



Good Stuff in Texas

Networking with bull customers brings profit opportunities home.

Story & photos by **Steve Suther**

Recent drought has improved cow herds in east Texas, and a cowboy quest to blaze new trails may head them toward higher beef quality. Erik Eikner, Chamness Land and Cattle Co., says Texas is the last frontier for Angus.

“It’s because we are so hard-headed,” he says with a wide grin. “But really, we have so much tradition — ranches that are national treasures, that made ranching what it is today. We have cowboys who are proud to be cowboys.”

But there are traditional cowboy limits on tradition. “They’d rather reinvent the wheel than follow a line, and maybe that’s why Angus cattle are becoming more popular around here,” Eikner says.

He and his grandfather, Quintan Chamness, operate a registered Angus ranch near Poynor, Texas, southeast of Dallas. The elder partner started the herd and joined the American Angus Association in 1963. He calls it “the best \$50 I ever spent.”

Other opportunities

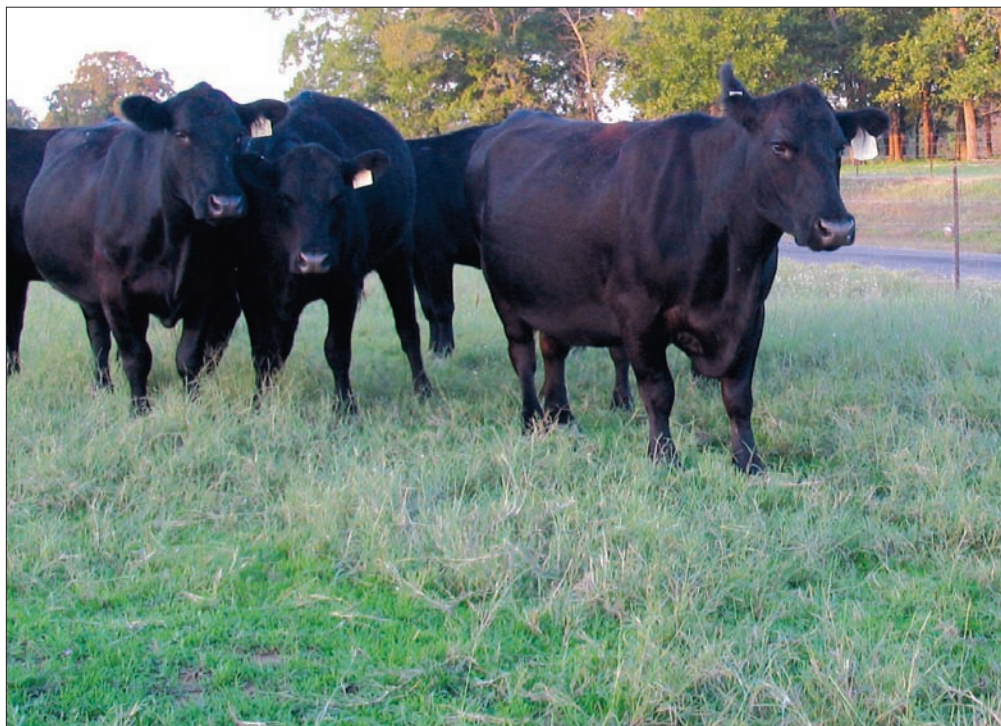
Although Chamness enjoyed the Angus business, retail sales and real estate opportunities put cattle in the back pasture for decades. He says the moderately wooded area was “open range,” mostly devoid of fences when development rolled through in

the 1980s. Chamness had retired and hung up his retail hat in 1979, wondering if his grandson would renew ranching interests that went back five generations.

He started to build a headquarters barn in 1983, and he added to it in 1996 when Eric was coming of age and ready to commit. The future partners began to dream about what

could be. “Erik decided he wanted to be in it for the rest of his life, so we decided to get serious, buy more acres and cows, and make a business of it,” Chamness says.

