

# THE CATTLE CALL

## Newsletter for Alumni of the TCU Ranch Management Program

Vol. 35 Number 1

Spring 2008

### From the President Gilly Riojas 2002

As I write this article spring is in full bloom with trees beginning to bloom and the grasses starting to come alive. This new beginning of spring gives you a sense of urgency and lets you forget momentarily that fertilizer is over \$400 a ton and going up and that farm diesel is over \$3.00 a gallon and also going up. With what is going on in the economy and with such a large increase in input prices, it really makes one sharpen your pencil a little more and try to make your operation as efficient as possible. Besides if life never threw you a hard slider what fun would it be?

Roundup was just over a month ago and what a huge success it was. Each year that I have been to roundup it has continued to get bigger and better. This year we raised the most money through the auction that we have ever raised, and also had one of the largest attendances ever recorded. Roundup is becoming such a large event that next year we will be moving the event down to the Stockyards' area to try accommodate our alumni for both meeting space and social opportunities. I was very impressed with the members of this years class that I got to visit with and am very confident that they are upholding our high standards and come this May will make excellent alumni.

Since not all the alumni are able to attend Roundup or the class agents meeting that is held the night before, I would like to explain what is going on with the Ranch Management program. The most important topic that was brought up was the amount of money that has been raised by our program over the last year and the amount of

scholarship money that we are able to give the current students to be able to attend the program. I have always felt that finding qualified students to come to the program would not be a problem, but it would be getting them through the program from a financial aspect that would be difficult. As we all know TCU is a very expensive school to attend and there is a lot of sticker shock when parents or students find out the amount of money they will have to pay for one year of school. However, due to the hard work of our alumni we have been able to increase the amount of scholarship money that we are able to award our students each year. We have been very lucky that our alumni give so much both monetarily and emotionally to our program. By supporting the program we can insure that we will have not only the best students for years to come but also the best alumni.

I would like to thank all the staff and everyone that was involved with Roundup. It was a great success and saying "thank you" really doesn't do enough. I would also like to welcome Mr. Steven Mafrige from Tilden, Texas as your next Alumni President who will take over in 2009. Again, I would like to thank everyone who participated in such a great Roundup and look forward to seeing everyone in Ft. Worth this summer for the roping.

Gilly Riojas  
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Congratulations to Mr. John Merrill, he is receiving his PhD. That's right, it is not a misprint, misquote, or a mistake. TCU is honoring our own, John Merrill, with one of the highest honors that can be bestowed upon an individual.

Mr. Merrill will receive an honorary Doctorate of Science degree on May 10, 2008. This honor has been based on his lifelong commitment to TCU, the Ranch Management Program, and the Beef Cattle Industry.

Mr. John Merrill has made a mark on the beef cattle industry, conservation, and stewardship of the land through his many years of service and in educating the industry leaders of yesterday, today, and tomorrow. Over the years he has touched and inspired many, across the nation and the world. This honor shows the level of respect that everyone at TCU has for Mr. Merrill's many years of service and dedication.

### Summer Roping

June 13-14

Fort Worth, Texas

Details and Registration  
on Pages 5 & 6



## Scholarships

A couple of years ago our department underwent a strategic planning session that proved to be very beneficial. At first, the idea was met with some resentment and cause for concern. Although, after going through the process, it became very evident that it was a tremendous opportunity for our organization to self evaluate what we were doing and outline how to do it better. This is important for any organization. To take the stance that you are perfect and can't possibly get any better, is more than likely very short sided.

One of the recommendations that came out this process was for the Program to continue to succeed; we needed to raise the scholarship endowment in order to help deserving candidates afford the high cost of tuition.

Over the past two years we have been able to raise the scholarship endowment by roughly 21%. This has been a tremendous accomplishment. We haven't reached our goal, but we are well on the way. Thank you to all who so generously gave throughout the year, and especially your generous response to the annual giving letter sent out last fall. Each gift big or small makes a difference and puts us one step closer to our goal. We hope to see the same success continue over the next few years.

Below is a list of the most recent scholarships that have been established to benefit the students of the Program. Along with this list are a few of the scholarships that continue to grow annually through your great support. If you, or someone you know, would like to visit about how to be involved in this process, please let me know. If I can't answer your questions, I can put you in touch with someone from the Office of University Advancement. Thank you

again for your continued support of the Ranch Management Program.

