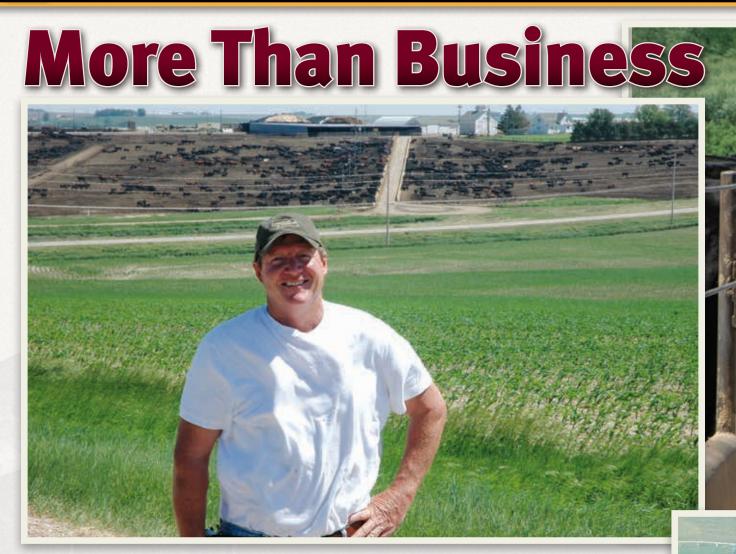


2013 ANNUAL CONFERENCE



Beller Feedlot wins CAB partner honors.

Story & photos by Miranda Reiman, Certified Angus Beef LLC

obody likes to lose a customer, but to see a cattle feeder get emotional

over the thought of a ranching client having to sell out ... that's when you know his heart is really in the business.

Terry Beller, of Lindsay, Neb., can tell you the last time the Sandhills and points west received a measureable rain. It matters to his bottom

line, certainly, but the owner-manager of the 6,000-head Beller Feedlot talks about ranchers dealing with drought as if one of his own children were facing a major obstacle.

Beller's cattle management and marketing reflect the care he has for those customers. For that attitude, level of cooperation and success in producing high-quality beef, his family business

Feedlot Partner of the Year for yards with less than 15,000head capacity. earned Certified Angus Beef LLC (CAB) honors as a 2013 Feedlot Partner of the Year. That included tickets to the brand's annual conference in Palm Desert, Calif., in

September. After nearly two decades of sending cattle to Beller, some regular

suppliers are looking to sell their entire herds for lack of grass.

"That would be devastating," Beller says. He means it. Not because the western Nebraska ranchers typically load more than 300 yearlings on eastbound trucks before they've even entered into price discussions; not because they regularly grade and gain right alongside the top cattle in the yard; but because Beller has gotten to know their family and has watched the next generation start to take over the ranch.

"They like to make yearlings, but there is just no way they can," he says. "They have to save what little grass they have just for their cows. They're really struggling out there; it's just a terrible drought."

This is just one of dozens of relationships Beller has cultivated through the years.

"When I do good for them, they're going to keep coming back," he says.

Staying afloat

That is easier said than done with high input costs and hard-to-predict markets, but Beller says he's learned a simple truth: "It's all about margins. You're not going

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to hit home runs anymore, especially with \$7 corn — that's not just going to happen — so you've got to take those small margins."

Some of that philosophy comes from discipline learned in more than 37 years in the business. It was also passed on to the third-generation cattle feeder.

"My dad always said, 'When people are running, you walk, and when they're walking scared — that's when you dive in," Beller says. "It's been true to fact when the market is down and things look like heck, that's when you want to put the plow in as deep as you can."

Perhaps as a testament, they've added a large machine shed and a new office in the last few years, and there's talk of pen expansions.

Beller's right-hand man, younger brother Mike, was instrumental in developing and implementing those plans. He recalls that Mike spent a lot of time putting together Lego® sets as a kid and still has a mind's eye.

"I'd be lost without him," Beller says. "It's nice to have someone who can look at things and really see it."

From ordering materials to installing the office cabinets and completing the trim, Mike put sweat into the entire project, all while maintaining the "It's all about margins. You're not going to hit home runs anymore, especially with \$7 corn — that's not just going to happen — so you've got to take those small margins."

- Terry Beller

computerized cattle records and carcass data.

That includes enrolling more than 15,000 head of cattle in CAB's feedlot database, which reveals an overall CAB acceptance rate of 41% *Certified Angus Beef*[®] (CAB[®]) brand and Prime.

Yet, the brothers say that's not good enough.

"That's what keeps us going: always wanting to be better," Beller says. "Our goal is to have a group hit 100% CAB. We've come close."

Right now the bar is set at 92% CAB. CONTINUED ON PAGE **136**





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The clearest path they see for continuing to get better includes a mixture of retainedownership customers and company-owned cattle; but first, most of them must clear the entrance exam.

Angus quality works

"We're pretty much known for feeding the good black-Angus cattle," Beller says. "That's gotten us some customers who were leaning on the fence."

Beller not only specializes in feeding for a high-quality end point, but he's willing to share data back to help customers improve.

"When the numbers change, I'm the first one to ask, "What happened from last year?"" he says. They talk genetics, health and feeding programs. "I do a lot of comparing from year to year, but they'll take that data and pick it apart one by one."

When Beller purchases cattle, he likes to go back to a known source.

"I get in the rhythm of buying the same people's cattle," he says.

"I know what they do, I know how they grade."

He also can expect good disposition, which is a benefit in more ways than one.

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"I put a lot of merit in disposition. It's directly related to grading a calm animal is going to be tastier."

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is going to be tastier," Beller says. Plus, they're easier to handle.

"I've got my own kids working out here. I don't want anybody getting hurt," he says.

Since the United States is known for its quality beef supply, Beller says he's not willing to

do anything to compromise that, even if it means giving up a potential edge. He doesn't feed beta-agonists.

"We're proud that we produce the best beef in the world," he says. If his neighbors are using them, that's not his concern.

"We're profitable here, and that's because it's nose to the grindstone, and you don't compare yourself with others," Beller says.

They compete against themselves, but beyond that, Beller says the "make-a-quickbuck-off-somebody-else" nature of the business has gone by the wayside the past few decades.

"They know we need everybody in this business," he says. "I want to give them as much as I can, yet I need to buy within reason. I want them to come here because I'm a competitive bidder."

Beller makes on-location visits when he can to meet the people from whom he's buying. "It means a lot to me and I think it means a lot to them to put a face to the check that's buying their cattle."

It could be weather or health issues or just plain bad luck, but whatever it is that's plaguing a customer, it weighs heavy on Beller.

"They count on us and we count on them," he says.

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Editor's Note: Miranda Reiman is assistant director of industry information for CAB.

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