

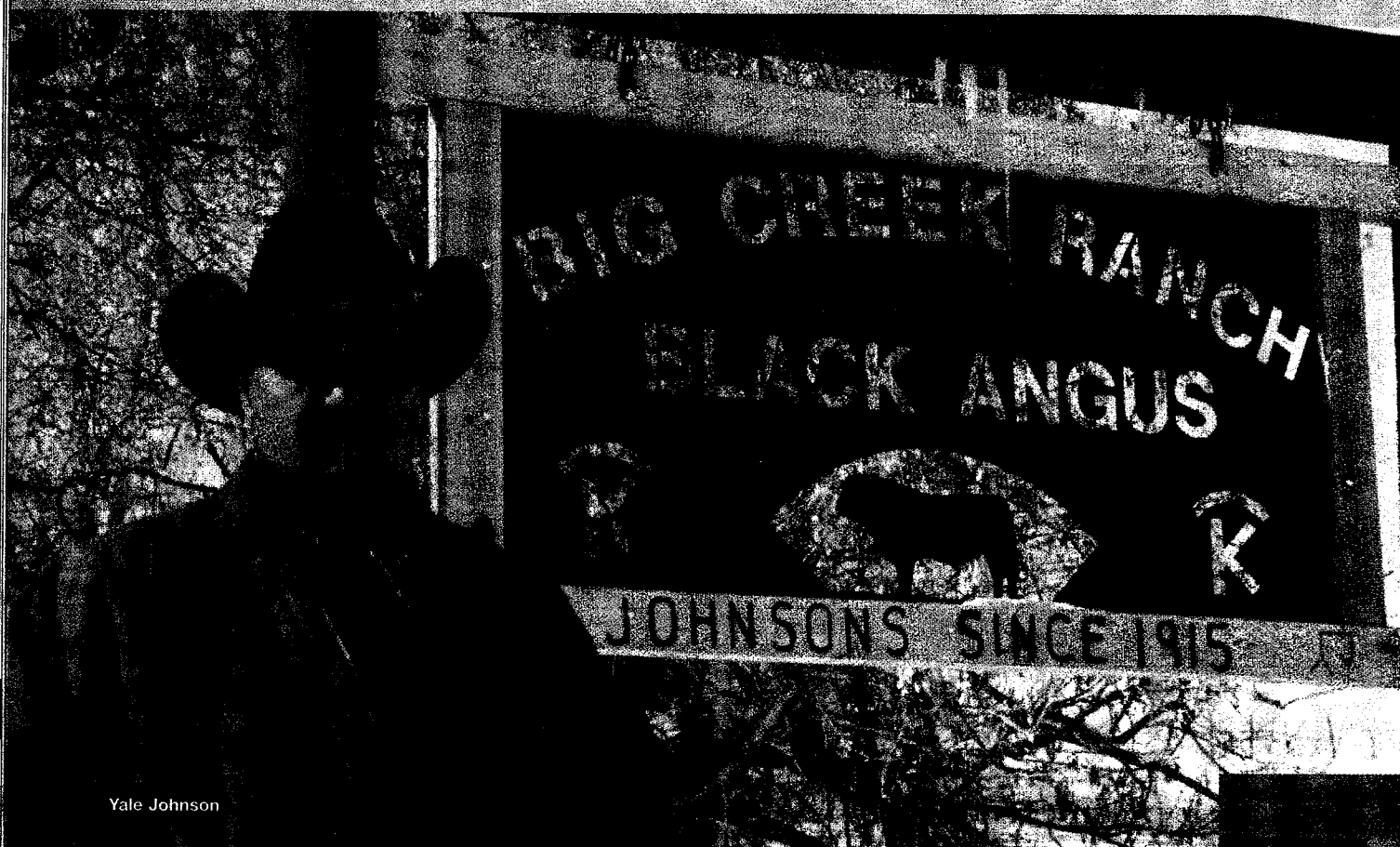
BY BRETT HULLINGER
PHOTOS BY ADAM FINKLE

On a clear, cold February afternoon, 37-year-old Yale Johnson looks out over the snow-covered fields of his 10,000-acre cattle ranch near Laketown, Utah. In the distance, hundreds of Black Angus cows dot the landscape like inkblots on a white canvas. There is not a single human being in sight, and the only sound is the crunching of Johnson's boots on the snow-packed road.

