

Bo Kizziar

By James Hunt



“Why in the world do you stay in this business?”

With all the hard times they go through, many cattlemen might say that’s not the easiest question to answer. But ask 2011 TCFA Chairman Bo Kizziar and his answer’s pretty simple. It’s only natural to stay in a business that’s been your way of life since childhood.

“I was raised around cattle, and I enjoy working with them. There’s not a day goes by that I’m not out driving the alleys and looking at cattle, watching them eat, watching them play. Even watching the way they go about finding that perfect spot to lie down. It’s fun to watch that. They’re interesting to me.”

His early lessons as a cattleman came from his father on a farm and ranch located between Spearman and Perryton. “As soon as my dad was confident that I was big enough to ride, I started working cattle with him. My father taught me all kinds of things about what it is to be a good cattleman. He certainly taught me that hard work is a virtue, and I hope I’ve lived up to that. There really isn’t any other way to make it in this line of work.”

Bo began building his cattle feeding resumé as a teenager with a summer job at Wheathart Feeders in Perryton. “I remember going to that feedyard for the first time. My immediate thought was I couldn’t believe how big a steer could get.”

Apparently, a lot of things in that job made a big impression on him because Bo decided to make cattle feeding his life’s work. After graduating from Perryton High School, Bo went to college briefly a year at Sul Ross and a semester at Texas Tech but in his heart he was ready to go to work. In 1974, he got a job with Caprock Industries (a subsidiary of Cargill Incorporated) and would eventually spend time at each of the company’s original four feedyards, including a 20-year stretch as general manager of Cargill’s Dalhart yard. Bo left the company in 2000 and worked for himself for a while. But in 2003, he returned to feedyard life when he took his current job as manager of Hansford County Feeders, a 50,000-head capacity independent feedyard near Spearman.

“I don’t want to make too much out of it, but I guess you could say that cattle feeding has been a calling for me,” Bo said. “I do believe we’re performing a necessary service for the world by providing a source of protein and other nutrients that people need. That’s important to me. I get some of my motivation from knowing I’m involved in an effort that

keeps people from going hungry.” Besides, Bo said, “My wife Carol thought it was time for me once again to have a real job.”

And like most people in the business, the allure of cattle feeding is kept alive for Bo by the expectation the cattle that he purchases will be profitable. “When you buy a set of cattle, typically, you believe they have a chance to make money. You might not know what component in the break-even is going to change enough to make that happen, be it cattle performance or input costs or fed cattle prices, but you go into it with an optimistic view.”

More Cattle Needed

If only Bo could get more people to share his optimism about making a life in the cattle business. As TCFA chairman, he is fully aware that the industry is up against a wide variety of tough issues. But there’s one in particular that troubles him the most.

“The biggest fear I have today is this shrinking cow herd,” Bo said. “It’s going down faster than our technology is allowing us to increase beef production. There’s a point where you just don’t make cattle any bigger. We’ve got to be approaching that. We’re not going to sell carcasses much bigger than we are today. The consumer market can’t handle them.”



For cattle feeders to meet the need to increase production, Bo said, “We’ve got to have the cow/calf producer increasing their calf numbers. If we start tomorrow growing the cow herd, we have three to four years before we significantly increase the available feeder supply. Some cattle feeders are probably going to be hurt. We may have to close some feedyards. I hate to be negative, but it looks to me like we’re in tight numbers until we can do something to increase the calf crop.”

Talk about a tough question to answer. How to get the cow herd growing again has become an agonizing quandary for the cattle industry. Easy solutions are not available, and Bo noted the cattle business cannot rely on what used to be standard fundamentals. “Back in the days when we had the traditional cattle cycle, profitability would eventually cause cow-calf producers to hold back more heifers, lease or buy more land, acquire more cows and such. But land values and alternative uses for land, like recreation, have almost shut that down. It’s a whole different ballgame for those producers. We even have some producers who feel supplies are right where they need to be to afford profitability to their segment.”

It’s also hard to expect ranchers to not sell their cows for slaughter when prices for cull cows have been so strong, Bo noted. But in his opinion, land availability is the critical factor. He would like to see government policy modified to free up more CRP land for grazing. “We need a lot more grazing acres, and I believe there are ways to use CRP land and still meet the program’s preservation goals.”

“I do believe we’re performing a necessary service for the world by providing a source of protein and other nutrients that people need. That’s important to me. I get some of my motivation from knowing I’m involved in an effort that keeps people from going hungry.”

Corn Prices Remain A Huge Concern

The prolonged decline in the cattle population has certainly put stress on cattle feeders’ bottom lines because of the high price of feeder cattle. But in the struggle with input costs, Bo said another big threat to feedyard budgets right now is the dramatic increase in the cost of corn. With the strain that corn is putting on cattle feeders, Bo firmly believes the federal government’s supports for the ethanol industry must remain a primary target of TCFA’s legislative offensive.

“We absolutely have to eliminate the federal subsidies for ethanol,” Bo said. “The ethanol industry is mature enough now that subsidies like the blender’s tax credit, the import tariff on foreign ethanol and the mandated purchases required by the renewable fuel standard are no longer justified.”

