

Patience is a Virtue

Young Colorado couple is willing to enter the business slowly, putting their own cattle operation together one piece at a time.

A ccording to a well-worn country adage, the best ways to enter farming or ranching are to inherit an established operation — or to marry into it. Some pessimistic pundits argue that those are the only ways. Of course, that is not true.

Another avenue into production agriculture is to pursue some other financially rewarding profession for 25 years or so and build a stash of cash. That might enable a person to retire early and buy a farm or ranch. Some people must do it that way. It might partially explain why, according to USDA survey data, 25% of beginning farmers and ranchers are 50 years of age or older.

Many of those latecomers probably waited to start their agrarian businesses until their earlier careers provided the necessary capital. Start-up also requires access to land. That requires opportunity, and opportunities to buy or rent land can be and often are scarce. Typically, well-established operators are eager to have whatever land becomes available. Most of them subscribe to the sentiment behind Mark Twain's quote: "Buy land; they're not making it anymore." Investors

Story & photos by Troy Smith, field editor

also recall that line when stock market conditions become less favorable.

Limited accessibility to land means competition to claim it is high among those with the wherewithal. Competition has driven purchase and rental prices for cropland and pasture to record levels. However our story is not about any of those who have plenty of collateral or cash. It is about young, beginning producers who have very modest amounts of either. However, Caleb and Kari Schultz do have goals. They have been given a measure of opportunity, and they are watching for more. They have patience.

A change in direction

Married only three years, Caleb and Kari Schultz met while attending Colorado State University (CSU). After graduating college, the couple lived briefly in Dallas, Texas,



working as landscape architects. Perhaps their professional pursuits would have enabled them to more easily enter the cattle business, eventually. Who knows? A talk with Kari's parents, Bruce and Diane Mann, changed everything.

The Manns' eastern Colorado operation, near Kirk, consists of a cow-calf enterprise plus dryland crop and hay production. Following his father's death and the subsequent estate sale, Bruce had rebuilt the operation almost from scratch. Health considerations prompted conversation about Kari and Caleb returning to Colorado.

Bruce wasn't ready to quit, but he needed some help. He also wanted to help his daughter and son-in-law gain a foothold if they were interested in starting their own operation.

Bidding adios to Texas, Caleb and Kari took up residence in the house where her grandparents had lived. They are remodeling it themselves.

Caleb found employment with J.R. Simplot Co. in nearby Wray. He shifted easily into the role of precision-farming specialist,

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helping farmers measure and respond to crop-production variability between and within fields. Caleb says landscape architecture also used geographical information systems and spatial data management he now applies to site-specific farming.

"It's a good job that I enjoy, and the income allows us to work toward our goal of farming and ranching full-time," says Caleb. "Kari works part-time at the Post Office, besides working in the operation every day. My schedule has some flexibility, allowing me to be there when it's necessary."

Starting a herd

During their first year back in Colorado, the couple leased cows from an area producer and began building their own herd. Starting with eight cows, they have increased the count to 30 head. After the cow lease ended, Caleb and Kari transitioned into co-management of her parents' cattle, as well as their own. Kari and her father share in their day-to-day care.

"Kari works well with her dad, and Bruce has a great attitude," states Caleb. "He's not tradition-bound, but he brings a lot of common sense to the table. He's open to new ideas, like using the AngusSource® program to market calves. He's allowed us a lot of flexibility."

Practices the couple appreciated and

helped implement included Bruce's plans for crossfencing existing pastures. It provided for an improved rotational grazing system that helped stretch grazing resources during the recent drought.

Wanting to hone their management skills, Caleb and Kari enrolled in

the Colorado Ranching Legacy Program. A cooperative effort by CSU and the Colorado Cattlemen's Association, the practicum is designed to help beginning ranchers develop skills in range livestock production and ranch management.

The experience strengthened their commitment to tending the business side of the operation. It also piqued Kari's interest in ultrasound technology. She trained under CSU faculty and now performs ultrasound pregnancy diagnosis on the Mann-Schulz cows and heifers, and assists a neighboring family with preg-checking their large breeding herd.

Kari also attended artificial insemination (AI) school and now assists her father with planning and executing the synchronized



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breeding of replacement heifers and a few select cows. Like her dad, she is particularly interested in genetics.

Herd emphases

"We know what good genetics can do for us," offers Kari. "We can't justify buying really high-dollar bulls (for natural service), but our purchases

are based on careful selection from proven bloodlines. Both EPDs (expected progeny differences) and phenotype are important to us. We definitely select for carcass merit."

Currently, the mostly April-born calves from the combined herds are backgrounded for 45 days after weaning. Steers are sold first, through an area auction market, with heifers marketed after identifying replacement candidates. As the Schultz herd expands, the couple wants to market calves privately. Another goal is to build a heiferdevelopment and marketing enterprise.

"We think there could be a lot of potential, well into the future, for merchandising replacement-quality females," explains Caleb. "Kari and Bruce use (low-stress) stockmanship. Their quiet cattle handling and selection emphasis on maternal traits and quiet disposition represent added value. Those are selling points we'll want to use when selling groups of females at private treaty."

The couple believes the cultivation of relationships with other producers will prove valuable in the transition to marketing cattle privately. They have a growing network, thanks to Caleb's professional contacts and those of Kari's brother, Tyson Mann, a loan analyst with a Yuma bank. Involvement with the Colorado Ranching Legacy Program helped expand their network. Plus, the couple has tried to be good neighbors, to strengthen the Mann family's good standing in the community.

Their network has already been useful in locating pasture and cornstalks to rent. Finding pasture near home has been most difficult. They have summered cattle as far away as western Nebraska.

"We've been too strung out to be very efficient, but we're working on that," says Caleb.

Growing slowly

Recently acquired was the lease on



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a nearby school section of rangeland bordering the Arikaree River. Also adding to their land base is the Mann-Schultz families' recent purchase of a neighboring half-section of land. The property fits their goal of diversification, and plans call for dividing the acreage between dryland crop production and pasture.

"The land was seeded to grass many decades ago, but has very good cropproduction potential," explains Caleb. "We plan to put half of the acreage to wheat, along with some neighboring land that is just coming out of the CRP (Conservation Reserve Program), and that should create some cash flow." Kari explains that the property's former owners, an octogenarian couple and longtime family friends, had decided to sell and move to the Front Range.

"Competition for land is fierce, but they were interested in helping a smaller operation grow," says Kari. "Even though it was difficult to see them leave, it was a terrific opportunity for us."

With the average age of active farmers and ranchers creeping ever higher, a good many may be looking toward retirement. It seems likely that more land may become available in coming years. The Schultzs will try to position themselves well, financially, in case opportunity knocks. "I'm not quite as patient as Kari, but she is a calming influence. So are her parents," grins Caleb. "They advised us to build slowly and avoid unmanageable debt. Our strategy is to live modestly, pay cash whenever possible, try to be diversified and look for opportunities that make sense. We don't want to jump in over our heads. We can build our operation a piece at a time."

Caleb and Kari see wisdom in the message of Proverbs 21:5, "Steady plodding brings prosperity; hasty speculation brings poverty."

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Editor's Note: Troy Smith is a freelancer and cattleman from Sargent, Neb.



► The operation is growing slowly as opportunities to rent or buy land occur, Caleb explains, pictured here in a recently acquired pasture.