Johnson's grandfather bought this land in 1915. His 82-year-old parents, Keith and Thelma, still live on the property, and he plans on passing the ranch to his own kids—the fourth generation to take root on the Big Creek Ranch. But just out of sight, over a nearby ridge, sits Bear Lake, one of northern Utah's prime recreation spots, with its requisite condos, motels, cafes, and souvenir shops. The relentless push of development is slowly marching in Johnson's direction. He looks out from

WESTERN RANCHER:

END UP



Yale Johnson

PHOTO: BRETT HALLINGER

under his black cowboy hat, his eyes shaded by dark sunglasses, and flatly delivers his homespun take on the inevitable clash: "It's tough to run cows and run people at the same time."

It's tough—and the people are winning. The United States loses three million acres of private farm and ranch land each year to development. In Utah, development gobbles up 20,000 acres of agricultural land annually. That's two acres every hour. Whether the transformation from pasture to pavement represents progress or regress depends a lot on which side of the economic, political, and environmental fence you ride on. But one thing is unmistakable: America's independent ranchers—veritable icons of the West's hard-scrabble history—are disappearing under our noses.

Life has changed since *Bonanza* ruled evening television. The Cartwright boys had it easy—hunting down the occasional cattle rustler, tussling with ruffians in front of the mercantile, and always finding time to chase the pretty girls. Through it all they had the wide-open spaces of the Ponderosa Ranch to call home.

But the Cartwrights never had to deal with inheritance taxes and well-funded environmental posses. They weren't under the thumb of a meatpacking cartel that bought cattle at whatever price it saw fit. Mad cow meant a heifer with its leg caught in the fence. And if the Cartwrights were worried about the effects of NAFTA on their cattle business, they never mentioned it.

Today's cattleman faces all of these pressures and more. For many, it is simply too much. In his best-selling book *Fast Food Nation*, Eric Schlosser reports, "Over the last 20 years, about half a million ranchers have sold off their cattle and quit the business. Many of the nation's remaining 800,000 ranchers are faring poorly . . . Without receiving a fraction of the public attention given to the northwestern spotted owl, America's independent cattlemen have truly become an endangered species."

Endangered, yes, but not yet extinct. True to their bootstraps heritage, ranchers aren't going away without a fight. They're struggling to hold on to a cowboy past in a country hell-bent on a high-tech future. For the most part they want nothing more than to

stay on their land, raise their kids on it, and make enough money to have the privilege of doing all their hard work again next year. Life on the ranch is simply in their blood.

"I've known since I was probably 10 years old that this is what I wanted to do," says Yale Johnson. He nods toward the house where his folks live and says how fortunate he is to be working side by side with his father, an opportunity few occupations can offer. "That's one of the reasons we fight to keep doing it, is in hopes your kids will work with you."

Of course that can only happen if the ranch manages to stay afloat that long. Handing property down to the next generation has led to many a ranch's ultimate

A Draper dairy farm, once in the hinterlands, now surrounded by highways and homes

"IT'S TOUGH TO RUN COWS AND RUN PEOPLE AT THE SAME TIME."

—YALE JOHNSON



demise. A ranch that provides a good living for one family often can't provide for all the offspring. Six hundred head of cattle on 6,000 acres may have worked fine for dad. But divide that up between three kids—200 head on 2,000 acres each—and the economics may not pan out.

"I won't split the ranch," says Johnson,



even though he and wife Lisa have three kids—two girls and a boy—and a fourth on the way. "It's a good one-family deal."

He figures the girls will eventually get married and move on, and with any luck his son will want to stick around and work the land with him. But there are no guarantees; of the seven siblings in Johnson's family, only Yale and his brother in Wyoming are still ranching.

Those who stay are faced with sometimes crippling inheritance taxes. Ranching is by nature a land-rich, cash-poor operation,

especially when development creeps in and pushes up land values. Faced with inheritance taxes that can add up to more than 50 percent of the land's value, many ranchers are forced to sell part or all of their property just to pay the tax.

