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East Foundation Team Excited To Be Positive Force In S. TX

By Colleen Schreiber

HEBBRONVILLE — "A gift of a lifetime" is how some describe the final wish of the late Robert C. East, a fiercely private and independent lifelong South Texas cattleman.

His final wish was that the land that he and other members of the East family accumulated over the last 100-plus years would remain in its native state, never to be developed, sold or commercially hunted. The East Foundation was formed in 2010.

"The East family sweated blood for their land," says Neal Wilkins, CEO of the East Foundation. "They didn't want anyone else to ever own it, and they put together an instrument to accomplish that goal."

The gift reflected East's core values, which revolved around his love for the land and for the wildlife that live on the land, as well as his love for cattle ranching and good horses. The son of Tom T. East and Alice Kleberg East, Robert understood the compatibility of livestock and wildlife, and he operated his ranches with that understanding.

In his will, East identified several priorities as to how the family's legacy was to continue. As specified in the foundation's mission, those priorities included research, education and outreach. Perhaps most important, he specified that all of the land was to continue as a working cattle operation in perpetuity.

"The cattle operation is not an afterthought," Wilkins assures. "It's the main theme."

Tom T. East registered his brand, the diamond bar, in 1912 at the age of 22. He began putting land together two years later. Tom T.'s sons, Tom Jr. and Robert, spent their lives working alongside the vaqueros and ranch hands they cared for like family.

Tom East Jr. and wife Evelyn went on to operate the East family's Santa Fe ranch, which is still owned and operated by their son, Mike East, and two daughters, Alice East and Lica Pinkston.

Robert East, along with his mother, Alice Gertrudis Kleberg East, and sister, Lica, maintained their home at the historic San Antonio Viejo, and operated what today are the East Foundation holdings, which include six ranches encompassing some 215,000 acres in four South Texas counties. The San Antonio Viejo is the largest, with almost 149,000 acres, and the core of the operation still today.

"As far as we can tell, we're the largest land-owning foundation in the nation," says Wilkins. "We are an operating foundation, being the second largest of that type of foundation in the state."

He defines an operating foundation as one that dedicates its revenues and all its resources to carrying out its programmatic mission.

"We don't, as a general rule, pass out grants for others to carry out their mission," Wilkins explains.

Four, "no-nonsense" businessmen make up the foundation's board — Uvalde native Richard "Dick" W. Evans Jr.; banker/rancher Dan Kinsel III; rancher, cattle feeder, livestock broker and real estate broker, Cotulla, Stephen "Tio" J. Kleberg, one of the heirs of the famed King Ranch who early in his career managed the ranch; and Bryan Wagner, president and owner of Wagner Oil Company based in Fort Worth and owner/operator of Wagner Ranch in Duval and Jim Hogg counties.

"They have set the tone and have helped get the foundation wellfooted on everything from how the land is managed to prioritizing resources, and the spending of the endowment," says Wilkins.

While it's not uncommon for a foundation to annually withdraw five to six percent of its endowment for its operating costs, from the get-go the East Foundation board made the decision to limit withdrawals to three percent with the idea that in 10 to 15 years the endowment needs to be double what it is now.

Though the foundation is a non-profit, Wilkins is quick to point out that it is not non-revenue. East Foundation Ranches operate as an independent LLC with independent books. The way it works is that East Ranches, LLC leases the grazing rights from the foundation.

"We force a business perspective on the cattle ranching side of things under the idea that if we don't conform to the same set of business challenges that other South Texas ranches are up against, then we're not really a legitimate source of information," explains Wilkins.

The foundation's endowment is not used to cushion the day-to-day challenges of ranching in this often harsh country of the Wild Horse Desert.

"When we get hit by an extra \$300,000 a year expenditure because of a cattle fever tick quarantine, that's real," says Wilkins. "That means that we've had to make real choices somewhere else within our ranching enterprise."

The same goes for drouth and cattle market consequences.

"We liquidate when we have to, and we make mistakes and suffer the consequences of those mistakes," he added. "This market downturn caused us just as much financial concern as any other rancher."

Wilkins describes the late Robert East as a "low-cost operator." That's not to say the East family was not progressive.

"Tom T. East was running Braford cattle before most anyone else down here," Wilkins insists. "He was on par with people like Ed Lasater in terms of innovation in the cattle industry. He was also one of the movers and shakers within TSCRA; he just died at an early age of 43."

