



2012 Seedstock Commitment to Excellence Award

Planning Perfection

Family teamwork keeps this iconic Minnesota Angus family on course.

Story & photos by **Miranda Reiman**



► What started as 170 acres of lakefront fishing property has grown into a seedstock operation to support a very large extended family. The Schiefelbeins' commitment to quality at every level earned them CAB's 2012 Seedstock Commitment to Excellence award.

Corporate executives could pick up some organizational secrets from Schiefelbein Farms. The board meets every morning. They are nothing formal, but the daily meetings are efficient and make sure everyone is working toward the same ultimate goal.

The shareholders in this 50-year-old Angus seedstock business include the 40 in this family that the farm supports.

As they gather in the modest office, each of Frank and Frosty Schiefelbein's eight living sons, along with two grandsons, has his daily tasks in mind.

Keeping everybody connected is important, so they talk about those tasks.

"You paid how much for cattle?" asks Bob, looking at Tim, who does the marketing. Tim crosses his arms and shakes his head slowly. The market has been hard to predict lately.

"I was going to lock in beet pulp, and I told them their price was too high," Don says, pausing to ponder that for a moment or two. "Maybe I better call them back . . ."

This could be any day in the life of the Schiefelbeins. Depending on the season, the conversations could wander from clipping bulls and taking their own sale-book photos to chopping silage and processing calves, but they follow the same format.

Each one centers on making the balance sheet do more than balance.

Even though the business also includes farming, trucking and cattle feeding, they have a pretty narrow vision on how to get there.

Commitment to quality

"From Day 1, Dad always said, 'If we're in the beef business, we better raise good beef,'" says Don, the big-picture strategist who heads up the farm's long-range planning and the financial analysis that goes along with that. "He's just been laser-focused on how do we produce efficient, great-tasting beef?"

That's the succinct version of the business plan, but there are many details, and "the boys" leave none of it to chance.

"They're real fussy," says Frank II of his sons. "If somebody threw a cigarette butt out in the ditch, by tomorrow it would be picked up."

Those high standards don't just apply to the immaculate salebarn, the research-style working facilities or even the well-maintained pastures; they apply to every mating, to each bull offered for sale and to every head fed out through the on-farm feedlot.

That commitment to quality at every level, and hard numbers offered as proof, earned Certified Angus Beef LLC (CAB) honors for Schiefelbein Farms. Frank and Frosty were planning to join other family members to accept the award at the brand's annual conference in White Sulphur Springs, W.Va., Sept. 19-21.

Modest start

Many have heard about their humble beginnings. The farm that started from 170 acres of lakefront fishing property Frank's father owned. The mathematics major who brought his new wife to an old farmhouse with no water or heat. The tears. The community bet on when they were going to pack up and head back to their Twin Cities roots. More tears.

Nine boys added to the labor pool, but were also hungry mouths to feed.

"We were dirt poor growing up," says Danny, the youngest of the brothers. The older ones talk about losing their local customer base during the 1980s farm crisis.

"Land prices dropped and there was drought, and the value of Angus cattle dropped and the interest rate was high," says Bob, who acts as straw boss overall. "The money was really tight. The first thing that gets cut is the advertising."



► The Schiefelbeins organize their efforts with daily "board meetings." Depending on the season, the conversations could wander from clipping bulls and taking their own sale-book photos to chopping silage and processing calves.

Their always-strong female sales felt the pressure, too, but the bull market was even tougher than usual. Many Minnesota farmers became specialized, tunnel-focused on crops, and the ones who still had cattle began to favor Continentals.

"Our bull sales went down, down, down," Tim says. "It was a registered herd, but basically a commercial herd."

Effective strategy

Those seem like distant memories now. The family draws customers from dozens of states, selling more than 300 bulls annually.

It's not chance that fills the 2-year-old salebarn's shiny bleacher seats. It's brilliant design.

"When we have the bull sale, it's not like, 'I hope we have a good day. I hope we have a lot of customers,'" Tim says. "We've built it over the years."

Tim brings his experience as a former packer-buyer chief to administer a customer buyback program. They place 25,000 head of cattle on feed, either in their own yard or at other quality-focused feeders across the Midwest. They'll help find partnering arrangements or even make connections with fed-cattle buyers for their farmer-feeder customers.

"We do something for all of them," Tim says.

When the market is right, the buy-back program works like a for-profit advertising plan, Don says. "It also elevates your knowledge base and gets you involved in an area not many seedstock guys have experience with."

It only works with the right genetics. "We like them to grow, we like them to marble, and we like them to have a big ribeye," Frank II says. "But they've got to breed and be easy-keepers, too."