“It was just a little 20- or 30-head deal at first, and we had no idea what it could turn into,” Eikner says. “The next thing we knew, we had 300 head of mama cows and



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started our annual bull sale. That was eight years ago.”

Hard work — from building fences to relationships — made it succeed. Customers are the kind of people the two can identify with, from businessmen with 200 cows to the “40/40 folks,” with 40 cows, working 40 hours a week, Eikner says.

“We try to get in on the ground floor and analyze each customer’s situation,” Chamness says. “From being in retail, I knew that not everyone goes into business to make a living, and not everyone can make a living at it. But I also knew we could make it work by understanding our customers.”

Help the customer

It’s just as important to understand the local environment. Drought has been a mixed blessing, Eikner reflects.

“When you only get half enough rain, you can have more cows than country. That can force you to get rid of the more problematic cows, or switch to fall calving, which is a better fit for our resources,” he says. “Winter pasture does well around here, but sometimes you won’t change unless your back is up against a wall.”

Eikner goes out of his way to help customers — so far as to help them tag calves and get other processing done on time. A couple of years ago, the Angus producers started thinking about ways to background calves for their customers.

“We wanted to do more, take them all the way to finish because we have selected for carcass from the start,” Eikner says. “One of our customers was also a customer of Flint Rock Feeders at Gruver, Texas [Certified



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Angus Beef LLC (CAB) 2006 Progressive Partner of the Year], and he sent me some information.

“I had been trying for two years to get somebody to work with us on a program, but it just took one call to [Flint Rock manager] Frank Winters and stuff started happening,” Eikner says. “That’s how I know when I’m talking to the right people.”

“Stuff” that happened included a personal visit, followed by phone calls with new customer leads.

Winters saw an immediate win-win deal in the making. “Through our mutual customer, we knew how those cattle fed, so we were able to talk from known results. I was impressed with the number of good cattle they have around there, a lot more than I thought,” he recalls. “They saw an opportunity to add value to their customers’ calves through the AngusSource® program, preconditioning and the link to our feedyard.”

Backgrounding will be at Rafter C Feeders in nearby Jacksonville, Texas, which Eikner began leasing this winter with another partner, Keith Kniffen.

“It should work great because there’s no big haul on those calves before they straighten them out in their yard, and Erik knows his customers’ cattle so well,” Winters says. “When it’s all said and done, the process produces a calf that is more likely to hit the *Certified Angus Beef*® (CAB®) target.”

As for the ringing phone, Winters says, “I had other customers in that area who were asking me about bulls. I knew what they needed, so I pointed them toward Erik and provided the phone numbers. They fit into the program we were trying to design.”

Typically flexible in form and built on trust, the program allows for anything from feedyard purchases of preconditioned calves to partnering and 100% retained ownership. “My goal is to feed good cattle for people, so we’ll partner, but if you have the right cattle, you’ll make more money if you just own the whole deal,” Winters says. “We feed them just the same either way.”

He spoke to more than 100 Chamness Land and Cattle customers at a December ranch luncheon. “I told them to know their cost of production,” Winters says. “A lot of people don’t know what they’ve got in that calf for a retained ownership plan to take into account. If your cost is \$350 per head, it’s not quite as critical to enter them into the yard at \$600. If you’re barely making it work, take that \$600 if you can get it, but know if you have \$650 in him or \$300.”

“When I discuss retained ownership, it is less about the cattle than about business plans. I sure don’t want to try to talk anyone into something they don’t need to do,” Winters says. “If they will let me see into their operation, I can usually help them, no matter what level the customer. If they send calves to Erik and sell out of there, that might be the best way. Over time, we’ll develop a customer. It takes two years to develop something they will believe in and trust.”

For Eikner, Kniffen and Chamness, it didn’t even take that long. “Our customers have been looking for something like this,” Eikner says. “We don’t know for sure what all this can be, but we’re sure we will all work together on it.”



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