"The death tax is just terrible if something unexpected happens," says Johnson, adding emphasis to the need for careful estate planning. "If something would have happened 10 years ago to my folks, I don't know if we'd have been able to keep the ranch."

Josh Paskett knows more about inheritance taxes than he would like. Sitting in a small office attached to his barn, Paskett appears every bit the seasoned rancher you would expect to be running an 800-acre cattle ranch, although he is just 26 years old. He is soft-spoken and calm. Every few minutes his 3-year-old son Oakley comes inside, trailing two rambunctious puppies. "They're cold," says Oakley. Each time, Paskett gets up and gently herds the boy and the dogs back outside.

In 1997, Paskett and his wife, Natalie, moved onto Natalie's folks' ranch in Samaria, Idaho, just over the Utah border. Paskett helped his father-in-law, Tom Flinders, run the Buckhorn Ranch, an operation encompassing 800 acres in Samaria and 11,000 acres in Snowville, Utah. They ran 600 head of cattle, moving the cows between the two properties in the spring and fall.

Then tragedy struck. On March 18, 2003, Tom and his wife, Linda, both just 55 years old, were killed in an automobile accident. In addition to dealing with the traumatic loss of two family members, Paskett and the rest of the family had to figure out how to divide the ranch and make it work for everyone. Paskett and Natalie became owners of the Samaria property and 200 cows; Natalie's

two siblings took over the Snowville land and 400 cows.

"We were very fortunate in our situation that we didn't have to sell because of inheritance taxes," Paskett says, noting that Tom and Linda had accumulated enough money in their trust to pay the taxes. "I think that's the number one way that ranching is dwindling down. It's not getting passed down because they [the descendants] have to sell it to pay for it. My father-in-law paid for it once. We're paying for it again through the inheritance tax. And if something happens to us, my kids might have to pay for it again."

With a wife and three kids under 6 years of age, Paskett knows that the burden of making the ranch work now falls on him. "My father-in-law was in real estate," he says. "He was able to kind of build the place with the money he was making from real estate. Then we come along and we don't do that. Can we just make it on ranching? From all the numbers we've crunched, it's going to be tight, but we should be able to do it."

He walks outside again with Oakley, each of them carrying a squirming puppy. It is an early afternoon in February, and the sun reflects brilliantly off a freshly fallen blanket of snow. Paskett doesn't look worried; after all, he knows the business inside and out. But as he sets the puppy down and looks off in the distance at his cows, he sums up the pressure he is now under. "A few mistakes," he says, "and it's gone."

Both Josh Paskett and Yale Johnson are part of an ever-shrinking group within their industry: ranchers who are able to sustain their operations strictly from the sale of cattle. While the price of land, machinery, fuel and everything else needed to operate a ranch have skyrocketed over the last three decades, beef prices have remained relatively flat. Ask

any rancher where the primary problem lies and they are apt to utter a word laden with both contempt and hopeless resignation: packers.

Tyson Fresh Meats, ConAgra, Excel, and National Beef are the four largest meatpackers in the U.S. Together they slaughter more than 80 percent of the country's cattle. In 1970, the big four slaughtered just 21 percent. Back then, large packers had to compete with hundreds of smaller companies in open-bid auctions. The competition gave ranchers a fair chance at getting a fair price for their cattle.

Today's situation is essentially a de facto cartel, and the big packers have leveraged their power to put the squeeze on independ-

ent ranchers. In February of this year, Tyson was found guilty of artificially holding down beef prices through illegal cattle contracts—just another in a long, sordid history of antitrust disputes within the industry. Tyson was ordered to cough up \$1.28 billion.

With the packers keeping a tight fist on beef prices, thousands of mom-and-pop operations have simply gone under. Yale Johnson remembers when little family farms were scattered around the southern end of Bear Lake. "Now," he laments, "there aren't any." As a result, the new West is being won by diversified, business-minded ranchers who manage to marry the old ways with a new way of thinking—people like Greg Kesler.

Sitting on the metal bleachers of the South Jordan Equestrian Center, Kesler watches as team ropers throw lassos at the steers he has trucked in from his 8,000-acre Double Dollar ranch near Holden in central Utah. He is 47, solidly built, wearing weathered cowboy boots, jangling spurs, and a black cowboy hat. His checkered shirt sports twin dollar signs, the ranch's logo.

Kesler is a fourth-generation rancher on both sides of his family. He was raised on a small family ranch in Kanosh, and as a young boy dreamed only of riding and roping. But when he returned home after serving a mission for the Church of Jesus Christ of Latter-day Saints, he realized the ranch, having

Greg Kesler (center) and Family



already been divided two or three times as it was handed down through the generations, wasn't going to support him and a family. He left home with one goal in mind: "I had to go find something to do in order to come back and buy a ranch."

The odds were certainly against him. Kesler admits that once you leave, it's difficult to return. "You go out there and you start in another world, and you get caught in the middle of that other world. Whatever industry you pick, it locks you in tight sometimes. I've talked to lots of people over the years in other industries who say they always wanted to take their family back to the ranch. I would guess that it's a small percentage that are able to make enough [to buy their way back in]."

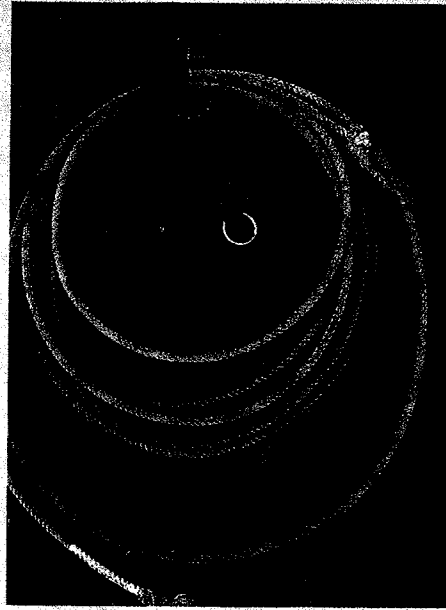
Kesler eventually did buy his way back in. He worked a variety of jobs—from shoeing horses to roughnecking on oil rigs—and started several businesses; "Some successful and some not," he admits. All the while he built his cow herd, leasing ground from developers who had purchased ranchland and needed it taken care of until actual construction started.

Here and there Kesler got lucky. "I bought some property in Heber," he says. "I made a down payment, started making payments and pastured my cattle on it. In the meantime, Heber turned into a boomtown and I was able to sell it for a lot." On the strength of that investment, along with the sale of cattle and money from a successful chemical business he'd started, Kesler was eventually able to buy his ranch and get back to his first love.

And that's where the real work begins. Buying or inheriting land is the easy part of ranching; making a living at it is another story. Kesler figures most small ranches—50 to 500 head of cattle—are surviving in one of three ways: they are selling pieces of their land; they are "living off what dad did" and depleting it at the expense of the future; or they have an additional job outside the ranch.

"Or," Kesler adds, "the last thing that makes them survive is they adapt. A large number of ranching operations still do it the way grandpa did. And we're in a day and age where you better figure out a better way. A new way. You better adapt to the times or you're not going to make it."

Kesler has adapted. In addition to his cattle herd—which fluctuates between 300 and 600 head—he trains horses, conducts an annual horse sale at the National Finals Rodeo in Las Vegas, leases steers for roping



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events, and runs an internship program to teach people how to train horses. On top of that he has a composting operation and a chemical business that sells dust-control chemicals for roadways. And he's always looking for new opportunities.

"We've got 300 acres of sand dunes on part of our ranch where we plan on putting a motorcycle area and a campground," he says. On top of that he sees his ranch as a potential oasis for city-bound horse lovers. "Salt Lake has a lot of horse people that wish they had somewhere to go. We have 90 stalls, indoor and outdoor arenas, a pavilion with grass all around it, horseshoe pits, barbecue pits. We made it to have fun."