The Schiefelbeins don't leave that to chance, either.

The precise selection process starts when Danny, Don and Tim bring forth 25-30 possible AI (artificial insemination) sires for discussion.

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“Each brother, nephew and Dad all get to vote on how many units of each one we want to use,” Danny says. “That way everybody has input on it.”

Some aren’t as involved on the genetics side, but during calving, every three nights, each of them takes a five-hour solo overnight shift. Even beyond the bottom line, everybody has an interest in getting the right combination.

“It might sound generic, but there’s no one trait we really go after,” Danny says. “Dad’s philosophy always was that every trait has some degree of importance.”

They do have thresholds. Potential sires must be above breed average on marbling, and all other carcass traits must be positive. They try to keep milk between 20 and 30, and so on.

A selection table provides a guide. Danny lists all sires on the horizontal axis, with potential female mates down the side. He studies every possible combination to find the best complements.

“When I’m matching these sires up, I’m saying, ‘These are the sires I’d use to bump up carcass, and we’re going to use the highest

carcass bull on that particular cow,’” he says.

Rick manages the cow herd and Frank III does all the AI work. After that season, Danny plays matchmaker again, so that the cleanup bull is equally suited for specific cows.

“What really strikes people is that they know what an InFocus is supposed to look like,” Don says, offering an example. “But because we do this balancing act between matings, our InFocuses will look much different than other people’s.”

More than genetics

The program is based on a steady course of improvement, rather than searching for “the next big thing,” Danny says. “You can’t go that far very often because your bread and butter is the commercial guy, and they want something they know is going to work for them. They’ll give us input, and the way they do it is in what bulls sell for.”

Highly proven genetics are at the core, and the Schiefelbeins know their own recordkeeping plays a role in ensuring that value.

“We really want those numbers to be accurate,” he says. “The more accurate those

numbers are, the more consistent results your customer is going to get. The more consistent results he gets, the happier he’s going to be.”

Bob Jackson, a commercial producer from Timber Lake, S.D., says that’s one of the reasons he’s been buying Schiefelbein genetics since their first South Dakota sale in 1992.

“What they say it is, it is,” he says. “They’re just a very well-organized, down-to-earth group of people.”

Two years ago, the sale moved back to Minnesota. Jackson remained a customer partially because of the number of bulls offered within each sire line. He comes to the sale with specific parameters and bloodlines in mind.

“When we made the decision to target the white-tablecloth upscale and foreign markets, it was a very scary moment,” Jackson says. “In order to do that, we had to start getting our carcass data. The scariest thing about doing that is we didn’t have any idea where we were at.”

Today they regularly hit 95% Choice or better, with some loads getting up to 40% Prime.

“We wanted to get away from commodity beef to where the money is at,” Jackson says.

The past handful of years, the backgrounded cattle have headed east for the Schiefelbein’s on-farm, enclosed, slatted-floor feeding barn.

Everybody’s calves get the standard Schiefelbein treatment at the feedlot, which just became a CAB-licensed partner this year.

“The first few weeks, Frankie, Sam and I will go through the cattle and look at every single animal,” Frank III says. They’re stepped up on a ration, aimed for early spring marketing.

Under his direction, the family recently expanded to make room for 2,500 calves at a time. Tom, the head mechanic and truck driver (for Mike, who coordinates all trucking), served as chief welder for the project.

The uniformity of sale bulls, regardless of sire line, makes for feeder calves with a similar continuity. That simplifies feeding and marketing.

“You basically have to predict in advance what they’re going to do,” Tim says. “If you can get them to grade early and capture a



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better basis, that makes us the most money.”

At 12-13 months, the implanted calves are sorted and grid-marketed. Last year’s home-fed cattle went 59% *Certified Angus Beef*[®] (CAB[®]) brand and Prime, with only 9% Yield Grade (YG) 4s.

A portion of the marketings are sold into a non-hormone-treated cattle (NHTC) program, and those had quality high enough to reach 72% CAB and Prime.

“If you can know the quality of cattle and you know the time they can come to market, you can really do a better job of marketing,” Frank II says. “You don’t want to try to sell somebody something he can’t use in his program.”

The Schiefelbeins have poured decades of work into their program, ensuring it works for everybody. One by one each morning, they leave the office chat. As they head out in pickups or ATVs for their day’s work, each family member keeps their ultimate customer — be it commercial man, feedlot, packer or consumer — in mind.

“Our goal is for them to be in the business a long time,” Danny says, “and the only way they can do that is to do it in a profitable way.”



Editor’s Note: *Miranda Reiman is assistant director of industry information for Certified Angus Beef LLC.*