

## Adding Value to the Operation To "Make Room"



Don Schiefelbein  
Kimball, Minnesota

## Schiefelbein Farms

### A Family Operation

Frank & Frosty (Dad & Mom)  
9 sons  
8 daughters in-law  
32 grandchildren  
11 great-grandchildren

Raising Registered Angus Seedstock since 1958



## How "we" Operate?

### Family vs. Business

### "Family Business"

## Crew: Dad, 9 brothers + 2 nephews

1. Frank III Kansas State University
2. Rick Iowa State University
3. Bill University of Minnesota
4. Bob Michigan State University
5. Tom North Dakota State School (welding)
6. Mike School of Hard Knocks
7. Don Texas A&M University
8. Tim Texas A&M University
9. Dan Colorado State University
- Frank IV South Dakota State University
- Sam North Dakota State School (diesel)

**How “we” Operate?**

Everyone is Responsible for a key area of the business

**“The Group is the Boss”**

**About the operation...**

Own 4500 acres of pasture/crops

Run 850 hd of Reg. Angus cows

AI'd 1000 hd of cows this year



Market 350 Angus & Hybrid Bulls Each Year



Schiefelbein Effective

Schiefelbein Protocol


Schiefelbein Zeus

Schiefelbein HD

Sale Date: February 15, 2014



Purchase 25,000 head of customer cattle annually

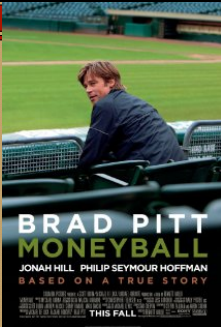


2500 head of Customer Calves on Feed

**The Dirty Little Secret?**

Money does NOT create happiness,  
BUT, "It sure can reduce  
stress"

**Understand The MoneyCow**



BRAD PITT  
MONEYBALL  
JONAH HILL, PHILIP SEYMOUR HOFFMAN  
BASED ON A TRUE STORY  
THIS FALL

**The Problem: Not enough \$\$\$**

**Goal: Allow everyone to farm?**  
Cow/Calf Message:  
"Low Cost Producer"

**We Succeeded !?!?!?**

Reduced our expenses dramatically

**Just \$300,000**

Unfortunately, our Gross Income was \$350,000!!

**What drives business success**

**PROFIT = Revenue - Expense**  
Follow the money...  
**YOU MUST INCREASE  
REVENUE !!!!**

**Changed our Decision-making**  
IGNORANT purchases on PRICE  
KNOWLEDGE purchases on VALUE

You gotta SPEND money to MAKE money!



**Create Best Value Genetics!**

**Make every mating Count  
Percent Keep = REVENUE**

- \* AI Every Animal... Heifers 2x
- \* Rapid Herd Turn-over
- \* Embryo Transfer into marginal cows
- \* 100% ET on original hybrid genetics

**EX: Buy Best Value Equipment**



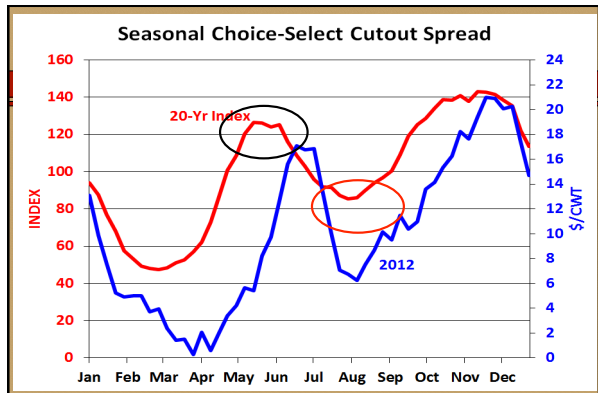
**EX. Buy Best Value Genetics!**

**Help our customers earn  
more REVENUE**

The key to more revenue is selling a heavier calf (600 lb. in early Oct.) with the ability to grade *Certified Angus Beef* or better in April, May and early June





**Purchase 25,000 head of customer cattle annually**



**EX. Buy Best Value Vaccines!**

**IGNORANT purchases on PRICE  
KNOWLEDGE purchases on VALUE**

- 2009 -  Weaned 1500 calves (0%)
- 2010 - ?????: Weaned 1500 calves (1.5%)
- 2011 - ?????: Weaned 1500 calves (2.0%)
- 2012 -  Weaned 2500 calves (1 hd)
- 2013 - Weaned 1500 calves (1 hd)

**Take-home Message**

**MoneyCow – what drives wealth?**

**DO NOT BE A LOW COST PRODUCER**

**BE A HIGH NET REVENUE PRODUCER**

**15 Years Later**

**MoneyCow – what drives wealth?**

**INCREASED our Expense to \$7,111,843**

**INCREASED our Revenue to \$9,854,130**



**Thank You!**

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