

Markets, Location Favor Cedar Hill Cattle Co. Growth

Bill and Joe Sindelar both concede that their father would be stunned to see what they've made of the little cattle feeding operation he started more than 60 years ago.

Lumir Sindelar began the family farm and feedlot south of Howells, Neb., in the 1950s. By 1975, Bill and Joe joined their father to create LBJ Farms, which farmed and fed around 600 head of cattle. In 1983, they broke off the feedlot operations to establish Cedar Hill Cattle, and in the 1990s started feeding commercially.

Today, the Sindelars are bringing a strong pulse in the heart of cattle country. Cedar Hill Cattle now has a one-time capacity of 15,000 head. From their offices, you see nothing but feedlots over the hills, feed stuffs, and others hauling away cattle.

"Dad never would have imagined the business growth in the cattle industry in this part of the country the last few years," said Bill, 61. "He would be very surprised to see how it all turned out."

Joe, 58, says Cedar Hill starts cattle between 500-900 pounds and finishes them at 1200 to 1500 pounds – heifers or steers, it doesn't matter. The market dictates which way we will go, but we but prefer finishing over backgrounding.

The market is very good for feeders such as themselves, but there are a number of factors contributing to their success, including location. "We are located in the

best part of the country," Bill said. "Being here in the Corn Belt and having access to a lot of feed in the country means we have access to an abundance of feed stuffs. This helps us stay competitive. You can always haul cattle to the feed – it's much better than taking the feed to the cattle."

Most of the company's shipments go to the nearby beef-packing plants for Tyson, Excel, Greater Omaha and Nebraska Beef, which package the beef for markets throughout the U.S. and the world.

The proximity to the grain belt has brought ethanol plants to Nebraska as well, and the Sindelars said there are three within a 60-mile radius of their feedlots. The plants mean

competition for purchasing corn, of course, but the plants also produce a grain-based byproduct that is very nutritious for cattle.

"It's a big part of our success," says Joe of the byproduct. "The ethanol by-product changed the way we feed cattle," says Joe. "It turned out to be a great substitute to shelled corn in our rations and the cattle really go after it!"

The brothers improve on their margins by continually reinvesting for a better product. For example, the hillside feedlots have been sculpted to improve drainage for the animals and are maintained to keep them that way. They've also invested in confinement barns to help eliminate weather stress.

"Our methods of feeding have improved, too," Joe says. "We're

working on eliminating the weather as a factor through our confinement barns," Joe says. "It means more consistent weather and temperature for the cattle, with improved feed efficiency and fewer health problems. The high cost of corn has really made feed efficiency a big deal."

Success also means having a strong lender, and the Sindelars said their risk partner, through thick and thin, has been First National Bank. They started with the nearby bank in Howells, where First National had been the overlining bank. Eventually, all of their needed services were switched over to First National Bank.

"They've been our lender in cattle purchasing, cattle financing, as well as all other phases of our business," said Joe. "They're our financial supplier for many parts of our business."

"One of the most unpredictable things you can lend money on is the cattle industry," Bill added. "Without a doubt, we've had our tough times and they've stuck with us."

Bill said he is cautiously optimistic for the future in beef. "The last couple of years have been good times for the industry," he said.

Along with ten full-time employees, Joe has three sons in the business – all planning on taking over some day, and other family members helping as needed.

"I truly enjoy the cattle business," he adds. "On the downside, it's seven days a week, 365 days a year and not a day off, but it's hard to think of anything I'd rather do."

www.cedarhillcattleinc.com

Bill and Joe Sindelar standing on their Cedar Hill Cattle Co. property, located south of Howells, Nebraska.



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