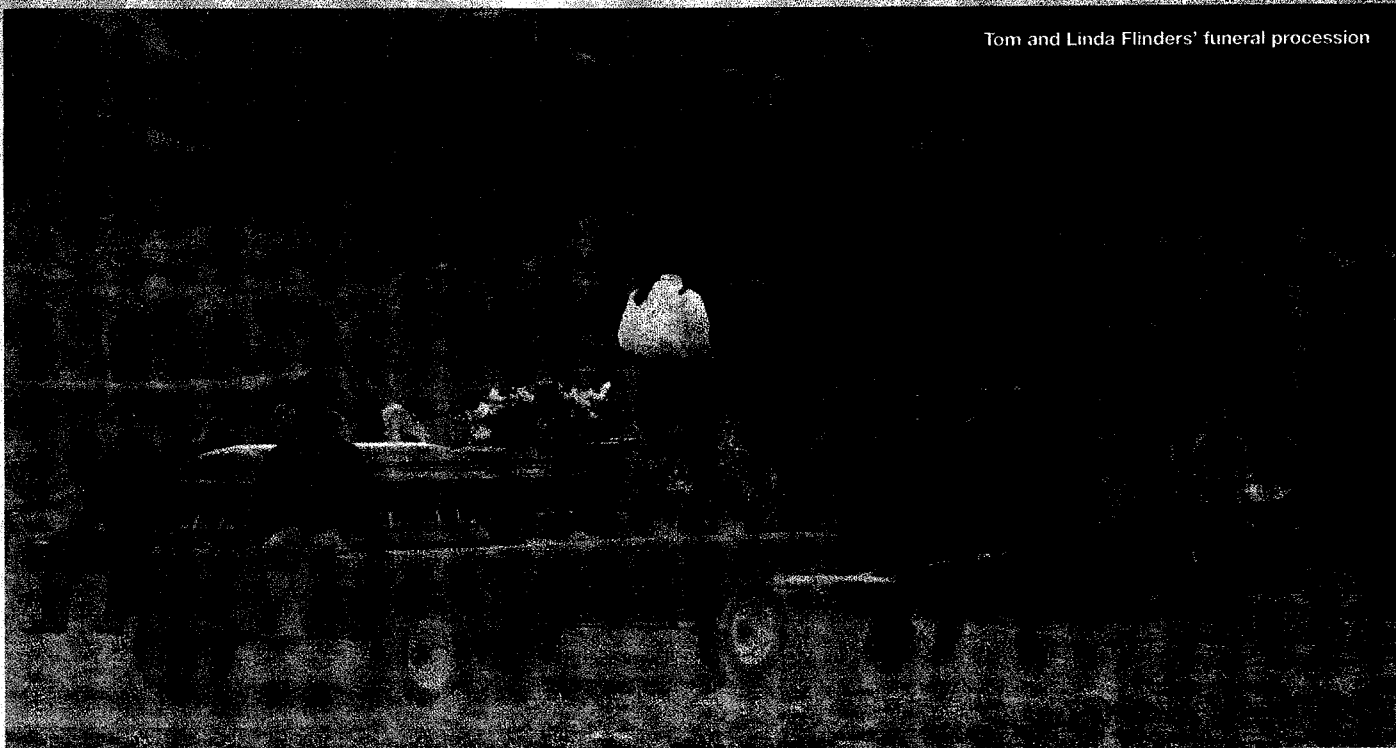
He is kicking around the idea of having a sort of country club without the pretense, where folks can board their horses and come down whenever they want to experience ranch life. "If we're branding or trailing cows that day, they can come and do what we do. There's a lot of people out there that would like to still be ranching but they can't."

Motorcycles, campgrounds, and city slickers riding alongside real cowboys? It may not fit the traditionalists' view of a ranch, but then again their view is often clouded by the idyllic cowboy lifestyle romanticized on television. And no matter what idea Kesler puts on the table, he always keeps his ultimate goal in mind: to build an operation that can be passed on to his kids—he and wife Allyson have six children ages 6 to 24—in a way that they can make a living at it.

It won't be easy. Even if Kesler does everything right, there are factors beyond his and every rancher's control. Health scares, like the recent mad cow reports, can send waves of panic through the industry. "When it first came out, it scared us a lot," admits Josh Paskett. "It's one of those things that can put us all out of business."