Nonetheless, due to a variety of reasons, in the later years of Robert C. East's life the ranch infrastructure fell into disrepair. The cattle had also gone largely unmanaged for years. When the foundation finally took over, there wasn't even a good cattle inventory number. The estimate was that there were about 9000 head, but that was plus or minus a thousand animals.

"That's plus or minus a lot," says Wilkins. "We knew we were overstocked, but we didn't know how overstocked we were in some places."

Fritz Linney, director of ranch operations, hired on in 2007. He was sought out by board member Dan Kinsel, who knew of Linney's extensive experience. A native of the Refugio and the Victoria area, at that time Linney was working for New York businessmen Nelson

and Mark Rockefeller on their Raymondville Ranch. He'd been with the Rockefellers for 17 years.

"It was all a mess when I came here, from the fencing to the corrals to the cattle and water," Linney recalls.

Because everything was still in chaos as far as the will was concerned, no one wanted to spend much money, particularly on infrastructure, so Linney focused first on getting a handle on cattle numbers.

The rough estimate of about 9000 head of cattle included, by Linney's estimate, 1000 to 1500 more bulls than were needed.

"We had a lot of problem cattle — wild maverick cattle," says Linney. "Some may have only been in the pen once in their life."

In that first year alone they shipped more than 2000 old cows, many of which were 15 to 18 years of age. Many had bad bags and were just generally unproductive.

It was slow going, in part because, as he reminds, the fences and the working pens were all but useless.

"On San Antonio Viejo we had 7000, 8000 and 14,000-acre pastures up front. The middle was a 30,000-acre pasture, the east side 22,000 acres, and the south end 20,000 acres, but the fences weren't any good between any of those pastures," says Linney. "Plus, the cattle were pretty territorial. They were born, branded and raised in the same area, and even with the helicopters we had a hard time getting some of those cattle to move out of those areas."

All gathering was done by two, sometimes three helicopters. The men on horseback, usually seven to eight of them, were junior to the machine in the air.

"The cattle really need to stay focused on the helicopter pressuring them," explains Linney. "Sometimes the cowboys can help push the cattle out of the brush, but then we need to stay away. Otherwise, the cattle may try to fight the horses and not pay attention to the helicopter."

The helicopter pilots in some cases were able to pen some of the mavericks, but most times they focused on getting them out into the open where the cowboys could rope them. Some days they'd rope 15, 20 up to 30 bulls.

They had more labor then, all from Mexico and all with East for most all of their lives. Like Linney, these vaqueros had plenty of experience working maverick cattle. The best trait of a vaquero or any good cowboy, Linney says, is being able to read cattle and being able to stop something before it happens.

The East family always raised good horses with "quite a bit of cow," but with maverick cattle, he points out, too much "cow" can cause problems.

"There's just too much going on for a horse with too much cow."

Early on the focus was on removing the excessive number of bulls and the unproductive cows, but then the drouth of 2011-2013, which some say was the worst since the drouth of 1917, really forced their hand. That's when they made the decision to keep cows seven years of age and down, but they also sold 300 young heifers that weren't productive.

In early 2013, by the last 60 to 90 days of the extensive years-long drouth, even the hardy East cattle were struggling.

"The brush was burned up and the cattle had broken down the guajillo on the gravel piles."

However, Linney didn't want to liquidate everything, because like many he figured that once the drouth broke, replacements would go "sky-high" and then they really would be behind the eight-ball.

They also didn't want to give up on the bloodlines that had long made their living on the East country.

"We recognized the value of those bloodlines," says Wilkins. "They were self-selected over a long period of time, and we knew those that were still alive could survive just about anything."

Linney agrees.

"The wilder the cattle, the better their ability to take care of themselves," says Linney. "These cattle have a natural ability to survive and still wean a good calf. Some of the gentler kind of cattle, they'd have looked bad and their calves would look bad, but our cows put it all into their calf, and they know how to do it."

Consequently they sent about 300 cows to a ranch near Victoria, and another 300 cows went to a feedlot on cheap rations. When it was all said and done, over about five years, the foundation took numbers from about 9000 to right around 5000 head, a number which they've since held.

The country has largely healed up, thanks to some back-to-back good years, but there are some spots, Linney says, that still need more help. So while they're beginning to grow numbers, they're doing so slowly.

"We're raising about 400 heifers now, and we'll eventually try to step that up to maybe 700 to 900 heifers annually," he says.

For now, though, the focus is largely on improving calving percentage by getting the cow herd — of which the plan is to have both spring and fall calvers — into a confined calving period. Currently 55 to 60 percent of the mature cows and all of their heifers are in a 90-day breeding season.

"At some point we will get all of our cows in a breeding season," says East Ranch manager Gilly Riojas. "And hopefully in the next two years we'll have a definite spring herd and a definite fall herd."

For the last four years Riojas, a TCU Ranch Management graduate, has worked hand in hand with Linney. Part of his responsibility is risk management.

"We don't ever want to be where we wean in October and have to sell them November 1," says Riojas. "We know we have a life on this commodity, but we want to be able to pick and choose when we sell and how we execute our positions."

The foundation uses a variety of tools, including futures and options and forward contracting, though of late less forward contracting given, where the deferred market has been. Their animal health program, he says, is another hedge in that it helps accomplish their goal to produce a product that will perform.

Though they want to maintain the hardiness of the East cattle, the two experienced cattlemen are now also working to strategically upgrade the quality some. When Linney came on board, 95 percent of the cow herd was Santa Gertrudis.

"A good cow for this country is a halfblood Brahman influence cow weighing 1100 to 1200 pounds," says Linney. "She could be Beefmaster or Santa Gertrudis."

However, to add some hybrid vigor, early on he crossed the longheld East genetics with what he calls the "Victorian Hereford", genetics developed and raised by the McFaddin outfit.

"The red mottleyface is a good replacement cow, and that cross helped with sales on our steers as well," Linney says.

Now, however, the foundation is moving back to Beefmaster bulls to balance out the Hereford genetics.

They're also working cattle twice a year now. In the past calves were branded when and if caught, and maybe a cow's horns might be tipped.

"Some never got to the pen to be tipped, or they may have tipped the horns on a young cow, and by the time she was 12 or 14 her horns had grown back out," says Linney.

All gathering is still done with helicopters.

"We still need helicopters because of the kind of cattle, the brush, and the size of the country," Linney explains. "The amount of manpower it would take to gather without a helicopter would be cost-prohibitive."

The going rate for a good helicopter pilot and his machine is \$350 an hour. On the East country it's not uncommon to spend five hours in the air on a 10,000-acre pasture.

When working cattle on San Antonio Viejo, they pretty well have a standing date with the helicopter pilots every Tuesday and sometimes Wednesday as well. When they move to the El Sauz, they have them every Tuesday and every Wednesday for two weeks.

Calves will weigh 575 to 600 pounds at weaning. They're stripped off their mothers, vaccinated, and held for 10 days to get the bawl out. Then they're sorted five ways and the various weight groups go to grass on the south end of the ranch.

"We call them traps, but they're 3000-acre pastures," says Linney.

They grow on grass to either side of 750 pounds, depending on what the market and the grass situation look like. Its good strong country, says Linney, ideal for yearling cattle. In 200-something days they'll put on another 200-plus pounds.

The cattle are cubed some mainly to get them to settle so that when they're sold they'll go on feed a little easier. Other than that the East cattle are largely left to make it on their own save some mineral, which they keep out year-round. The bluestems and buffel, along with tallow weed, when it rains, are some of the staples, as are guajillo and mesquite beans during the hard summer months.

"That's kind of how I would describe a typical traditional South Texas ranch," says Linney. "Then we just hope for rain in the fall."

Now that most of the maverick cattle have been gathered and the cow herd is headed down a more manageable path, the focus has largely turned to infrastructure upgrades, primarily working pens, fences and water. All of the ranches are well watered; there are some 150 windmills on San Antonio Viejo alone. The problem, Linney says, is that over the years the wells were patched on and patched on, and now something more must be done. Thus, they've recently initiated a five-year plan to upgrade and better distribute the water, given the addition of crossfencing.

On the Santa Rosa they've initiated a brush management program. Higher rainfall and richer soils make this ranch their most productive. However, that productivity is being hindered by the infestation of huisache and mesquite. The big-picture goal is to bump up productivity on some 8000 acres of pasture that was once open coastal bermuda grass. Wilkins says this investment likely has better returns than their endowment's current stock portfolio.

