



Ranching For Profit Workshop Workshop Outline

- **Your ranch isn't a business, is it?**

- ✓ What paradigms do you have about money, land, livestock and ranching?
- ✓ Do you own a business or just a pile of assets and a bunch of jobs?
- ✓ Conventional wisdom is right! Conventional ranching isn't profitable. They only survive because we subsidize them (off farm income, inherited wealth, working for free, etc.).
- ✓ Why isn't conventional ranching profitable?
- ✓ Are you efficient or effective? (Are we doing things right or doing the right things?)
- ✓ Working *In* The Business v. Working *On* The Business (Knowing how to raise livestock is completely different than knowing how to build and run a business that raises livestock.)

- **It isn't sustainable if it isn't profitable.**

- ✓ Starting from scratch, what do we need to do to build a profitable ranching business? (The answer is not, "Marry into a wealthy ranch family")
- ✓ What are the "Three Secrets for Increasing Profit?"
- ✓ Are you pruning "dead wood" or twigs?

- **Where is your dead wood?**

- ✓ Projecting profit or loss (Are you looking forward or backwards?)
- ✓ How much profit do you want to make? (What is your profit for?)
- ✓ What do the numbers mean? (Using the RMC benchmarks to find your dead wood and profit drivers)

- **Is your ranch are structured to lose money.**

- ✓ Some assets are really liabilities.
- ✓ Wealthy on the balance sheet and broke at the bank (Fixed assets v. working capital)
- ✓ Capitalizing or Concessionizing Fixed Assets

- **It's not just about the money!**

- ✓ Successfully navigating ranch succession in challenging times.
- ✓ Family employment policies for family ranches.
- ✓ Romancing the next generation (the ultimate test of sustainability.)