The Entrepreneur

Anything Ed Tinsley dabbles in seems to become wildly successful. The skill and work ethic of a rancher coupled with an undying entrepreneurial spirit keeps a Southwest staple thriving.

by Lindsay King, assistant editor

"I have been in the restaurant industry for the last 42 years," Tinsley says. "When I left the law practice in Austin, Texas, I knew nothing about the restaurant business."

Tinsley and his wife, Meredith, moved to Albuquerque, N.M., to be closer to the family ranch.

"I will never forget calling my dad and telling him I wanted to help on the ranch," Tinsley remembers. "He said not to count on a paycheck."

The cunning mind of this young lawyer simply found a way to make a living while pursuing the Flying W Diamond Ranch. Tinsley never thought this branch would take root for life.

"My wife and I opened a sandwich shop called Schlotzsky's," Tinsley says. "I cooked and my wife ran the cash register. I am convinced we are living proof that God protects the ignorant."

The single sandwich shop grew to 25 locations before the couple sold it in 1989. This led Tinsley to his next venture: K-BOB'S Steakhouse.

Revamping

"I bought K-BOB'S out of bankruptcy in 1991," Tinsley says. "It was a challenge starting out. The 30 units did not function like a chain. They all had very independentthinking operators."

Getting everyone on the same page was the goal: the same menu sourced by the same distributor. Tinsley knew if he got each location serving the same food of the same quality, he could make K-BOB'S a respected chain again.

"If you can control the menu and the people bringing the product in the back door, everything else falls into place," Tinsley says. "K-BOB'S was an older brand, so over several years we revamped the atmosphere to get new clientele to dine with us."

The introduction of a horseshoe bar, new menus, big screen TVs and updated décor breathed new life into the old favorite. Bringing in new and younger clientele was the goal.

"The restaurants are in the smaller communities with the same type of people we do business with on the ranch," Tinsley says. "It's exciting to have a chain that correlates so well with where I grew up and the love I have for the Western, small-town way of life."

With locations in New Mexico, Texas and Colorado, Tinsley enjoys possessing an intimate understanding of the pasture-toplate paradigm. He loves serving great steaks to patrons as a result.

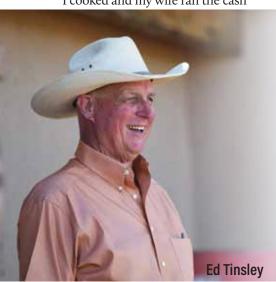
50 years and counting

It's food of the heartland: mountains of mashed potatoes, mama's chicken-fried steak, fresh vegetables and mouthwatering steak. The menu is what customers would expect from this family restaurant, but the quality is something to write home about.

"We know it's a splurge for a family in middle America to dine out, that it is not easy to come by for many people," Tinsley says. "To see the excitement on their faces when they come to K-BOB's as a family really hits my heart."

The Salad Wagon® is one feature Tinsley didn't need to change; it attracts clients from various states. Tinsley even remembers hitting the Salad Wagon as a boy.

"About three years ago I was fortunate that my son and son-in-law became interested in the company,"



Tinsley says.

The deal allowed Tinsley to retain ownership interest in the brand, while the next generation took over the corporate restaurants and servicing franchisees.

"I kept ownership of the Ruidoso location separate because it is close to the ranch," Tinsley says. "Both the ranch and K-BOB'S have been involved in this community for decades. Plus, I still enjoy it."

Easily one of the most successful locations of the chain, the Ruidoso K-BOB'S is regularly frequented by the cowboys and ranchers who helped build the household name.

"Young and old cowboys from all over come in and eat with us in Ruidoso," Tinsley says.

As chairman of the National Restaurant Association, Tinsley was in the driver's seat when it came to bridging the gap between producers, food distributors and restaurants.

"We were on the same page when it came to regulations, taxes and legislation," Tinsley says about the relationship between the National Restaurant Association and the National Cattlemen's Beef Association (NCBA). "The total disconnect comes from the financial and operational components."

An acceptable yield on strip loins and rib rolls is hard to accomplish when feedlots and packers harvest increasingly larger livestock. Tinsley found his chefs were cutting to thickness rather than ounce and it was hitting him in the pocketbook.

"Consistency is crucial," Tinsley adds. "The larger cuts are any steak cutter's nightmare."

Of the last 62 years Tinsley has been in the ranching business, most of those were spent in commercial beef. This adds a third dimension to his unique approach to running both "Our long-range vision is to become vertically integrated to provide source-verified beef in our restaurants. It would take several thousand head just to supply the K-BOB'S chain each year."

— Ed Tinsley

a cattle ranch and a steakhouse.

Making decisions for both operations stems from a deep understanding of the commercial industry as well as the genetic components of filling the center of the plate.

"My experience in the steakhouse business has driven my passion and ambition to learn more about genetics so commercial breeders can efficiently make a better steak," Tinsley says.

Piece by piece

"My dad and I were best friends," Tinsley says. "He would come visit me once a week while I was in law school at Texas Tech. We fed cattle and had a trucking business. Every time we made a little money we would buy more acres near Capitan, N.M."

This methodical land acquisition allowed the operation to grow from 1,000 to 5,500 deeded acres. The original ranching operation is closing in on 150 years, but the Tinsley era started 62 years ago.

Focused on using expected progeny differences (EPDs) for a better end product, Tinsley transitioned from a commercial herd to registered Angus just eight years ago. Running an estimated 200 mama cows today, in Tinsley's eyes, the only place to go is up.



"Our long-range vision is to become vertically integrated to provide source-verified beef in our restaurants," Tinsley says. "It would take several thousand head just to supply the K-BOB'S chain each year."

With an ambitious goal of achieving vertical integration sooner rather than later, Tinsley focuses on more traits than most.

"We strive to produce calving-ease bulls without sacrificing performance for weights and \$B (beef dollar value index)," he says. "When we see an animal with great birth weight and heifer calving-ease EPDs, we couple that with a great weaning and yearling weight animal. That combo really excites us."

Tinsley also keeps a watchful eye on the rail traits.

Many of Tinsley's customers put their heifers and cows together when they use one of Tinsley's bulls. The moderate-sized cattle are a direct reflection of this restaurateur.

The success of both Tinsley's ranch and his restaurant chain are inversely related. It's a unique experience to be on both sides of the plate and a place in which he never envisioned residing. Only time will tell what Tinsley dabbles in next.