



Entertaining New Ideas on Quality

Triangle H earns 2010 CAB Progressive Partner honors.

Story & photos by **Miranda Reiman**

Sam Hands, Triangle H Grain & Cattle Co., is in the entertainment business.

The Garden City, Kan., cattleman doesn't operate a dude ranch nor moonlight as a country music singer, but he says everybody in the beef industry is in entertainment.

"Today's John Q. Public does not go to work to put a roof over his head and food on his table. He goes to work today so he can pay for what he wants to do on his time off,"

Hands says. "Most entertainment involves eating, and that's where beef comes in."

The beef industry must not only recognize that, but also respond to it, he says.

"We've got a unique product — it can adjust to a lot of different environments, a lot of different feedstuffs, and still put out the most nutritious, most sought-after flavor," Hands says. "But the consumer is boss, and we've got to keep that in mind."

He embraced this mind-set early on, but that's one of the few static aspects of his business model.

It's that longstanding commitment to improvement, willingness to try new strategies and respect for the larger industry view that earned Triangle H the 2010 Certified Angus Beef LLC (CAB) Progressive Partner of the Year Award.

Family affair

Hands and his wife, Janet, plan to accept the award on behalf of the family at the company's annual conference in San Juan, Puerto Rico on Oct. 1. Triangle H, which includes a farming operation, several cow herds and two small feedlots, is a partnership among brothers Greg, Cedric and Sam Hands, along with Greg's son Tyler Hands, the fifth generation on the land.

They give their dad, Fielding, credit for creating an environment that encouraged innovation and adaptability.

"Even though he had his way of doing things, he never dictated that things had to be done his way. We were never his employees. He welcomed us as equal partners," Hands says. "We've made errors along the way, but we learned from them and kept working to make it better. We've always tried to incorporate technology, but not at the expense of quality or the bottom line."



► "Most entertainment involves eating, and that's where beef comes in," says Sam Hands.

Even their view of the cattle enterprise reflects a shift in traditional thinking.

“Here we look at cattle as a marketing tool of our farm operation,” Hands says. “Some grains go to ethanol plants, others to feedyards, dairies or grain brokers. We’ve elected to do what we can ourselves to upgrade the value of those grains through our cattle.”

About 60% of the crops they raise are marketed in this manner, but producing just any beef won’t accomplish that value-added goal by itself.

“Packer constituents have always told me the profit is in quality cattle,” Hands says. “It appeared to me that you’re never going to go wrong producing for quality.”

That’s a firsthand lesson, learned from the cow herd Hands and his dad started when he was 9 years old and grew to 150 head by the time he graduated from college and returned from military service. They had already been using artificial insemination (AI) and retaining ownership at a commercial feedyard. Although the calves worked on the ranch and in the feedlot, they didn’t know how they performed down the line.

Going after premiums

“I got frustrated with the cash market, and I had a good friend who was managing the yard we were at,” Hands recalls. “He said, ‘If you think they’re so darn good, Sam, why don’t you sell them on the rail?’ So I did. We beat the cash, but it wasn’t enough.”

They set out to improve their herd that was already hitting high performance marks, but only grading 40% Choice. They developed a relationship with Gardiner Angus Ranch (GAR) to reach those objectives and that has stuck through the decades.

“I had a lot of concern,” Hands admits. He wanted to get cow size down and improve marbling, but figured going to straightbred Angus would cost him in other areas.

“I had the good fortune through the excellent job the Gardiners do, that I didn’t give up anything,” he says. “Now the cattle are grading 90% Choice or better, gaining 4.25 pounds (lb.) per day and we’ve got pay weights in excess of 1,350 pounds. So, we didn’t give up anything, but actually gained more.”

As Triangle H got into the feedyard business in 1985, the relationship with Gardiners was inverted. The seedstock producers became feeding customers and eventually an integral part of the Triangle H supply development model.

Today, nearly all the cattle fed at either of the two 4,000-head yards come from GAR or



► To assist customers in genetic selection, 13 years ago Triangle H developed an index to identify the most profitable cattle.

Fink Beef Genetics and their customers. They have developed and tested bulls, built sire evaluation records and provided a valuable feedback loop.

“We try to keep the information flowing so the seedstock producers are working well in advance of their cow-calf customers, anticipating what their selection needs will be,” Hands says.

