

The Smartest Things We Did

Ranchers share how they have maintained ranch profitability, sustainability and family values for multiple generations.

by **TROY SMITH**, *field editor*

How do farm and ranch families maintain operations that are profitable and sustainable, and keep those operations in family hands for multiple generations? Three patriarchs of diverse cattle operations were asked to share the smartest things they did during a Cattlemen's College® session of the 2014 Cattle Industry Convention in Nashville, Tenn. Their answers differed in many respects, but all stressed the importance of planning for generational transfer.

Rooter Brite of JA Ranch, Bowie, Texas, said his grandfather established the operation in 1929, acquiring land that former owners had lost to bankruptcy or foreclosure. Range condition on many properties was not good at the time they were purchased.

"Long term, each generation of management has tried to keep expenses low but build and maintain a high-quality forage

base. That's been our drought insurance. It has served us well in a country that is usually dry with brief reprieves," explained Brite.

Johnny Harris, of Greenview Farms, says his family has farmed and raised cattle in Georgia for 150 years. At one time, Harris's grandfather had 100 employees. Now, a bigger operation is handled with three employees.

"First, we give the glory to God," said Harris, stressing the importance of faith, family and community. "But adoption of technology has steadily made our operation more efficient and sustainable. We also seek the advice of experts and try to share what we've learned with others, too."

Dillon, Mont., rancher Jim Hagenbarth urged other public lands ranchers to be proactive in protecting

public lands grazing. He warned that the loss of these ranchers will likely result in the loss of the open space and "wild" places that critics claim they want to save. Hagenbarth also praised the value of a good business education.

"My father gave my brother and me good lessons in the importance of family," added Hagenbarth. "He warned us to never let the operation come between family members. Family is more important."

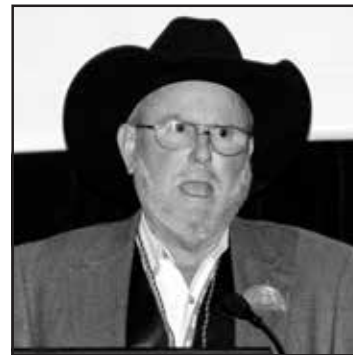
Calling it a difficult thing to begin, Hagenbarth recommended consultation with experts in estate planning. Parents, he said, should plan their exit so it doesn't take the operation away from their heirs.

"The value of most ranches is in the real estate. If you're giving it to your children, treat them fairly. That doesn't necessarily mean that you divide it equally."

Brite and Harris agreed that professional guidance is valuable in finding the best of numerous vehicles for transferring assets. One of the easiest ways a family operation can be lost, they added, is through poorly planned transition.



Rooter Brite



Johnny Harris



Jim Hagenbarth

Editor's Note: This article is part of the Angus Journal's online event coverage of the 2014 Cattle Industry Convention and NCBA Trade Show. You can view the Journal's coverage in its entirety in the newsroom at www.4cattlemen.com.

