

# BUSINESS

SECTION I

Sunday, May 11, 1997

THE DENVER POST



The Lasater Grasslands Beef operation is headed up by father Tom Lasater, 86, left; his son Dale, center, who's the ranch foreman; and Dale's cousin Walt Casey.

## Steering a new course

### Dale Lasater's grass-roots beef revolution

By Sam Bingham  
Special to The Denver Post

In a \$50 billion industry facing the biotechnology revolution and ruled by three mega-corporations that sit astride 75 percent of the production stream, Lasater Grasslands Beef represents another kind of revolution.

This grass-roots revolution is an adventure in seeking profit by breaking the rules of a monolithic system that some would say has grown sluggish. In the red-meat business, some successful pioneers have led the way, including Coleman Natural Beef and the Denver Buffalo Co.

Grasslands Beef has a new angle.

The idea: Offer a unique product at less cost by short circuiting the practice of fattening cattle in feed lots. In America today, virtually all cattle and bison, including those sold as

"natural" or "organic" spend the last three to four months of their lives eating grain in confinement. Marketing beef from cattle that have never eaten grain is not the first time a Lasater has challenged convention in the cattle business, however.

In the 1920s, Texas cattleman Ed Lasater stood out among ranchers organizing against domination of the packing industry by Swift and Armour. His

son, Tom, created one of only two original American cattle breeds, the Beefmasters, by applying an unorthodox set of se-

lection criteria to a crossing of Shorthorn, Hereford and Brahman cattle.

In 1948, Tom moved the foundation Beefmasters herd to Mattheson, Colo., where he turned 28,000 acres of exhausted wheat ground and overgrazed prairie into a ranching legend for profitability and ecological stewardship. