

2014 ANNUAL CONFERENCE

# **Dream in Motion**



### Kansas seedstock ranch makes its mark through hard work, quiet leadership.

Story & photos by Steve Suther, Certified Angus Beef LLC

pioneer spirit still guides Molitor Angus Ranch, near Zenda, in south-central Kansas. In the historical sense, that would be

Michael Molitor, who at 26 left Luxembourg to work on an Iowa farm in 1891, before marrying and moving his family to a brickyard in Illinois to save money for their start in Kansas 17 years later.

In a continuing sense, that would be his great-grandson

and namesake Mike Molitor. His own sense of place and time, family, community and responsibility derive from parents Richard and Angela, who started the Angus herd in 1952.

They were going against a Hereford

tradition when they bought 18 heifers for their stake as next-generation partners with William Molitor, the son of immigrants,

Seedstock

Commitment

to Excellence

Award

who soon came around to Angus as well.

Mike was born the next year, not knowing of course that he would join six younger sisters in ownership of this pioneering Angus herd. In September 2014, the family

was recognized by the *Certified Angus Beef*<sup>®</sup> (CAB<sup>®</sup>) brand as winner of the Seedstock Commitment to Excellence Award for bringing those dreams to life for everyone from ranchers to consumers. Starting with 4-H, the boy and his sisters began raising the profile of Molitor Angus and the family's flock of sheep that grew to 500 head before its dispersal when the kids were grown.

Keen to understand the financial side, Molitor earned college degrees in mathematics and business management and helped plan a future for the herd in the 1970s boom. Responding to the needs of busy ranchers, they built on calving ease and rapid growth.

"We always wanted it all," Molitor says, "and we stayed that course to where today we have cattle in the top 20% on most traits."

They won shows, weighed calves and competed in the Kansas Bull Test, sometimes winning the Angus category, even as Richard and Mike learned artificial insemination

> Above: "We always wanted it all," Mike Molitor says, "and we stayed that course to where today we have cattle in the top 20% on most traits."

# MARCO ISLAND, FLORIDA



## 35 Keys to Success Herd Goals

(AI) and created a few Continental-cross club calves. Shows were the main avenue for promoting their Angus seedstock in 1978, when the son saw an off-farm opportunity with Farm Credit Services (FCS) in Pueblo, Colo. He was 26.

"Mike woke up one morning and said he was leaving," Richard recalls. "That was a bad day."

Maybe, but there was no letup in his commitment to farm or family, and he learned much. The farm economy was headed for a crisis, and Molitor saw those signs as an appraiser and vice president at FCS in 1980, when he learned that his grandfather was sick. He decided to come back to help guide the growing Angus operation.

William died just before the family's first production sale in 1980, but the next two generations moved forward. All of them had decided the year before to try embryo transfer (ET) and were among the first to do so on three cows that excelled in producing maternal, show and bull-test winners.

Shows were still the way to prove quality as the Molitors routinely won Kansas Angus Futurity pen-of-three female awards into the early 1990s as their reputation for elite maternal genetics grew. A photo of their carload of yearling bulls at the 1993 National Western Stock Show (NWSS) still found a

spot in the 2014 bull sale catalog.

Today, Mike owns 60% of the cows, his "retired" folks another 30% and the rest of the family 10%. Many of them come home in the spring to help with the catalog and sale.

#### Seeing the big picture

The family dream of "always better" was always backed by action in the interest of ranch customers and expanded to include consumers more directly in the last 20 years. Molitor even bought a CAB steak house in 2010 (see sidebar, "Commitment to"

community, taste buds," page147).

"I see the full circle from conception on, but it's not only about the big picture," he says. "Whether we're talking about diners at the steak house, bull buyers or cattle, the individuals are the most important consideration."

The Molitors don't initiate any practice

without a plan, and they don't keep using it without a plan.

"Even though we were pioneers in

"I see the full circle from conception on, but it's not only about the big picture. Whether we're talking about diners at the steak house, bull buyers or cattle, the individuals are the most important consideration." — Mike Molitor embryo transfer, we were among the first to stop using it, too," he says. "We had identified some cows with enough proven superiority that we wanted more of their influence, but we saw early on that continued use would narrow our genetic base."

That's the last thing they or their customers needed. The level of excellence kept rising, the uniformity kept improving, but it was all the more valuable for coming from a more diverse genetic base.

Ultrasound in the early 1990s helped identify top-marbling cows for the last embryo donors, but since then the family has nurtured and built up the 300-cow herd on 4,000 acres from a broad genetic base, while introducing new bloodlines through strategic mating of individual females to proven sires.



On the edge of severe drought for years, this summer saw relief in June and July, promising better days ahead.



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Molitor breeds all but the 2-year-olds on observed heat, delivering just what her phenotype, pedigree and performance calls for.

