



**KING RANCH INSTITUTE  
FOR RANCH MANAGEMENT**  
TEXAS A & M UNIVERSITY - KINGSVILLE

Volume 3, Issue 2  
Summer 2007

# Challenges and Opportunities

Photo by Tom Urban - *Wildlife of the King Ranch* collection



**"You gain strength, courage and confidence by every  
experience in which you really stop to look fear in the face...  
You must do the things you think you cannot do."**

- Eleanor Roosevelt

#### **KRIRM Management Council**

Chair: James H. Clement, Jr., *Chairman, King Ranch, Inc.*

Caroline Alexander Forgason, *Robert J. Kleberg, Jr. & Helen C. Kleberg Foundation*

Gus T. Canales, *A.T. Canales Ranches*

Dave DeLaney, *VP and General Manager of Livestock and Ranching Operations, King Ranch, Inc.*

Lynn Drawe, Ph.D., *Director, Rob & Bessie Welder Wildlife Foundation*

Paul C. Genho, Ph.D., *President, Farm Management Company*

Bob McCan, *McFaddin Enterprises*



**TEXAS A&M  
UNIVERSITY  
KINGSVILLE**

NEWSLETTER



## *From the Director, Dr. Barry Dunn*

The ranching industry is faced with unparalleled levels of change in the most fundamental parts of its business.

The price of inputs like land, corn, transportation, labor, health care for employees, and energy are all rising to historically high prices.

In spite of concerns related to emerging diseases and related international trade issues, the price of a ranch's primary output, beef, is also at or near record highs. The emergence of various types of hunting enterprises as highly profitable additions to a ranch business have brought with them not only excitement, but also a renewed interest in conservation. Non-consumptive enterprises like photography and eco-tourism also hold tremendous potential as viable profit centers. But additional factors of the ranching business, like the availability of skilled labor, the viability of supportive rural communities, or the differentiation of markets for natural and organic food, are also undergoing dramatic change.

Some are extremely positive. Others present solemn challenges. While historically the ranching business has dealt with many serious changes over its long history, rarely, if ever, have so many key parts of the business re-aligned themselves in one short period, as they are currently.

A logical response by serious and thoughtful ranchers to these challenging times is to enter into a planning process that combines the strengths of two planning processes: strategic management and scenario planning. This is why we have chosen them to be the focus and topic of our 4th Annual HOLT/CAT Excellence in Ranch Management Symposium on October 25th and 26th, 2007.

Strategic management is a time tested and very successful process for the determination of strategies and associated tactics in order to help a business achieve a clearly defined vision. Scenario planning is the process of, as objectively as possible, creating likely scenarios that a business will face based on demographic, social, political, and business trends. Combining the two entails testing multiple strategies, pre-determined through the process of strategic management, against a set of likely scenarios. The strategies that are determined to work the best in the most scenarios are then candidates for implementation in a business plan.

This year's symposium will incorporate several aspects from past symposiums that we hope will make it unique and effective.

- The speakers we have chosen are not only experts in their fields, but are also excellent presenters.
- Topics will be addressed by ranchers as well as experts.
- We will provide a workbook for you to use and take home.
- We will break into smaller groups to allow for more interaction between you, the speakers, and your fellow participants.
- The papers from the symposium will be printed in the Society for Range Management's journal "Rangelands" and sent to everyone who attends.
- Tours of the beautiful King Ranch will be available.
- At Thursday night's banquet, we will be treated to a presentation about the life and work of the great western and Texas artist, Tom Lea.

While the future is inherently uncertain, risk can be mitigated. The planning process outlined in this year's symposium is designed to help ranchers do just that; mitigate risk through planning. Please join us! Your participation will enrich us all.



# WAGON TRACKS

# Ranchers and Experts to Headline HOLT/CAT Excellence in Ranch Management Symposium on October 25-26th

King Ranch Institute for Ranch Management will host their 4th annual HOLT CAT Symposium for Excellence in Ranch Management, October 25-26, 2007 at Texas A&M University-Kingsville.

This year's theme is "Developing Management Strategies for a Changing Ranching Industry." The format will be predominantly workshop style to allow greater interaction, as well as provide a stimulating environment for ranchers to develop strategic plans for their own ranching operations.

"The ranching business is undergoing an unprecedented level of change in everything from the price and availability of inputs, to the price and the method of how cattle are being valued in the marketplace," said Dr. Barry Dunn, Executive Director of the King Ranch Institute for Ranch Management.



**Dr. Mike Mazzocco is this year's keynote speaker. He will discuss how strategic management can be applied to the ranching industry.**

ethanol industry on ranching, the changing marketplace for livestock, and volatility in the industry. Incorporating the balanced scorecard approach to ranch management, the topic of last year's Excellence in Ranch Management Symposium, into strategic planning will also be part of the process described during the program.

Dr. Michael Mazzocco from the University of Illinois is this year's keynote speaker, and he will discuss how strategic management can be applied to the ranching industry. After Mazzocco's keynote address, participants will then rotate through concurrent workshops to discuss and learn about the impact of three new forces on ranching.