Then there are political hurdles, like NAFTA, which opened the borders to cheaper cattle being imported from Canada and Mexico. "NAFTA has killed us," says Kesler. "For example, when they shut off the border at Canada [during the mad cow scare] our beef jumped more than 25 cents a pound in 10 days."

On top of all that, there are powerful environmental groups, which have cast the modern-day cattle rancher as earth-destroying villain. As the Sierra Club's Web site puts it, "No other human activity in the West is as responsible for the decline or loss of species as is livestock production."



Tom and Linda Flinders' funeral procession

Andy Kerr, director of the National Public Lands Grazing Campaign, takes it even further. "Livestock have done more damage to the Earth than the chainsaw," he says. "Bovine bulldozers have impoverished the arid West They are an abomination."

Ranchers like Yale Johnson find themselves directly in the crosshairs of such vitriol. "Environmental pressures are probably going to be our biggest downfall," he says. "I worry more about that than I do probably any of the rest, except maybe the weather."

Johnson, like many Western ranchers, owns permits that allow him to pasture his cattle on public ground for part of the year. Each year, through lawsuits and political action, the environmental lobby exerts more and more pressure. "They're making it pretty miserable to be up there," he says, nodding toward the forest permit areas above his ranch.

Compounded, these pressures can be overwhelming. A 1999 *New Republic* article, "Farmed Out," reported that the suicide rate among U.S. ranchers and farmers is roughly three times higher than the national average. Clearly, a failed rancher loses something more than a job. He loses his way of life, his land, and his connection to the past. He becomes the broken link in a chain that binds one generation to the next.

Scott Bassett doesn't have to look too far into the future to see the chain breaking. Bassett, 37, lives with his wife, Jalayne, and 1-year-old daughter Kesli on 80 acres of ranch

land in Heber City. The area was just a sleepy little hamlet when his father, Richard, bought the land in 1969 and began breeding Beefalo cattle—a cross-breed of beef cow and buffalo.

Thirty-five years later, Heber has become a haven for vacation homeowners, Salt Lake commuters, resort developers, and millionaires who can't find property in the nearby glitz of Park City. Bassett's property sits just outside the city limits, and he has 1,200 feet of frontage along Highway 40, the main road into town. The land is a developer's dream, worth millions in today's market.

For now, Bassett is content to play the role of gentleman rancher, working full-time as an environmental coordinator for Questar and spending the rest of the time tending to the Circle T Ranch. He buys about 50 calves in the spring, grazes them on the land over the summer and sells them in the fall. He boards horses, puts up hay, and constantly researches new and innovative ways to bring additional revenue streams to the ranch.

But development appears inevitable, and he knows it. Asked if he's worried about inheritance taxes and how his land will be divided up by future generations, he replies with a simple *no*. "Quite frankly," he says, "I've come to grips with the fact that it's not going to be there."

He doesn't know yet if he'll develop it himself, parcel it out a chunk at a time, or sell out completely, but he figures the process will start within the next five to 10 years.

"It's a lot of work," he adds, noting the

hours it takes to maintain the land, the cattle, and the horses while working a full-time job. "So while I'm enjoying what I'm doing, I'm looking forward to having five acres, and a nice barn, and just my horses. Then I might have time to ride them with my kids."

For Greg Kesler, Yale Johnson, and Josh Paskett, selling out is a decision they hope is a long way off. Despite all the pressures and the gloomy predictions associated with ranching, they are too busy enjoying their throwback lifestyle to be bothered with predictions of its imminent demise.

"I'm my own boss," says Paskett, summing up the independent spirit that is at the heart of the Western cattleman. "I don't have to get up at a certain time and go be at work for a certain amount of time, even though I probably put in 12-to-15 hour days pretty regularly. I can do what I want, when I want, and how I want."

Paskett knows his freedom is due in large measure to his wife's parents, Tom and Linda Flinders, whose lives were tragically cut short in that auto accident. Their land has been handed down to Paskett—another link unbroken—and he is grateful to be living life on his terms. "I may not be rich," he says, with 3-year-old Oakley on his lap and two puppies scratching at his pant legs, "but I'm happy. My family is happy. We love what we do."

Tom and Linda loved it, too. They were buried on their Snowville ranch, forever connected to their land and an endangered way of life. **SL**