Those subsidies are enabling the ethanol folks to pay corn prices far above what is truly affordable for cattlemen, Bo said. “Our industry isn’t being subsidized by the government, and frankly we don’t ever want it to be. But, thanks to the government, an imbalance exists between the ethanol producer and the cattle feeders’ costs related to profitability. An unfair and

unnecessary advantage is given to the ethanol producer today when they compete with the feeder to purchase corn needs. The ending stocks-to-use ratio for corn is at historical lows. Some analysts are even talking about the U.S. running out of corn later this year. I don’t believe we’ll really run out of corn. But the question is: What price will we have to pay to get it?”

Corn costs are a big reason many cattle feeders are still falling short on their break-evens despite receiving relatively strong prices for fed cattle in recent months, Bo said. He acknowledges that the vitality of individual operations will always vary from feedyard to feedyard depending on what risk management strategies are practiced. But Bo is concerned that keeping cattle feeders in the black will require fed cattle prices to climb so high that beef may get priced out at the retail level.

“Exports are very positive and offal values are excellent, but I’m concerned that we will see some pushback at the meat counter,” he said. “Already we’ve seen consumer resistance when it comes to middle meats. We’re actually seeing a big shift in the way different parts of the overall carcass are valued. The end meats and grinds are becoming more significant. Thankfully, we are seeing strong consumer demand for ground beef. That is helping the industry right now.”

A Full Plate For TCFA

Bo recognizes that ethanol subsidies and opening up more land for cattlemen are just two issues among a multitude confronting the industry. There’s the need to defeat the proposed GIPSA rule. The fight to preserve the use of antibiotics in animal agriculture continues. Also

ongoing is the battle against EPA’s plans to regulate greenhouse gases and increasingly expand its regulatory scope in other ways that exceed both the authority given to the agency by Congress and the boundaries of sound science. Certainly, there is much work to be done in the arena of tax policy. In the midst of so many challenges, Bo said serving as chairman has deepened his appreciation of the vital contribution TCFA makes on the legislative front.

“When you are a TCFA member, you can read the weekly *Newsletter* and get some idea of all that the association is doing. And, as a feedyard manager, I was very aware of the value of TCFA’s environmental services, the safety training sessions and the Beef Safety and Quality Assurance ProgramSM. But it wasn’t until I got into the TCFA officer rotation as vice chairman two years ago that I began to get my real education into how important TCFA is to protecting cattle feeders’ interests, especially in the area of government relations. Going to all the meetings the staff goes to in Washington, D.C. and around the three-state TCFA membership area has really opened my eyes about TCFA.”



Bo has worked around cattle since his childhood and would like to see greater opportunities for others to join the industry. He wants to push for policy changes to make more land available to help grow the national herd.

Regarding his evolving understanding of TCFA's role, Bo tells a funny story on himself from back when he was a young feedyard manager and a new TCFA member. One day, he received a call from a TCFA board member who was doing a routine check of member attitudes. The conversation went fine until they started discussing TCFA's political activities. Bo told the board member he thought TCFA should avoid getting tangled up in politics and just stick to the cattle business.

Bo said he's sure that his little bit of advice got a big chuckle when it was reported back at the next TCFA board meeting.

"That was just ignorance on my part," he said, explaining that he soon learned how much cattle feeders have benefited from TCFA's activities in the legislative arena. "Our industry has to get involved with government. TCFA does a phenomenal job protecting cattlemen's interests on Capitol Hill and in our state capitals. If TCFA hadn't been operating the way it has for more than 40 years now, this industry wouldn't be an industry. I don't know what we'd be doing, but it wouldn't be anything like it is today."

While he's grateful for TCFA's long history of accomplishments, Bo has made it a key part of his agenda as chairman to

"When you are a TCFA member, you can read the weekly *Newsletter* and get some idea of all that the association is doing. And, as a feedyard manager, I was very aware of the value of TCFA's environmental services, the safety training sessions and the Beef Safety and Quality Assurance ProgramSM. But it wasn't until I got into the TCFA officer rotation as vice chairman two years ago that I began to get my real education into how important TCFA is to protecting cattle feeders' interests, especially in the area of government relations. Going to all the meetings the staff goes to in Washington, D.C. and around the three-state TCFA membership area has really opened my eyes about TCFA."

encourage more members to become engaged as advocates for cattle feeding. "What we see happening today in our nation's politics teaches us that our voices matter and numbers count. Our organization is more than 5,000 members strong. If all of us do our part to speak out on behalf of our industry, to tell the true story of what we do and fight back against the false things that are said about us, I believe we can accomplish a lot of good." (For more on Bo's thoughts on getting involved, see his "Chairman's Message" on Page 3.)

As he looks at where cattle feeding is headed in the years to come, Bo sees an abundance of opportunity. Those opportunities will present themselves to those who are willing to change. Bo remembers a quote from Jack Welch former Chairman and CEO of General Electric, "If the rate of change on the outside exceeds the rate of change on the inside, the end is near." He noted, "We can't allow our fear of, or resistance to, change to hold us back. The market place has changed, we need to change with it. Technology is changing, we must keep abreast. Our

adversaries are smart, and they're better funded than we are. We better change our response to their challenge if we are to win. Winning involves growing our industry and providing more and better products to our customer and consumer. I don't accept that we are a mature industry with no where to go. The world is our marketplace, and we can be the preferred supplier." That kind of optimism allows Bo to keep making a good life out of cattle feeding, through thick and thin. And it's what makes TCFA's 2011 Chairman an effective leader for our association and the industry. 🐾

EDITOR'S NOTE—James Hunt is the former TCFA Communications Director.