### Endowed Scholarships Established in 2007 & 2008:

Cass O. Edwards II Ranch Mgmt. Scholarship  
 Greathouse Ranch Mgmt. Scholarship  
 Burnett Ranches Scholarship  
 Mayfield Farms and Ranch Scholarship  
 John Medford Crowder Memorial Scholarship  
 James Millett Scholarship in Ranch Management  
 Scharbauer Roundup Scholarship

### Ongoing and continue to grow through annual participation;

Ranch Management Alumni Scholarship  
 Ranch Management Partners Scholarship  
 Intervet, Inc. Ranch Management Scholarship

### Recently established, but not endowed:

Acola Family Ranch Management Scholarship  
 Philip T. Bee Scholarship  
 Nolan Ryan Foundation  
 F. P. and Rachel Feltz, Sr. & F. P. Feltz, Jr. RM Scholarship

### Established as Annual Expendable Scholarships:

Bettina and Travis Mathis Scholarship in Ranch Management  
 Stephen Shawn O'Neal Scholarship

For a complete list of Ranch Management Scholarships visit our website.

## Roundup

This year roundup was another tremendous event, and a good time was had by all. Due to the growing attendance of the past few years at Roundup, we have outgrown our current location. We are happy to announce that next year's Alumni Roundup will be held at the Stockyards Station in the historic Ft. Worth Stockyards. The Stockyards

Station is large enough to give us some growing room for several years. Mark your calendars now for "Saturday, January 24" and make plans to attend Roundup 2009.

The items donated to the auction and the competitive bidders did a great job of raising money for the Alumni Scholarship fund this year. The auction brought in over \$14,000. The corporate sponsorships raised \$13,500 to help offset the cost of the event, with any remaining funds benefiting the Alumni Scholarship. Please note the list of sponsors on Page 7.



## External Forces in Agriculture

It seems we always hear of how, with the advent of technology, we are now "one world". To me, that implies that "everything affects everything" and the speed of communication makes us aware of it instantaneously. Ranching and cattle are part of this "one world". As you all know from recent goings-on in the California cow-processing incident, we might consider handling our business and our employees in a manner that would be easily explainable to a person from another industry. Such is business operation in the global marketplace.

In the global cattle business, we know how fast news travels from South Texas to Amarillo to Brazil and Australia. As I heard it recently stated, "There are few secrets today". In thinking about this, I was reminded of how other forces are at work in the daily goings-on of agriculture, from technology to consumers to investors. For example, we all cuss and discuss "the funds" in commodity markets. However, I think we could all agree they are real. That said, if we just look at index funds, which only trade the "long" side of the market, they have an

impact on agriculture. For example, in early March, index funds held approximately 146,000 long contracts in live cattle, alone. That was 50% of the total long open interest. Meanwhile, they held 26% of feeder cattle longs and 25% of long open interest in the corn market.

Further, the amount of money going into the funds operating accounts seems to be growing. One source notes that Standard and Poor's estimates that the Goldman Sachs Commodity Index will increase from its current asset base of \$85 billion to the \$100 billion range by year's end. For comparison, the recent buying spree by JBS to become the world's largest red meat processor saw JBS gobble up National, Swift, Smithfield Beef and Five Rivers Cattle Feeding for 1.7 billion. So, for perspective, Goldman Sachs has about 50 times the value of that purchase, as part of their commodity investment portfolio.

In addition, it seems hedge funds are testing the waters in owning physical agricultural assets. One particular fund, with assets over \$7 billion recently paid \$57 million to buy 100 circles of corn land in the Midwest. As in the past, these managers may decide they do not like the physical production side of the business. However, in the short term, they will affect agricultural markets and land values, both of which we are all involved with.

As managers and resource owners, our task is not to jump from the highest window. Instead, we must remain aware of the structural and market changes that are occurring in global agriculture and ranching and seek out new opportunities to stage our operation and our production in the demand path of this "one world". It is an exciting time filled with opportunities to participate. Until next time, all the best.....



### Stuck in a Rut

A sign on a rugged Alaskan highway read: "Choose your ruts carefully you'll be in them for the next 200 miles". As I read a story about the winter ruts in Alaska, I could not help but think about how easy it is for us cattle managers to get stuck in ruts. As we travel across the state we are continuing to hear of more and more producers using composite bulls. As you plan your breeding season this year you need to consider a few factors.