The cost of the herbicide treatment with follow-up runs them about \$50 an acre. On the brush-infested country they're currently running a cow to 28 acres, and after treatment they expect to double that stocking rate. Additionally, the plan will also provide some flexibility in that they'll be able to use this country as a relief pasture to give the more fragile native rangeland a chance to rest, particularly when the next drouth hits.

While the East Foundation is a working cattle ranch, as per Robert C. East's will, these working lands also serve as a research laboratory and a classroom without walls. Specific to the research component,

the focus, Wilkins says, is on the threats to long-term productivity of native rangelands in South Texas, a broad statement for sure.

Productivity, he notes, takes in everything from biological diversity — both flora and fauna — as well as livestock and wildlife performance. It also encompasses all of the other natural resources from the water and minerals to the soils that hold the land together.

Unlike most research entities, Wilkins points out, the East Foundation is uniquely situated to look at things from an operational scale, and as he reminds, with a focus on those things specifically of importance or of interest to the South Texas ranching community.

"We've got a good group of professional advisors who are diverse in their expertise, from wildlife biologists and a livestock nutritionist to a veterinarian, who work with us on research priorities," says Wilkins.

Additionally, the foundation has a relationship with several universities, including Texas A&M, Texas State University, Sul Ross, and Texas A&M Kingsville. Other partners include entities such as the Noble Foundation, King Ranch Institute for Ranch Management, and the Caesar Kleberg Wildlife Research Institute.

One of their largest research projects to date is the Coloraditas project, a grazing study conceived four years ago.

"We argued over the design of the study for two years, in part because it was a little over a \$2 million investment on the infrastructure alone," says Wilkins.

That infrastructure included 31 miles of fencing, brand new state of the art working pens, a water system, and some new roads. The grazing study encompasses 18,000 acres and four different cattle herds — two continuous and two rotationally grazed at different stocking rates. The comparison stocking rates are a cow to 35 acres and a cow to 50 acres on both the continuous and the rotationally grazed pastures.

All pastures were deferred for two years while baseline data was gathered. Cattle were introduced into the system in December 2015.

The foundation has committed to 10 years to compare between the good versus the poor rainfall years. The research team is measuring numerous things, from cattle performance and rangeland condition to

quail abundance under the two different stocking rates on both the continuous and the rotationally grazed pastures.

There are other benefits that come with the grazing system. For example, as ranch manager Gilly Riojas points out, across all of San Antonio Viejo, initial gather of livestock typically averages about 78 to 80 percent. On the 18,000 acres where the pastures are crossfenced into smaller management units, initial gather on the 435 cows is 100 percent.

"We know how these cattle are performing and what the breed-up is," he points out.

He adds that the old philosophy that livestock in South Texas brush country can't be rotated may not necessarily be true.

"We hope to show that it's not only possible, but economical."

Sometimes the research the foundation embarks on is more about problem solving. Case in point is the cattle fever tick.

"We are at the fulcrum of the fever tick issue," says Wilkins. "If it gets beyond our boundaries on the El Sauz, on Hwy. 186, there's nothing to stop them till Baffin Bay."

While the El Sauz is not infested, they are under quarantine as an adjacent premise. Like other ranchers, it is impacting their bottom line, as they are required to meet all of the inspection, medication, and dipping requirements. However, this challenge has also given the foundation an opportunity to make some contributions from a research perspective. They are working with USDA-APHIS, the Texas Animal Health Commission and the CKWRI, focusing specifically on the other two known fever tick hosts — the white-tailed deer and in particular the nilgai.

As part of one project, they've attached GPS collars to 20 nilgai to study their movement patterns. They've already found some interesting results, Wilkins says, one being that it's not the male nilgai that move long distances but rather the females. One cow traveled 20 miles. They also found that Nilgai rarely cross blacktop highways, especially when there is adequate fencing along the highway.

Additionally, the foundation is working specifically with USDA-APHIS on some bait research, as the nilgai do not come to feeders,

therefore unlike the whitetails, they cannot be treated with ivermectin corn.

Other projects include some large-scale prescribed burning projects, again with an eye toward improvement of livestock and wildlife productivity but also as a way to control the fever tick or as a way to draw the host animals into an area for treatment or control.