Triangle H is not a large feeding operation, so the family makes up for it in service.

“We are able to give individual attention to cow-calf producers, coordinate health programs with them, and sort for market readiness,” Hands says. But caring for the cattle is only half the job; the other half is arming the customer with information.

Thirteen years ago, they developed an index to identify the most profitable cattle.

“We essentially rank every animal based on average daily gain (ADG) and carcass traits,” he says. “We’ve established a constant value.”

Producers can use this index to compare year-to-year data, without the influence of market fluctuations.

“We send that information back to the producer so they can utilize that to make better decisions in their future breeding programs,” Hands says.

Building a reputation

If the data doesn’t attract producers to Triangle H, the reputation does.

“People tend to do business with people they trust,” says Dee Likes, executive

vice president of the Kansas Livestock Association (KLA). “We’re pretty connected in this industry and your reputation means everything. That’s one of Sam’s real attributes.”

Clint Cope, manager of Doyle Creek Land and Cattle at Florence, Kan., says he is a “hands-off” customer, so that kind of confidence in a feeder is key.

“He’s going to do everything for me that he does for himself, and he is going to try it out for himself before he becomes a big believer in it,” he says. “Sam is probably one of the best as far as communicating any issues back or even discussing new ideas or options.”

Progressive, yes, Cope says, but not hasty. “Any time he calls to bounce an idea off me, he’s got it thought out and is pretty confident,” the Flinthills rancher says.

When Hands finds a method that works, he cultivates it. That’s how the Triangle H cow herd has grown. Irrigated farm ground is king in southwest Kansas, and adding more cows meant finding more grass. They started by converting a few pivots to cool-season grass, which allowed them to expand to 500 cows to summer there, with crop residue in the winter.

“You really have to manage it if you’re going to get the results out of it,” he says, noting the required fertilizer and water make it a high-input pasture option.

When they purchased the feedyard and found more success in feeding their cattle

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rather than backgrounding unknowns, a need for more cows was created.

"We weren't in a position to go buy ranchland, so instead we found operators with grass who were willing to take care of cows on a custom basis," Hands says. Triangle H now has 2,000 cows spread across eight satellite herds in Colorado, Kansas, Missouri and Oklahoma. They provide genetics and vaccination programs and retain full ownership on the steers, and many of the heifers are developed as breeding stock.

All the irrigated grass quarters remain, but the other crop mix has changed in the past few decades. There's less wheat, but more corn, for example.

"We still do a lot of grazing of crop residue because that's our cheap pasture," Hands says. "We build a lot of electric fence and haul a lot of water."

Completing the circle

So hard work and ingenuity built the cow herd and feedlot, but it seems the circle was complete with the inception of U.S. Premium Beef (USPB) in 1997. Triangle H was a founding member.

"This gave us a chance to vertically integrate a little further," Hands says. "We'd been collecting carcass data on our own herd since the '70s, but today we get individual carcass data on practically every hoof that goes through our feedyard."

Hands says the USPB grid is one of the best available, and his customers routinely bring back anywhere from \$60 to \$150 in per-head premiums by selling on it.

The feeder and the packer have quite a few synergies.

"Their focus has always been on quality, and I think that's made a big difference," Hands says. "They have rolled with the punches and prepared for the future and continued to grow."

Likes, who has seen Hands influence the industry through beef council work and KLA involvement, says the same is true for the cattleman.

"Sam epitomizes the progressive, new-age cattleman who values the traditions of the past, but is very, very active in embracing the future technologies," he says. "Being an early member of USPB just shows he's an early adopter of new, creative business models and marketing techniques. That concept was just so new at the

time, you had to be a real committed, forward-thinker to get in at the early stages."

Triangle H was the first feedyard to formalize its relationship with CAB, too. In December 1998, it signed as the inaugural member of the Feedlot-Licensing Program (FLP), which now numbers more than 60 feedyards in 14 states.

Hands says he made that move because CAB's goals fit with his.

"It's given a lot of encouragement to yards across the country to follow a similar pattern and focus on quality," he says. "It shows the big profits really are in the quality cattle."

And Hands recognizes that rings true for Triangle H and for the greater beef industry.

"He understands the things you have to do to produce what the consumer desires as the entrée of choice," Likes says. "With Sam Hands as one of the great role models for cattlemen in this business, we have a better chance of preserving beef's place at the center of the plate."



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