First and foremost, we need to have our marketing plan completed before we turn the bulls out. We must have predetermined markets and targeted weaning weights. It is very difficult from a bull selection stand point to hit both targets of quantity (red meat yield) and quality (carcass traits). With the increasing COG on wheat pasture, the lighter weight cattle are going to be discounted. Our bull selection is going to have to shift to producing heavier calves, unless you're retaining ownership, or sell calves off the ranch on a quality grid. This can be done one of two ways, either by weaning heavier calves or holding on to the calves after weaning and grassing the cattle to heavier weights.

As we evaluate the composite bull option the first factor that stands out is the Hybrid vigor. The composite advantage is the cross of two breeds at differing percentages. Hybrid vigor is also known as heterosis. This describes the increased strength of different traits in the hybrid. This allows the offspring to be a better individual by combining the virtues of its parents. This increased strength in growth traits is the most economical weight you can put on the calves. Using composite bulls will increase your weaning weights as the heterosis increases from the breed differences in your cow herd and the composite bull. The more difference in breeds the

more heterosis will occur in the offspring. Sometimes this will increase the outliers or non producers in a calf crop also.

Composite bulls can also be used to enhance traits that need to be overcome in the cowherd. The cowherd must fit her environment. Many cowherds in today's pastures have out grown their environments. The cowherd may have more Bos Indicus or straight breeds than is needed in the calf. This composite bull can add the English and Continental influence needed for growth in that calf. The more inbreeding of one breed will reduce the heterosis and hybrid vigor in a calf.

The take home message is in our current bull selection "Are we maximizing the heterosis in our calves?" There are many ways for cattle managers to get stuck in ruts. My suggestion is that we all need to evaluate our operations and make sure we are not stuck in a rut that is costing us money.



### A Great First Year

At the risk of making this article all about me, I wanted to use this opportunity to share my first year with the Ranch Management Program at Texas Christian University. It has truly been a great year for me and my family. Being a part of such an awesome program has been a huge blessing and a great learning experience for me.

I have had the opportunity to travel on all but one of the field trips, meeting many of the wonderful alumni and other gracious hosts that allow our students almost unlimited access to their ranches and businesses, as well as the management and records thereof. I

am amazed as I look at the trips that I have been on and the trips that I have scheduled for this spring, at how generous and helpful our alumni are to this program.

After two of the winter roundups and a summer roping, I have had a chance to sit down and visit with many other alumni and their families. This just drives home the point that this is a very tight knit group that loves to get together, visit, and have a good time, all the while continually learning together and from one another.

As most of you probably know, I have also been allowed to sit in on the coursework over the last year. This enabled me to better understand the structure and dynamics of the program. I must say that this program is unlike any other that I have ever had the privilege of being around. The coursework, the instructors, and the unique structure are amazing in the way that they encourage and teach such an enormous amount of material in a manner that encourages the success of the students.

On a personal note, my family and I have settled into a house outside of Weatherford. We have really enjoyed our first year in the community and have found a church that we love. We have been abundantly blessed this past year!

As I wrap up the summary of my first year with the program, I must apologize if it seems that the whole article is about me. My goal for this writing is to let each of you know what a privilege it is to be a part of something as great as this program and to thank all of you for helping me feel so welcomed into it. I would encourage each of you to continue your respective involvement with the program. You are such a vital part of TCU Ranch Management. And TCU Ranch Management is so vital to our industry.

### **JOB OPPORTUNITIES**

As a service to our alumni, Ranch Management offers job leads. We accept job postings for upcoming positions and pass that information onto our alumni currently on the job opportunity list. You may request that your name be placed on this job opportunity list at any time. You will remain on this list for three months. If you wish to remain on the list past the allotted time, you must notify us of your intent.

For those seeking employees for their ranching operation, please contact our offices at 817-257-7145 to post your

job announcement and we will be happy to get your contact information out to those seeking employment.



### **OUTSTANDING ALUMNI**

**Chris Scharbauer '73** and Scharbauer Ranch, LLC was named Show Honoree for the Southwest Region by the National Hereford Association during the Fort Worth Livestock and Rodeo. An entire weekend was dedicated in their honor. This prestigious recognition is bestowed upon an individual or ranch for their strong support to the Hereford industry.

**R.W. (Dick) Winters '85** has been appointed by Governor Rick Perry to be a Commissioner for the Texas Animal Health Commission. The commission protects and enhances the health of animal populations across the state.

