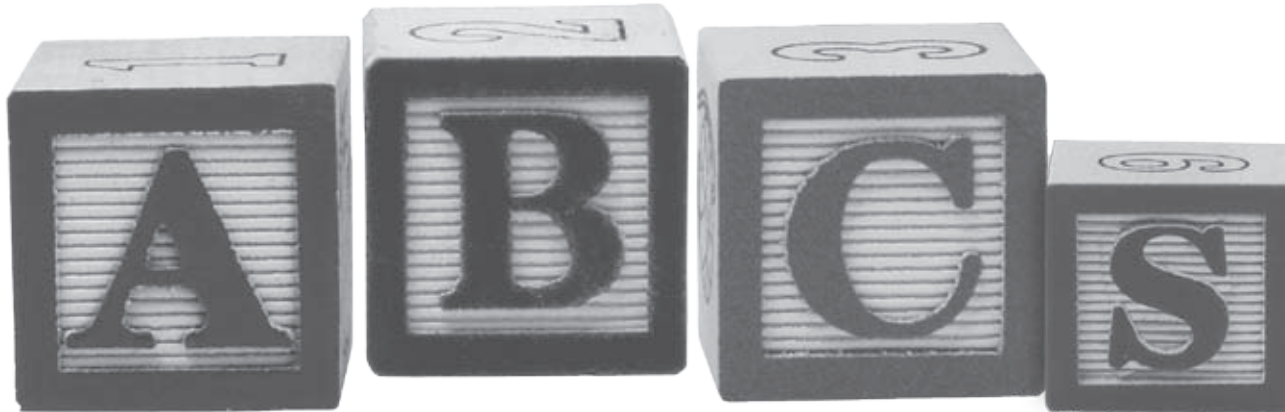


A Beef Producer's



Commercial cattle producer Homer Buell shares his strategies for business success in the beef industry.

Story by
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Challenging times in the beef industry can feel overwhelming to ranch families, but longtime Nebraska rancher Homer Buell believes the best advice is to remember your ABCs — that is **A**ttitude, **B**usiness practices and **C**ontinuing education.

Buell and his brother, Larry, and their families operate the Shovel Dot Ranch, founded in 1883, in north-central Nebraska near Bassett. Presently, the fifth generation — which includes Homer's son and his wife and Larry's daughter and her husband — is involved.

The operation includes 25,000 acres of owned and 5,000 acres of leased land. Of those acres, 2,000 are subirrigated meadow, 240 acres are center-pivot alfalfa and the remainder is native grazing land. The cattle include a commercial black baldie cow-calf herd, a backgrounding operation and stockers managed on grass.

Buell says that back in the 1980s

he and his brother made some changes in how they managed the ranch. Those changes were prompted by tough times in the cattle business. Prices were low, input costs were high, interest rates were high and profitability was hard to achieve.

"We came up with some principles and practices that we believe have been important to our ranch in achieving profitability," Buell says. To start, they established a mission statement for the ranch. It states that their mission is, "to provide a business entity that satisfies the needs, wants and desires of its owners and their families."

"This sounds pretty simple, but it helped refocus us. It stresses that the ranch works for its owners, and not the other way around," Buell says.

Along with that, they came up with the three core practices that they call the ABCs of profitable ranching — attitude, business practices and continuing education. And, they still focus on those areas today.

Attitude. "No matter what profession you're in, a positive attitude is a must," Buell says.

He uses the quote, "Change is inevitable; success is optional," and says that applies to what's happening in the industry right now. Change is occurring, and the producers who keep a positive attitude and open mind will be the ones who find success, Buell says. As an example of being open-minded, he suggests looking at nontraditional feedstuffs as a cost-effective alternative at a time when traditional feeds are high-priced.

Likewise, Buell says attitude includes focusing on what you can control, not on what you can't.

Business practices. Above all else, this means having a business plan, Buell adds.

For instance, he asks if you would want to get on a plane for which you didn't know the destination or when it would arrive?

"That's what it is like to operate without a business plan," he says. "The successful manager needs to know where the business is going, how it is to strive toward the intended outcomes and when the goals will be reached."

To this end, Buell stresses the importance of the business having a mission statement and writing long-term goals that fit the family and business goals.

In addition, Buell recommends creating a marketing plan.

"That's been key to our profitability," he says, reporting that they've tried various marketing outlets, but have found marketing through their local livestock market works best for their operation.

Additionally, Buell says part of the business practices should be strategies for lowering debt, controlling costs and recordkeeping. "To control costs

you must know the costs, and you can't do that without records," he adds.

Some of the strategies they use at Shovel Dot Ranch to help curb costs include:

- matching cow biological type to the environment;
- grazing year-round;
- feeding byproducts;
- calving late spring and summer;
- testing hay to determine its nutrient value; and
- looking for opportunities to lock in prices on inputs.

Continuing education. Buell's final point is to be a lifelong learner. He stresses being active in trade organizations within the industry and encourages each ranch member to attend at least one industry event annually. This might include seminars, workshops, industry meetings or Extension programs. Buell says the knowledge gained and network of people that are met add to a ranch operation's success.

He also calls teamwork part of the continuing education process.

"The relationships you build also contribute to your success," Buell says.

This includes taking input from family members, neighbors and animal health representatives, veterinarians, nutritionists, bankers and others in the industry. Buell gives the example of political leaders or business gurus like Bill Gates. They all have a team of advisors. Buell believes ranchers should, too.

Continue education online

If your schedule won't allow you to attend industry meetings, Angus Productions Inc. (API) provides coverage of five of the most helpful meetings online. Visit the newsroom of the following meeting sites for summaries of presentations:

- www.nationalangusconference.com — National Angus Conference
- www.appliedreprostrategies.com — Applied Reproductive Strategies in Beef Cattle
- www.bifconference.com — Beef Improvement Federation Annual Meeting and Research Symposium
- www.rangebeefcow.com — biennial Range Beef Cow Symposium
- www.4cattlemen.com — Cattle Industry Convention