Treasurer of The American Jersey Cattle Club, exulted at the fact that during 1877, "the spread of Jerseys during the year had been unprecedented, since farmers were adopting them as the best breed for the butter dairy."

A market for pedigreed Jerseys had opened up at last, one that rather than catering to the breeders of avocation might instead be sustained and culminate in the dominance of the Jersey breed throughout the United States.

Onto this stage strode Peter C. Kellogg, whose farm was at Montclair, N.J. He joined the Club in 1882 and, according to R. M. Gow in *The Jersey*, "did a great deal of work in spreading the name and merits of the Jersey breed by his articles in the *Country Gentleman* and other publications."

He was among the first in a long line of entrepreneurs importing Jerseys from the Island and then offering them at public auctions in New York City. "The first combination sale by Mr. Kellogg, at which I assisted," wrote Thomas Hand, "was held in May 1880 in a rented stable in Twelfth street. Fifty-six head averaged \$292."

There was a quick boom in the Jersey auction sales business, with Kellogg selling 651 head in 1883 for an average of \$532. But in 1888, the price was a rock-bottom \$96, and Kellogg sought to explain this turn of fortune in the *Country Gentleman*.

During the boom the very best seed stock was not released to any great extent. Over-production brought

prices down, (which) disbanded the seed herds, (and) brought their influence within the reach of the general dairyman and the true mission of the improvement began to materialize. From now on the value of Jersey blood as an improver of dairy quality will be a generally accepted fact, and the demand for pure blood . . . will be steadily on the increase . . . The commercial equipose has been recovered.

Kellogg would go on to be the manager and auctioneer for T. S. Cooper, a man dubbed "the dean of Jersey cattle importers" because of his activity over 52 years, from 1876 to 1928. If there was a great sale, or a highly priced animal, it was likely that it had been handled by T. S. Cooper and the grandson who succeeded him. The *Jersey Bulletin* reported that from 1900 to 1931, the Coopers had held 26 sales, the 2,770 animals averaging \$637.

As the Club watched, the direction of

the Jersey breed began to be dictated by the sale managers and importers who selected and sold the cattle. Some had enormous influence, amounting almost a monopoly. From 1915 to 1920, "only three importers were allowed by the Island of Jersey Defence Committee to remove cattle from the Island," they being T. S. Cooper, W. R. Spann and Edmond Butler.

Kellogg, however, was right in that the "general dairyman" was going to want productive and fairly priced cattle. As President M. D. Munn would state in 1922, "Over 95% of the registrations and transfers . . . come from . . . the everyday farmer-breeder of Jersey cattle." While officially restricted from buying and selling cattle, the early Area Representatives began to blur the lines as they did "every kind of work that promises to extend and support the Jersey breed," including locating cattle to produce for the Jersey Creamline.

By the time the All-Jersey program was underway, it was clear that the Jersey organizations had made an implicit commitment to help producers find Jersey cattle. That was acknowledged explicitly some years later by Executive Secretary J. F. Cavanaugh in light of the difficulties National All-Jersey Inc. was experiencing in developing the large Florida markets.

"It seems to me that it is nearly impossible for NAJ to effectively perform its function without getting involved, to some extent, in the buying and selling of cattle," he told the Boards of Directors. Agreed Amzi Rankin, Jr., President of National All-Jersey, "All-Jersey dealers need more production. Many producers need good Jersey cows. Cow sales is a part of the game."

Frustration mounted as the Area Representatives, trying to help in moving cattle from the surplus areas in the north to the south, endured



The Sale of Stars on October 7, 1944 at the Columbus Riding Academy raised more than \$72,000 for the purchase of land in Columbus, Ohio on which to construct a new headquarters for the Jersey associations. The sale was inspired by President Herman F. Heep. Heep was sensitive to the fact that the Club was entering into the auction sale business, even if only for a moment and to serve a worthy cause, and the great burden it placed upon the Board of Directors. "The entire proposition (is) to be handled so as to reflect the dignity and best interests of the breed," he told the other Directors on October 6, 1944. It succeeded most admirably.

what Cavanaugh termed “constant harassment and needling by individual cattle dealers who honestly think their toes have been stepped on or by (others) who expect to ‘use’ these organizations.”