"If we were synchronizing, there'd be no looking at them or thinking about which sire," he says. "Doing it this way I see her, and I see the calf, and I decide what to breed her to."

As for those wet 2s, known industry-wide as a challenge to breed back, the Molitors don't push them.

"I like to buy three or four new bulls a year and use the first-calf heifers as a progenytest herd," he explains. "It's my experiment, so I try to get 20 progeny out of each one. I get some bred back quicker, so the calving interval moves up."

#### **Building maternal lines**

All of last year's 80 heifers cycled for AI, and the 70 he calved were all unassisted. This year, of 110 replacements, all but one cycled for AI.

"This herd has the most young Pathfinder® cows in the state of Kansas because of their fertility and our management," he adds. "We give them a chance to be Pathfinders."

They have to prove up right from the start, because by 6, cows are sold to make room for ever-better heifers.

"They're always on the exit ramp," Molitor says. Yet, with the sustained genetic base he gives nothing up by moving on, and there are several ready buyers for those bred females each December. Similarly, he maintains uniformity by selling late-March

or April calvers into herds that want a later season than his winter-calving herd.

"We keep most of our heifers as replacements, except for those we sell in our annual sale, where sale selection is based on whether they have a maternal sister in the herd," Molitor says. "Once a heifer comes into production, I never like to delete her genetics from the herd by selling all her daughters. I want the genetic pool of this herd to encompass the blood of every female that we have produced."

#### **Broadening the influence**

Influence from that pool has spread, with several ranches buying more than 40

bulls — thus earning a free one from Molitor. Most of the ranches are local, but some are as distant as Florida.

Keith and Aaron Smith, Attica, Kan., graze 400 commercial-Angus cows and have bought bulls, 48 in all, at 35 of the annual bull sales.

'We don't AI anything; it's all natural



▶ Keith Smith (left) and son Aaron (center), both of Attica, Kan., shown here with their replacement heifers, are longtime bull customers.

service, so we need a lot of bulls," Keith says. The father-son outfit has capitalized on the maternal traits in those bulls, selling

"I like to buy three or four new bulls a year and use the first-calf heifers as a progeny-test herd. It's my experiment, so I try to get 20 progeny out of each one. I get some bred back quicker, so the calving interval moves up." - Mike Molitor bred heifers into 10 states for many years. Meanwhile, one buyer near Sioux Center, Iowa, has paid top dollar for their steers for more than a decade, once winning a carload beef contest with them.

A neighbor in the nearby community of Nashville, Doug Liebl bought and sold his first cattle while in high school for 18¢ per pound, but started his cow herd in 1963 with cows from a big ranch dispersal near Valentine, Neb.

"We never bought a cow since then," he

says, but more than 40 bulls over the years from Molitor have shaped the closed herd.

"I buy calving-ease bulls for the heifers and growthier ones for cows, changing up the bloodlines all the time," Liebl says. "I had 26 bulls out this summer, all but a few of them from Mike. I like his bulls; he works hard at it, and it shows."

Liebl fed 300 calves last year with heifers gaining 3.98 pounds (lb.) per day and steers 4.2 at Pratt (Kan.) Feeders. Conversion was 5.5 or better and CAB acceptance from 35% to 40% when harvested on the U.S. Premium Beef (USPB) grid.

"Our calves have always done well on feed," he says.

#### **Working together**

Molitor was a charter USPB member. He and cousin Greg Molitor bought 700 shares and formed a limited liability company (LLC) to feed cattle for bull customers, including the Smiths and Liebl's son-in-law, Greg Reno. In all, they fed more than 6,500 head, returning carcass data and consulting on the next bulls to buy.

Most of those customers have "graduated" to either retain ownership on their own now or use the data to sell calves at premium prices, Molitor says. "We still bid on many of them, but only bought three or four strings this year."

## MARCO ISLAND, FLORIDA





#### **Commitment to community, taste buds**

Splinters on the floor, wine in the nail bins and the best Angus steaks in Kansas. That's The Lumber Yard in Zenda, Kan., transformed into a restaurant 21 years ago.

In March 2010, when the retired owners had leased it out but business was drying up to only two nights a week, they approached local Angus rancher Mike Molitor, known for his experience in business and banking. He had to think about that one.

Molitor spent most of his life raising quality Angus cattle with the consumer in mind, but that didn't mean he could take over a restaurant ... or did it?

A big deciding factor was that professional chef Bob Pummel would stay on, welcoming the new owner and proposed upgrades.

From the day he opened the doors on May 18, 2010, Molitor knew he wanted to serve *Certified Angus Beef*® (CAB®) brand ribeyes. So that evening they did: a 16-oz. special called Doc's Ribeye, from his father's nickname. They sold out opening night, thawed all they had in the freezer to prepare for the second night, and "haven't looked back since."

