



For Granted

► by **Eric Grant**, freelance writer

Big bucks in small towns

One of my favorite things to do is to head into Steamboat Springs, Colo., in the morning, wait in line at the drive-through at Starbucks, and cough up \$3.50 for a 50¢ cup of joe. So quickly has the company expanded its international operations, there are Starbucks going up on virtually every intersection in every busy city around the planet.

The changing landscape

The company is a siren of global capitalism. Growth has been so quick, there's news on the internet that Starbucks just opened a new branch in one of its restrooms.

That said, there are few things better than taking my cup of Starbucks coffee with me into a pasture south of town and savoring its warm, roasted flavor as I walk through my cows. I figure my little caffeine/cow expeditions cost me about \$100 a trip when I factor in gas, wear and tear on my vehicle, and lost productive time. But it also serves up some powerful lessons on economics and speaks to the heart of the changing face of rural America.

Colorado's Yampa Valley, where I live, rests on the western edge of the Rocky Mountains. At one time, its railhead shipped more calves to the Denver stockyards than any other place in the western United States. The reputation of the valley's ranches and its ranchers spread far and wide across the country.

Today, apart from a smattering of old-time ranch families who continue to raise a handful of cattle and sheep, most of the land has been carved up into 35-acre ranchettes with magnificent log homes now standing where hayfields and pastures once spread across the valley.

Cows, which produce about \$60 of economic activity an acre per year, don't stand a chance against a booming development industry, which produces hundreds of thousands of dollars per acre, especially when rapid turnover of property through real estate transactions is the game of the day.

American homeowners now want more than just a house. They want privacy — and acres of ground to surround their home. They appreciate rural values, and they want their kids to grow up knowing what it's like to live next to nature, far from the whirl and buzz of the city.

The spread of communication technologies — cell phones and high-speed internet to name a couple — has spurred the movement from city to town across every valley in America, making it easier for people to set up businesses on “Main Street” or work at their jobs from home.

Colliding worlds

Gary Volk is an old friend of mine whose family has ranched in the mountains since 1917. He has trouble with the influx of people into his valley. When his cows get on the road, it's a big deal because of the potential for injury or loss of life — cow or human. When

cows trespass onto someone's property, a lawsuit could ensue if they trample the neighbor's newly planted shrubs or flowers.

“Cows and people just don't mix,” Gary says.

The reality is that the ranching business is changing for producers across the country. No longer are they just cattle managers; they're people managers. And the ones who do well are people blessed with personalities that allow them to get along with neighbors who really don't know much about livestock.

Having new neighbors also means new money into once cash-starved small towns. And many ranchers may now find themselves located within close proximity of some of the wealthiest communities in the country — Jackson Hole, Wyo.; Aspen, Colo.; and Mammoth, Wyo., to name a few.

Some ranchers who wish to continue ranching have learned to leverage their ranching legacies, traditions, resources and Angus genetics into brand recognition for their reputations, products and services to bolster their economic strength.

Most ranchers, who are really great natural resource managers, have created new business opportunities by providing land-management services to new landowners. Others have found markets for their purebred genetics and calves. Still others have moved into the beef business, offering natural, ranch-raised beef for eager consumers in town.

“If you've been in ranching your entire life, you probably don't have any clue how much money people have these days,” a marketing friend tells me. “Sitting down for a \$300 meal at a good restaurant is nothing to people anymore. They don't just want steak anymore. They want steak with a story. They want to know who produced it. And they're willing to pay big bucks for your products if you package them properly.

“When the ranching community finally figures this out, and finds a way to make beef cool in the eyes of consumers, they'll have thousands of customers lined up to pay way more than they should for a product they could have gotten much cheaper somewhere else,” he says.

Call it the lesson of Starbucks. Call it the lesson of big bucks.

E-MAIL: epoldwest@aol.com

Editor's Note: “For Granted” is a monthly column written for the Angus Journal by Colorado-based freelance writer Eric Grant. The column will focus on marketing beef, the beef industry and seedstock in particular — aspects of the business that are often taken for granted as day-to-day tasks take center stage.