Insofar as the wildlife and particularly for those researchers who are interested in white-tailed deer, the East Ranches are considered something of a treasure trove, as the habitat and the deer population could be described as relatively pristine. That's because, in part, when it came to the wildlife, East had a leave-alone, self-regulating kind of philosophy. There was no culling, no balancing of the buck to doe ratio, no supplemental feeding, and no high fences — it was all natural, which these days is something of a rarity for South Texas.

Additionally, this deer population has gone largely unhunted for well over a century. Chris Huff, operations manager for the foundation, was the game warden on the East Ranches for many years. He says there was a lot of poaching on the ranch, but the family did very little hunting.

Famed photographer Wyman Meinzer spent three years making a photographic documentary of the San Antonio Viejo. He collaborated with author and historian Henry Chappell, who put those pictures to words in a historical account of the East family in the book "Horses to Ride, Cattle to Cut: The San Antonio Viejo Ranch of Texas".

As Meinzer pointed out on a recent visit to the ranch, the wildlife on the East country are not manicured but rather remain in "raw" form.

"Here everything coexists," says Meinzer. "There are a lot of deer, a lot of coyotes, and more quail than you can imagine. They're all doing quite nicely without management.

"These days I think sometimes we manage a little too much," he adds. "I think most times if we'd just let wild things alone and let them grow from the soil, we'd be better off."

Without management, the rainfall pattern dictates all. Specific to whitetails, the buck to doe ratio typically stays right around 1:1.8 and the fawn population waxes and wanes depending on when and if the rains come. Consequently, because of the most recent drouth, the age structure is "lumpy", with a gap in the 3.5-4.5 year-old cohort. More

recently, there's been an explosion of younger animals thanks to some back to back good years, and there is admittedly an overabundance of older trophy quality bucks.

Researchers want to know more about this unmanaged deer herd. To that end they've carried on for five years thus far a long-term white-tailed deer study whereby they gather all kinds of data on deer captured by helicopter and net gun and then released; on average more than 500 deer annually.

"Already we're learning some interesting things about what regulates body size, antler condition and longevity in relation to drouth, rainfall and habitat conditions," says Wilkins.

The final piece of the East Foundation mission is education and outreach, a piece that Wilkins says is already way more successful than he ever imagined. One piece focuses on the youth of South Texas, and the program is modeled in part after the Texas Wildlife Association's highly successful L.A.N.D.S. program, a suite of educational programs for K-12 utilized in formal and informal educational venues.

They've hired two contract educators, one of whom delivers natural resource education to the underserved communities of South Texas. Additionally, every October 1200 to 1500 kids, nine school buses a day, visit the El Sauz, where they learn about everything from ranching and natural resources to wildlife, including the endangered ocelot, which makes its home here.

"We've found that when kids have the chance to learn through an outdoor natural resource education program, particularly in a classroom without walls, they become better at math, science, and even English," says Wilkins.

Also recognizing that the future of South Texas remains with the youth of today, another long-term goal of their education program is to point more South Texas kids who want to stay in South Texas toward the natural resource profession.

Additionally, the foundation has started a college internship program for juniors and seniors who are interested in ranching, wildlife or some other natural resource profession. For those specifically interested in ranch management, the foundation helps them to continue their education through TCU's Ranch Management

program or the Masters in Ranch Management through the KRIRM program. The East Foundation works closely with both programs.

"One of our big challenges that we're already facing is the labor situation," Wilkins points out. "It's a big deal for South Texas, for all of agriculture. We're hoping that through our education efforts we can increase the pool of good managers."

Then there are the graduate students who are doing research on one of the foundation ranches. This last year more than 30 graduate students, research technicians, and post-docs were part of their program.

"Through their work here, we hope to have an impact on their philosophies and specifically how they think and feel about private lands," says Wilkins. "We want to work with them on their technical capabilities and on their ability to do objective science that can be applied to real land management issues. We also want to educate the next administrator of the EPA or the next director of the U.S. Fish & Wildlife Service, the BLM or the Forest Service. That's how we expand our footprint and ultimately impact the future."

The excitement about the future of the foundation is evident. No matter if it was the management team or the graduate students, when asked why they wanted to be part of the East Foundation team, the answer was simple. "Who wouldn't want to?"

Wilkins agrees.

"We've just barely scratched the surface," he concludes.

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