"We reopened for lunch, because there's no other restaurant for 20 miles, and a town needs something like this to keep it going," Molitor says.

Licensing with the brand in 2011, he found it all eye-opening, especially the labor force required to do it right as popularity grew.



► At The Lumber Yard kitchen, Mike and Chef Bob Pummel check details on orders for CAB ribeyes.

Splinters on the Floor Wine in the Nail Bins And the Best Angus Steaks in Kansas

He has a staff of 30 employees, and it will take 18 of them to work one of their 300-customer Saturday nights. "You need as many people in the kitchen area as out front," he says.

Pummel no longer has to worry about the steaks he sends out. "When I'm cutting it, I can see the consistent quality in the marbling," the chef says. "With other product, you're holding your breath when that steak goes out, worried about what the customer is going to think. It (CAB) gives you peace of mind."

To further ensure consistency, Pummel cuts them all by hand, personally, so that trim and thickness is uniform. He doesn't get out of the kitchen much, but when he's cutting up to 200 steaks per week, he can tell sales are up.

"Our motto has been 'quality food with quality service,' and that's the way we run it," says Molitor. Doc's Ribeye is still the top seller in the 2013 total of 5,580 pounds (lb.) of CAB product served.

"This is the only place I go for a good steak," says Aaron Smith, Attica, Kan., also a bull customer of Molitor Angus Ranch. "With any other restaurants from here to Wichita, you can fix better at home."

Fellow cattleman and customer Doug Liebl, Nashville, Kan., says he dines there every other week or so. "You need reservations on a Saturday and some Fridays," he says, "and the thing that surprises me is 80% of the people in there I don't know."

Molitor says it's not uncommon to have folks drive 100 miles just to enjoy a good steak at his restaurant that serves 800 guests per week — not bad for a town of 90 folks.

With beef prices at an all-time high, The Lumber Yard stays competitive because of volume, Molitor says. That famous ribeye is on the menu at \$23, but Pummel says it would cost at least \$30 in big cities.

— by Kaitlin Morgan



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USPB made a "huge difference" in the industry and for the Molitors, he says.

"I got sold on the idea that you get paid more for a better product; when you organize and all work together, you make an impact on the world. Dad thought I was crazy for buying the shares," Molitor says. "He had been involved with NFO (the National Farmers Organization)," and thought this was just another attempt to get independentminded farmers to work together.

"But it was kind of a dream, like CAB was earlier, where we had the right people at the right time to make it work," he says. "It almost didn't, but we had some feedlots pick up the rest of the shares and lease them out to cow-calf guys that way."

Pratt Feeders was one of those USPB yards, as well as a CAB partner yard. Manager Jerry Bohn nominated Molitor for the 2014 award mainly for the confidence he showed in his Angus genetics by feeding all those cattle.

"Mike has been very accurate in predicting how those cattle would perform, both in the yard and at the processing plant," Bohn says. "The cattle have always been good, and Mike has always been very involved in the marketing. He comes in and walks the pens to evaluate when they should go to the plant."

While the commercial customers tend toward a 40% CAB acceptance rate, Molitor's

own cull stock can more than double that rate.

The Kansas Angus Association (KAA)

Carcass Data Project results illustrate a couple of points, starting with the Molitor influence in other registered herds. A couple of years ago, winners of the steer futurity were Wendling Farms from Halstead, Kan., and Klausmeyer K3 Farms, Clearwater, Kan., both Molitor customers that have bought registered cows and bulls.

Last year, Molitor entered for the first time, and the similarity of results was striking. Wendling won again

with 89% CAB acceptance; Molitor was a close second with 88% CAB, and Klausmeyer followed with 86% CAB.

"Our females are the foundation of many, many herds," Molitor notes.

Still, it's not just about cattle, says the steak-house owner: "Small towns will die if they don't have places like this. It's church, it's community, it's the whole works."

That includes leadership, says Anne

Lampe, KAA manager, who called Molitor "a true team player, supporting this organization, the juniors, Auxiliary and

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awards." He served two terms on the board, chairman of the Bull Grower Project and finished his tenure as president.

"Mike exemplifies commitment and passion for the Angus breed, beef industry and way of life," she says, citing his "equal commitment to consumers and willingness to share knowledge and experience with fellow Angus breeders."

Over the years 1,152 unique ranch customers have joined in the dynamic dream that is Molitor Angus

Ranch, a dream that continues to unfold.

"It's satisfying to be in the full circle, but I'm not settling on it. As other things come along, I will take a look at them," Molitor says. "We should always have those dreams, even while we take care of the present."

**Editor's Note:** Steve Suther is director of industry information for Certified Angus Beef LLC.



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