

# Family business

Commercial Angus breeders Larry and Mary Kay Monger have found a way to improve economic viability and environmental quality.

by Eric Grant



PHOTO BY ERIC GRANT

Colorado's Elk Mountain rises abruptly from the floor of the Yampa River Valley. On its eastern edge, the Elk River shimmers in the sunlight beneath a deep-blue sky. On its southern edge, the Yampa River pushes slowly toward the western horizon. And, near its base, where pastures and hayfields spread uninterrupted, Larry and Mary Kay Monger make their living raising cattle.

"My dad's grandfather homesteaded here in the late 1800s," Larry says. The Mongers' operation, called Hightide Ranch, is leased from Larry's parents. It's located about 8 miles west of Steamboat Springs. The family manages about 200 head of mostly Angus and Angus-cross cows.

The breed is ideally suited to the region's elevation — about 7,500 feet — and harsh environmental

**Above:** Larry and Mary Kay Monger operate Hightide Ranch on land that was homesteaded by Larry's great-grandfather in the late 1800s. The ranch is located about 8 miles west of Steamboat Springs, Colo.

**Left:** With land values skyrocketing to \$25,000/acre or more, real-estate and development pressures in the Yampa Valley area have forced many ranchers to cash in and move elsewhere. Colorado loses 160 square miles of agricultural land each year to development.

## Act Locally



conditions, Mary Kay says. Summers are short, and winters are long. As much as 300 inches of fresh snow can fall each year.

All of that snow has made the valley a mecca for recreation. Mount Werner, owned by Steamboat Ski Resort, looms to the east of the Mongers' home place. Several hundred thousand tourists go there each year to ski its powdery slopes and to enjoy its natural scenery.

Trouble is, the landscape is threatened by all those who go to experience it. Condominiums and secondary homes now dot the landscape where pastures and hay fields sprawled. Land values have skyrocketed to \$25,000/acre or more. Real-estate and development pressures are so high that many ranchers have cashed in and moved elsewhere. All told, Colorado loses 160 square miles of agricultural land each year to development.

The Mongers' land is also under pressure. But instead of selling out, the Mongers have stayed put. Most important, they believe they've found a way to help keep themselves in business.

"We've been fortunate because we do have good neighbors," Mary Kay says. "We haven't had the troubles that many other ranchers have faced."

### Making an opportunity

Two years ago, along with several other local ranchers and local businesses, the Mongers helped develop Yampa Valley Beef (YVB), a cooperative of about 20 local ranchers who produce a branded beef program aimed at tapping into tourist dollars and raising awareness among consumers of the contributions ranches make to preserving open space.

Mary Kay, who operates from her house, is in charge of taking and fulfilling orders from customers.

Virtually all of the cattle processed by the company have been grass-fed cull cows and bulls — not fed steers or heifers. These cattle are used to produce

a premium-quality ground-beef product.

"Ninety-five percent of what we sell is ground beef produced from cows and bulls," says C.J. Mucklow, director of Routt County Extension. Mucklow has been closely involved in the development of YVB and continues to help administer the growing company.

"It's easy to sell steaks," Mucklow says. "So we wanted to make sure we had a market for our lower-value cuts first."

### Financial assistance

YVB got start-up funding from The Nature Conservancy (TNC), the nation's largest and wealthiest conservation organization. TNC focuses on land preservation and biodiversity protection. It owns the historic Carpenter Ranch, downriver from the Mongers, and produces some of the cattle for the program.

TNC conducted a consumer survey to test the feasibility of launching a branded beef program built on land preservation.

"The study asked a couple of key questions," says Jeff Blakeslee, who manages the Carpenter Ranch. "One of them was: 'If you knew you could buy a meat product that was high in quality that would also support preservation of Western landscapes, would you buy it, and would you pay more for it?' Seventy-eight percent of respondents said they would buy it, and of those, 67% said they would pay more for it."

### Marketing the product

Based on this information, YVB has focused much of its development structure on land preservation and on local, identifiable participation. It has built its marketing on three key factors.

"People want to know where this product is produced, who's involved and what lands are being protected," Blakeslee explains.

"I think Yampa Valley Beef is important because we do produce excellent beef up here,



YVB participants believe their interests are best served when the venture is focused locally and kept at manageable levels.

and this is one way to take advantage of that," Mary Kay says. "One of the main reasons that we've been able to make this work is because we're in a resort area, and we can charge a premium for our product. Many of the restaurants that use our product sell hamburgers for \$8 or \$9. They wouldn't be able to do that in other marketplaces.

"People buy it because they know it's a local product, and that's why we can charge the premium. Consumers are willing to pay more because they can identify where their food is coming from."

Now that the venture is 2 years old, consumers can find YVB's product in more than 20 restaurants and retail outlets in Steamboat Springs and surrounding communities. Ironically, the company's biggest client is Steamboat Ski Resort, which bought about 21,000 pounds (lb.) of beef — or 85% of the venture's production — this winter. All told, YVB processed about 75 head last year.

### Commonsense approach

While numbers like that won't threaten any of the big branded beef companies for market share anytime soon (nor does it hope to), YVB participants believe their interests are best served when the venture is focused locally and kept at manageable levels. In other words ...

- Don't get in over your head;
- Don't take on more than you can handle;
- Don't promise what you can't deliver; and
- Focus on product from market cows and bulls, not fed steers and heifers.

"We've learned that it's key to have good people involved," Larry says. "We had the help of some folks in town who had expertise in marketing. They developed a lot of good things for our program that guys who chase cows never think of."

### Requirements

To qualify, cattle must be

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produced by members. At least 25% of the cattle must come from lands protected by conservation easements. The cattle must not have been fed antibiotics or given growth implants. They also must have spent at least six months in the Yampa Valley prior to slaughter.

While the Mongers point out that YVB product could qualify as “natural” or “organic” under guidelines set forth by the U.S. Department of Agriculture (USDA), they have not sought permission to use this labeling.

Cows and bulls marketed through the system are priced on a boneless-meat basis, which means they must be in good condition with above-average muscling and conditioning. Larry Monger points out that Angus-based cattle are ideally suited for this type of program because they maintain good flesh through winter and can be

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*—Larry Monger*

marketed as healthy, well-muscled animals.

“Yampa Valley Beef has proven to be a good way for us to market cows that are no longer productive in our herd,” Larry says. “We used to have to haul our cows over the mountain after we culled in the spring or fall. We’d always have

10 or 15 head, never enough [to] have a semi load. This is a way for us to market them locally, get a premium and save money on transportation. I’d say we probably made \$100 to \$150 more on the cattle that went through Yampa Valley Beef. That’s really good.”

#### **Eye toward the future**

Looking ahead, the Mongers would like to see the company’s market expanded and to do so with cows and bulls.

“Right now, Yampa Valley Beef is not going to make or break anybody, but at some point we believe it could be positioned to really help us stay in business,” Larry says. “We’re working with some groups in nearby resort areas that could lead to additional places to market our product. This could be something really big. That’s what our goal is: to use all the cull cows that there are available in the Yampa Valley.”



**Editor’s note:** Eric Grant is a freelance writer and photographer who lives upriver from the Monger operation. His ancestors homesteaded in the Yampa Valley a century ago.