

## RANCHING FOR PROFIT

### RANCHING WITH NATURE

North American livestock producers are the most productive in the world. We are also the least profitable. Could it be that our battle to increase production is the reason for economic failure?

We are engaged in a cold war with nature. We are armed with an impressive arsenal. We seed and fertilize and spray and mow and plow and burn. We vaccinate, drench, implant and supplement. We feed from barrels, blocks, bales and bags. We keep bunkers full of hay. We fight the weather to get feed to the cows and struggle to save calves born in winter and spring storms.

All of these things have made us productive. They have not made us profitable. We are running out of money. Just like the cold war bankrupted the Russians, our cold war will bankrupt us.

We are going bankrupt economically and biologically. Take for example our reliance on energy. Burt Smith, extension specialist in Hawaii says, "*There's a lot of oil in a pound of steak,*" referring to the fossil fuel infrastructure of our industry. What effect will increased energy prices have on the structure of our industry? Even more troubling are the projections from the U.S. Geological Survey, World Watch Institute and the American Petroleum Institute, reporting that known and expected fossil fuel reserves will be exhausted in 40-50 years!

We are running out of more than just energy. According to Natural Resource Conservation Service estimates, the rate of erosion from range and pasture lands averages twice the rate of soil formation. Soil loss from cropland is over 4 times the rate of replacement.

It seems like the frequency and severity of floods and droughts are increasing. Weed problems are increasing and our dependence on fertilizers and herbicides is growing. We work dawn to dusk, with a business that may have assets of a million dollars or more, living like paupers. These and other stresses are straining relationships within farm and ranch businesses. Conventional farming and ranching is not sustainable.

Will we keep farming and ranching until the money, oil, soil and family all run out?

There is an alternative. Ranching can be economically, environmentally and socially sustainable. But profitable ranching requires a drastic change in our thinking. Einstein could have been talking about the livestock business when he said "*the significant problems we face today can not be overcome with the same level of thinking which caused the problem.*"

Maybe we should start by thinking about one of the most productive grazing operations in history. The operation was incredibly productive before we ever built fences and barns, or grew and fed hay. The operation still goes on today although on a much more limited scale. This efficient operation has no expensive infrastructure or capital costs. Overhead costs are at a minimum. It uses a concentrated breeding season, and a strict culling policy. It may be the prototype of a profitable ranch today. It's nature.

What would happen if instead of fighting nature, we worked with nature ... if we tried to help nature do what comes naturally?

We can start by recognizing that we are not so much in the cattle business as we are in the energy business. Our job is to capture, harvest and convert solar energy into harvestable products.

Nature doesn't need equipment to harvest forages, neither do we. She uses four-legged combines. So can we.

Nature doesn't have high capital expenses or overheads ... and neither should we. Nature selects animals to fit the environment and so should we.

Nature fits the reproductive cycle of her animals to match the forage cycle. So should we.

What would happen if we cut all of the fences and abandoned our ranches? Would all the animals die, or would some survive? What would those that survived be like? When would they calve? What would the conception rates be like?

Wild populations of deer, elk and bison typically have conception rates of 65 to 70%. When a rancher's cow herd has a conception rate of 90%, isn't it fair to say that his conception rate is really only 25% ... after all nature did the rest without our help (interference?). Now think about the infrastructure we have established, all of the overheads we bear and all of the hay we feed to support that 25%.

Change is never comfortable, but there has never been a better time for change in the livestock business. The industry is not economically, biologically or socially sustainable. It's hard to go downhill when you are sitting at the bottom.

Tom Lasater, founder of the Beef Master Breed once said, *"I think Nature is smart as hell. I help as much as I can but I try to let her do most of the work."* Lasater's approach of ranching with nature will be the key to sustainable production in the years ahead. It is a powerful strategy for businessmen who are Ranching For Profit.

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