"As in past years, the format of each breakout session will include a team approach, with an expert from academia addressing the topic, along with a rancher who also brings a practical perspective to the issue," said Dunn

"Land prices are soaring, as are opportunities for adding additional income with enterprises based on wildlife," said Dunn. "Strategic planning, in combination with scenario planning, are proven business tools that can help ranchers take charge of their future, rather than merely reacting to it."

Symposium topics center around developing management strategies for a changing ranching industry brought on by new external forces. Topics to be addressed include the impact of the new

Brian Bertelson, director of field operations of U.S. Premium Beef, and Wayne Fahsholtz, CEO of the Padlock Ranch in Wyoming, will discuss the changing livestock marketplace and offer and explain alternatives for ranchers to consider.

Dr. Jim Mintert from Kansas State University and Shelby Horn, Vice President of Operations and Cattle Marketing for Farm Management Company, will discuss the impact on the ethanol industry and ranching. Dr. Ted McCollum from Texas A&M University and John Welch, General Manager of Spade Ranches in Lubbock, will discuss the unprecedented volatility in the marketplace and recommend strategies to cope with it.

On Thursday evening, participants will enjoy a special banquet featuring a presentation by Adair Margo of the Adair Margo Gallery in El Paso. Margo will share slides and insights on the legendary western painter and author Tom Lea to commemorate the 50th Anniversary of his classic book about the King Ranch and the 100th Anniversary of Lea's birth.

In addition, there will be tours of King Ranch and social activities designed for networking.

There will also be a pre-symposium educational event concerning beef producer management and practices as outlined by the Texas Beef Quality Producer Program. This portion of the symposium will feature the National Cattlemen's Beef Association BQA guidelines. This will be held on October 24th and is open to the public, however, pre-registration is required.

Registration information can be found inserted into this newsletter or at <http://krirm.tamuk.edu> or by calling 361/593-5401. The cost for the informative and progressive program is \$150 per person.



**Brian Bertelson of U.S. Premium Beef will discuss changes in the livestock marketplace with Wayne Fahsholtz of the Padlock Ranch.**



**Dr. Jim Mintert from Kansas State University will lead the "Ethanol and Ranching" session with Shelby Horn of the Farm Management Company.**



**Texas A&M's Dr. Ted McCollum will discuss volatility in ranching with John Welch of Spade Ranch.**

# 2007 HOLT CAT® Excellence in Ranch Management Symposium Schedule

“Developing Management Strategies for a Changing Ranching Industry” • October 25-26, 2007  
Memorial Student Union Building (SUB) - TAMUK Campus

## Thursday, October 25:

- 11:00 a.m. – 12:00 p.m. Registration, *Ballroom B*
- 12:00 p.m. – 1:00 p.m. Lunch, *Ballroom A*
- 12:20 p.m. – 1:00 p.m. Keynote Speaker, *Ballroom A*
- 1:00 p.m. – 2:45 p.m. Scenario 1-2-3, *SUB, Various Rooms*
- 2:45 p.m. – 3:15 p.m. Refreshment Break, *Ballroom B*
- 3:15 p.m. – 5:00 p.m. Scenario 1-2-3, *SUB, Various Rooms*
- 6:00 p.m. – 9:00 p.m. Dinner, *Wildlife Center-TAMUK*  
*Program by Adair Margo on the Life and Work of Tom Lea.*

## Friday, October 26:

- 8:00 a.m. – 8:15 a.m. Introduction, *Ballroom A*
- 8:15 a.m. – 10:00 a.m. Scenario 1-2-3, *SUB, Various Rooms*
- 10:00 a.m. – 10:30 a.m. Refreshment Break, *Ballroom B*
- 10:30 a.m. – 11:45 a.m. Scenario 4, *SUB Various Rooms*
- 11:45 a.m. – 12:15 p.m. Wrap-up, *Ballroom A*
- 12:15 p.m. – 1:00 p.m. Lunch, *Ballroom A*
- 1:00 p.m. – 5:00 p.m. Choice of Tours: Cattle and Horses; Range and Wildlife; Birding; History (Loop Road, Saddle Shop, King Ranch Museum)

### *Keynote Speaker & Topic:*

The Power & Process of Strategic Management: Mike Mazzocco

### *Scenarios Speakers & Topics:*

- #1: The Ethanol World and Ranching: Jim Mintert & Shelby Horn
- #2: The New Cattle Marketplace: Brian Bertelson & Wayne Fahsholtz
- #3: Volatility and Ranching: Ted McCollum & John Welch
- #4 Topics to be developed by Participants.



**KING RANCH INSTITUTE  
FOR RANCH MANAGEMENT**  
TEXAS A&M UNIVERSITY - KINGSVILLE

MSC 137  
Texas A&M University-Kingsville  
Kingsville, TX 78363-8202

Visit our web site at <http://www.krim.tamu.edu> • 361-593-5401