**We Would Like to Thank Our Generous Sponsor  
of  
Roundup 2008**

*Trail Boss Level*  
**Lone Star Ag Credit**  
**Elanco Animal Health**

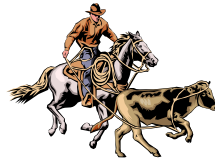
*Wrangler Level*

**TSCRA/Bayer Animal Health**  
**Fort Dodge Animal Health**  
*A Division of Wyeth*

*Cowboy Level*

**Boehringer Ingelheim Vetmedica, Inc.**  
**Global Animal Health Management • Tri-Merit**

## 22nd ANNUAL SUMMER ROUNDUP



### Schedule of Events

#### Friday - June 13, 2008

**6:00 pm** Pool side Party with complimentary hors d'oeuvres. **BYOB**

#### Saturday - June 14, 2008

**8:30 am** **Roping at North Texas High School Arena**

Arena is located behind the Windy Ryan. There are horse stalls available at the Saginaw FFA Ag Barn for both Friday and Saturday night and will cost \$10.00 a night. We are sorry for the inconvenience but there are no camper spaces available.

<u>Event</u>	<u>Fee</u>
Buckle Calf Roping-4 head (rope all calves)	50.00
Calf Ribbon Roping-2 head (rope all calves)	25.00
*Mixed Team Roping 3 head (progressive after 1)	30.00/Team
** Super Buckle Team Roping- 3 head (progressive after1)	50.00/man
*** Buckle Class Team Roping- 3 head (progressive after1)	30.00/Team

\* Alumni must rope with wife or husband or son or daughter 18 and under

\*\* Number of draws per alumni will be determined at roping (hopefully 8 partners)

For Example: You can head 4 and heel 4

You can head 8 or heel 8

\*\*\* Both ropers must be alumni from same graduating class (reverse ends are allowed)

Kids Events- Dummy Roping (Ropes Provided) and Boot Scramble

**12:00 pm** **Lunch will be provided by Jerry Horner (Walco), Jay Quade (Bayer Animal Health), and Robert Horner (Agri-Labs)**

**7:00 pm** **Saturday night Social, Bonds Ranch Headquarters in Saginaw.**

**BYOB**

**Head Chef Todd Richardson (Cattle Log)**

**Awards presented**

**As always Kevin Przilas will be presenting a saddle donated by Intervet to a lucky individual**

**22<sup>nd</sup> ANNUAL SUMMER ROUNDUP  
TCU RANCH MANAGEMENT ALUMNI**

We invite you to come enjoy a good time with great TCU Alumni at the North Texas High School Arena located in North Fort Worth just behind the Windy Ryan Arena.

**REGISTRATION FORM**

Please complete and mail the following registration form by May 25, 2008 to:

**Bob and Diane Payne  
1775 CR 2655  
Telephone, TX 75488**

**BOB: (903) 227-6779    Email [dearolbob@yahoo.com](mailto:dearolbob@yahoo.com)    Diane: (903)-227-6433**

**Name** \_\_\_\_\_ **Year** \_\_\_\_\_

**Address** \_\_\_\_\_ **Phone** \_\_\_\_\_

**City** \_\_\_\_\_ **State** \_\_\_\_\_ **Zip** \_\_\_\_\_

**Roping Registration Team Roper** \_\_\_\_\_ **Calf Roper** \_\_\_\_\_

**Total number of person's attending:** \_\_\_\_\_

**Friday Night Light Hor-Dorves & Gathering- Poolside:** \_\_\_\_\_

**Saturday Lunch at Roping:** \_\_\_\_\_

**Sponsored by "Jerry Horner (Walco), Jay Quade (Bayer), & Robert Horner (Agri -Labs)"**

**Saturday Night Dinner:**

**Adults** \_\_\_\_\_

**Number of Children (12 and under)** \_\_\_\_\_

**Donations Appreciated**

**AMOUNT ENCLOSED \$** \_\_\_\_\_ **Please make checks payable to:**

**"TCU Ranch Management Summer Roping" and mail to Bob and Diane Payne**

**Please make your hotel reservations directly to the:**

**La Quinta                                    Rate: \$89.00 + taxes per night**

**4700 North Freeway**

**Fort Worth, TX 76137**

**(817) 222-2888**

**Confirmation Reference: TCU Ranch Management Summer Roundup Rooms reserved until May 15 reservations received after this date will be accepted on a space availability basis only.**