

Starting Right



PHOTOS COURTESY OF PETERSON ANGUS

Young producers can get started in the beef industry with these tips.

by *Kasey Brown*, associate editor

The average age of farmers has been in the 50s since 1974, and it is increasingly difficult for younger cattlemen to enter the industry because of the huge capital resources necessary. However, that doesn't mean it is impossible.

Brandon Peterson of Peterson Angus, Alcester, S.D., told attendees of the 2015 Range Beef Cow Symposium in Loveland, Colo., Nov. 17-19 about his struggles to enter into the beef cattle business and some lessons he learned along the way.

Overcoming struggles

Peterson grew up on a diversified livestock operation and admitted he initially said he wanted to return to the farm after college because that was the easy answer when asked what he wanted to do following graduation. While studying animal science at South Dakota State University and playing football, he said a coach inspired him one day after practice. The coach told every player that it was time to think beyond college. He had them think of a dream — a big dream — and write it down. Peterson's dream was to own 500 cows someday.

"I had the vision of what I wanted to do,

but I had no clue how I was going to do it," he explained, adding, "but there's where the rest of the story comes in."

The spring of his freshman year of college, Peterson started by buying five registered-Angus females for \$3,500 with a loan cosigned by his father. His herd increased to 10 females by the end of college, though he admitted he didn't do a great job picking heifers. In fact, of those original five females, none — nor any of their daughters — were in the herd by the time he graduated.

Peterson married his wife, Becky, in college. After graduation, he started his career in feed sales and support. Through additional training, this later turned into a beef specialist position where he ended up working with

hundreds of thousands of head of feeder cattle, feedlots and cow-calf operations.

"The cool thing is, I had a passion for genetics. I was growing my herd, and I got to see how nutrition fit into genetics on a daily basis," he added.

His job allowed him to build a substantial network in the cattle industry. He developed

a friend and mentor who allowed Peterson to sell four bulls at the end of his sale. The following year he got to sell eight bulls, but the year after, Thousand Oaks Angus dispersed.

So, Peterson found a partner, and they hosted their first production sale at home in 2007. It was largely unsuccessful. He admitted that he was discouraged initially and asked himself why he was putting all the extra effort and time into raising cattle if it wasn't going to be worth it, especially with two young boys at home. Yet, he went back to his vision and decided to keep pressing forward.

In 2008-2009, he had an opportunity to expand. He knew his markets, so he took the chance. Peterson Angus expanded from 40 head to 120 cows, and eventually built up to 200 cows.

"I was working full-time, I needed to be home full-time, and neither of those were 40-hour jobs," he clarified. In 2013 Peterson decided to take the risk and quit his full-time job and move to the farm.

"There comes a point where you just have to make that decision," he emphasized. "If you wait for the 'perfect time' for anything in life, you'll spend your life waiting."

Since then, they've grown the herd to just more than 300 cows and implant about 500 embryos in outside cooperator herds. This will allow them to market 150 bulls, 60-70 heifer calves and a handful of donor cows this year at their February production sale.



PHOTO BY TROY SMITH

► Brandon Peterson of Peterson Angus, Alcester, S.D., told about his struggles to enter into the beef cattle business and some lessons he learned along the way.



Lessons learned

Through struggles, Peterson Angus has become a successful seedstock operation, and at the Range Beef Cow Symposium, Peterson shared some lessons and some observations.

Define your program and write your business plan down, he advised. If you don't know how to write a business plan, he noted there are a tremendous number of books and resources available to explain how to write one.

Keep your big picture in mind when the details bog you down, he suggested. He added that his big picture for his seedstock operation is to produce a good product after it leaves his ranch.

"When I make a mating decision in my herd, it needs to positively affect the cow-calf producer, the backgrounder, the feedlot, the packer; and it needs to also increase the demand for beef by creating an exceptional dining experience for someone," he explained.

"If you can't keep the big picture in mind of how it gets to the plate, and that each segment needs to keep a positive cash flow working with whatever you do, you're going to be in trouble some day," he directed to young producers. "The way data and information is transferred in this day and age, there is no room for, 'Well, it works for me; the next guy will figure it out.' So keep the big picture in mind."

Additionally, don't forget to work on your business instead of just in your business. He explained that when he was selling feed, he had plenty of windshield time to think, plan and dream. Since coming home to the ranch, that planning time went away, but he makes himself make time. He recommended taking time to get off the ranch by attending conferences and thinking about the operation as a whole.

Avoid distractions, he added. One of the best tools we have now, the smartphone, is also the worst distraction. He made a rule for himself of no phones while in the pastures.

"When I'm out there rotating heifers in the pastures, I need to pay attention to grass conditions. I need to pay attention to the cattle, where they're eating, what they're eating, and really what's going on out there," he explained. "If I'm out there getting three calls, four text messages and six emails . . ., I'm not paying attention to what's making me money in my business."

Education never ends, and Peterson said he is a big proponent of adding to the skillset you already have. He took a concept from his college football days — "spring ball" — and applied it to his operation. Instead of practicing football without games in the spring, he takes a few weeks in the spring after matings are done to really dive deep into a topic he wants to learn about, like

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animal health. Most recently, the topic has been genomics and DNA. This lets him "dive into something for a short amount of time to increase our knowledge and ability in that area," he clarified. Peterson Angus was one of the first two operations in the country to DNA-test their cattle

with high-density tests.

Peterson recommended young producers seek a mentor in the cattle business.

Additionally, understand the market and make sure your vision melds with that understanding. Don't create a product and then find out no one wants what you are creating, he advised. Don't be afraid to challenge what you know.

"Ask good questions, not so much of other people, that's obvious, but ask good questions of yourself. 'Why do we do it like this? Why does this gate swing this way?' If the answer

is, 'Because it always has,' we probably at least need to dig a little bit deeper," he suggested.

Embrace change, and accept that it will happen, he advised. Expect adversity and prepare for it. The first sale after Peterson quit his job to be on the ranch full-time got snowed out. However, they had a contingency plan in mind. As soon as they knew the weather forecast, they sent out postcards. On the day before the snow-canceled sale, about 95% of their customers had a postcard in hand with a new sale date and time in their mailbox.

"The real question is, how bad do you want it? Ups and downs come, things change, and you need to prepare for that," he concluded, urging cattlemen to learn from each other's mistakes.

Getting started in the cattle business is not easy or quick, but it is possible. Now Peterson Angus has five bulls with five major bull studs. PA Power Tool 9108 and PA Safeguard 021 were two of the top bulls in numbers of registrations in 2015. He hasn't hit that college dream yet, but Peterson Angus is well on its way.

Editor's Note: This summary is part of the Angus Journal's coverage of the 2015 Range Beef Cow Symposium, which was hosted Nov. 17-19, 2015, in Loveland, Colo. For additional coverage, to review this presentation's PowerPoint or to listen to the presentation, visit the Newsroom at www.rangebeefcow.com. The Angus Journal's coverage of the event is made possible through collaboration with the event committee and sponsorship of LiveAuctions.tv.



► Deciding to ranch full-time in 2013 was a risk, but one that the Peterson family — (from left) Becky, Brady, Brandon and Blake — has benefited from.