

CALLAWAY (AP)—To pay the bills, Richard Cool drives 45 miles down a lonely highway from the family ranch to a small-town auto parts factory where he works the overnight shift.

It ends at 6 a.m., then Cool's future begins.

"Not only have I been hoping for the past 15 years that I could own cattle of my own, I'm now seeing it becoming a real possibility," he said.

If Cool's dream turns into reality with help from a first-of-its-kind program launched at a small ag school in western Nebraska, the burly 35-year-old who carries textbooks in his ranch pickup won't have to make the drive to the factory. And he would be bucking a national trend.

Like others with country roots, the simple love of working outside with cattle—not grand ambitions of securing the nation's food supply—is what appeals to Cool. For years, his dream of doing it full-time seemed unattainable.

There isn't enough land in the small ranch that has been in his family for three generations to split among he and his nine siblings.

Cool also faces the same obstacle as other young ranchers with little or no collateral, and scant business experience: getting a large loan.

Now it's within his grasp because of the 100-Cow Program, which is confined to Nebraska.

The program offers hopeful ranchers with no collateral, low-interest, government loans of up to \$300,000 if they complete a ranch management course.

Program teaches business skills

Besides teaching students the best way to raise livestock, it teaches them how to run a ranch as a successful business. And participants must complete a business plan to present to U.S. Agriculture Department's Farm Service Agency, which lends the money.

Industry experts say it could be a template for the rest of the country.

High land prices, poor planning for the transfer of ranchland from one generation to another, the allure of city lights and other factors have slowly been draining Nebraska and other agricultural states of ranchers—and the cattle they raise.

The iconic image of young men riding the range on horseback is mostly a myth now—graybeards in their 60s and 70s are the fastest-growing segment of the ranching population.

The number of ranches and other operations where cows are raised for beef has reached a new low, leading some observers to worry that an important thread that has helped bind rural areas for generations is becoming dangerously frayed. Some are even worried about the nation's food supply.

Last year, the number of beef cows in the U.S. dropped to 41.8 million, an all-time low, down from a high of 50.2 million reached in 1982.

In 2007, the last year for which data are available, the number of calves they produced reached its lowest mark since 1951.

And the number of ranches and other types of beef-cow operations has dropped to fewer than 758,000. That's the fewest on record and a 22 percent decline over the past two decades, according to statistics provided by the National Cattlemen's Beef Association.

"I am concerned," said Andy Groseta, a third-generation Arizona rancher whose term as president of the National Cattlemen's Beef Association just ended.

"There's not enough young people. It's a dying industry. There will be a point where this country won't be able to feed itself."

While participants in the 100 Cow-Program are paying off the loan, participants will have to annually give the Farm Service Agency a business plan.

A hundred cows often isn't enough to make a living for a family—it takes more like 500—and \$300,000 falls short as well. A more realistic amount needed to start a cattle operation is around \$1 million, mainly due to land prices that continue to hover at record-highs.

Young ranchers paired
with older partners

But creators of the program think they have a way of closing the distance between the \$300,000 and approximately \$1 million it takes to start from scratch: Participants like Cool have to partner up with established, older ranchers who agree to let them use their land and equipment at a low cost.

Those who oversee the program hope the older ranchers will agree because they need help running their own operations.

The herds belonging to the young and old ranchers will run together until the youngster gains a foothold, creates a track record of business success, and gains the collateral he needs to get another loan from the local bank, instead of the government.

The hope is that years later, ranchers who once could only answer “no” to questions from private banks about whether they had business experience and collateral, should be able to answer “yes” when seeking loans to buy their own ranches, said Weldon Sleight. He is the main architect of the program that is offered by the Nebraska College of Technical Agriculture, where he is the dean.

“The answer’s going to be a whole lot different than the hired hand who says ‘I’m sorry, my employer’s given me a home, I get a beef a year, and I really have a good understanding of beef cattle, but I have a pickup’” for collateral, Sleight said.

“We in higher education, I fear, have been training people to be hired hands rather than owners,” he said. A generation of those hired hands has been “hoping, on a wing and a prayer, that some way, someday, they would own a ranch.”

Worries about the lagging number of young ranchers have also convinced the National Cattlemen’s Beef Association to act.

Groseta said he is worried the day is coming when livestock-raising improvements that have put more beef on the bones of cattle will no longer be enough to offset the decline in ranches and cattle.

For the past decade, as the number of ranches and cows have dropped, the amount of beef produced in the U.S. has stayed relatively steady—ranging from about 25 million pounds to 27 million pounds per year.

Between 2006 and 2007, for instance, the number of beef cow operations dropped by nearly 5,000, and the number of cows slipped by 246,000.

During the same time, the total amount of beef produced, measured by carcass weight, rose by about 273,000 pounds.

Groseta said he couldn't predict when, but at “some point we'll reach a critical threshold” where declining numbers of ranches and cattle decrease the amount of beef that is produced.

Cattlemen’s Beef Association starts Young Producers Council

With Groseta’s encouragement, the National Cattlemen’s Beef Association recently started the Young Producers Council, which met for the first time on Jan. 29 in Phoenix. The goal is to get more people ages 18 to 35 involved in policy issues surrounding the beef industry.

Formed partially to help increase communication, the need for the group is also a sign of the widening cultural cracks in remote rural areas caused by the long, dry-run in ranching demographics.

Thirty-one-year-old ranch owner Trent Fredenburg, a member of the council, said he “couldn’t imagine the challenges” he and his wife would have faced starting out on their own without the land and other help they got from their ranching parents.

He’s already finding it tough to expand his ranch near Greenfield, Ind. because land prices have increased by about \$1,000 an acre over the last 1 1/2 years. He blames it on high crop prices that have encouraged people to turn pasture ground for livestock into farm ground.

There’s few peers for him to talk to.

“Our grandparents, when they faced challenges, they could go to the coffee shop and talk to others having the same challenges,” Fredenburg said. “That’s not the case today. Young people have challenges, but they’re so spread out across the country. They aren’t at the coffee shop.”