With Rankin chairing the NAJ meeting, and C. Scott Mayfield at the helm of the AJCC Board, Cavanaugh set forth the alternatives in meetings on March 15, 16 and 17 of 1970. There were four:

- *When the Club receives an inquiry about cattle for sale or persons wanting cattle, these should be sent to all the sales managers and/or dealers who regularly advertise in the Jersey Journal.*
- *The staff should render all possible assistance to both the buyer and seller using its best judgment as to how the inquiries should be handled.*
- *Club personnel should not be involved in private treaty sales.*
- *AJCC-NAJ-AJSC should become a recognized dealer in Jerseys and handle all private sales on a commission basis.*

The NAJ Directors endorsed “the general concept of the Jersey organizations through their employees participating in the movement of Jerseys at private treaty on a commission basis,” as well as continuing to offering assistance to buyer and seller, without commission, at public sales.

By the time the Joint Operations Committee report was read out by Scott Mayfield, it was clear that something big was about to be undertaken. Mayfield said he could agree with any of the alternatives, except the one in which the Club or its personnel would not be involved. Robert Albritton of Mississippi and Carl Johnson of Colorado were explicit proponents of “getting involved.” Appointed to a review-and-recommend committee by Mayfield

FROM ZERO TO \$7 MILLION IN ANNUAL SALES



The Jersey Marketing Service had to prove itself quickly once the AJCC and NAJ Boards of Directors assigned to it the task of managing the 1971 National Heifer Sale.

Its debut couldn't have been much more promising, or foretelling of what JMS could accomplish in the years to come. The 14th National Heifer Sale produced the highest gross of any in the series, the highest average (except for a 1968 sale where just 22 heifers sold), a record price of \$2,600 for Vaucluse Surville Rosemary (pictured above), and 10 heifers selling for \$1,000 or more.

Over the past 29 years of operation, Jersey Marketing Service has handled transactions of Jerseys—from live cattle to semen to frozen embryos—for buyers throughout the world. In its earliest years, the number of animals moving through private treaty transactions vastly outnumbered those sold through public auction sales. Then as JMS “matured in the arena of sales management,” the Boards of Directors encouraged its staff to “solicit additional managed sales” starting in 1980. By the end of 1981, almost as many Jerseys were being sold through public sales as at private treaty.

The 1990s began with more auction sale activity than private treaty, but by 1995 had reached equal proportions. Since 1995 and including activity to date for 1999, Jersey Marketing Service's business is more heavily concentrated on private treaty transactions.

Comparing the two most recent 10-year periods (1989-1998 and 1979-1988), JMS's business has nearly doubled in volume, from an annual average of 2,527 animals to 4,958. Jersey Marketing Service set new company records during 1998 for the volume of animals and embryos marketed (6,440) and gross dollar value (\$6,837,978).

were Donald Davis, Edwin Gamble, Curtis Hobson and Harry Mykrantz, Mayfield serving as chair.

Their report was presented at the June meeting in Valley Forge, Penna.:

It shall be the policy of the Jersey organizations (AJCC-NAJ-AJSC) through their employees to participate in the movement of Jerseys at private treaty on a commission basis. The commission will be 5% paid by the seller plus costs to be paid by either buyer or seller. Any commissions collected will be paid to the All-Jersey

Sales Corporation which will in turn reimburse The American Jersey Cattle Club or National All-Jersey Inc. for services rendered.

The policy had already been put into action as a “pilot project” to supply an order for 600 head from McArthur Dairy, the largest dairy operation in Florida. Cavanaugh was clear that otherwise opportunity would be lost for Jerseys.

“The common statement that these dairymen have received is that, ‘We can't get you Jerseys, but we can get you Holsteins.’ If any of us were cow dealers when we could sell Holsteins at \$500 a head and have a ready supply in the north, we'd certainly try to shift our dairymen to Holsteins instead of Jerseys. We need to do everything we can to develop this market to take off the surplus in the north and to get more Jerseys in the south.

“On June 1,” Cavanaugh reported, “51 Jerseys were shipped from New Hampshire and Vermont . . . of which 32 were registered (and) delivered at \$325.00 per head. On June 2, 50 Jerseys were shipped from Iowa and Minnesota (for) \$350 per head. On June 19 or 20, 54 Jerseys are to be shipped from Ohio and Kentucky . . . The delivered price will be \$300.00

per head.”

“It is significant,” Cavanaugh added, “that the Ayrshire, Brown Swiss and Guernsey breeders have officially entered upon a service of this kind. The Holstein Association is aggressively involved in the export of Holsteins on a fee basis.

“Your staff and representatives are convinced that the recommendations of the Special Review Committee should be adopted.”

They were, and the Jersey Marketing Service was born.

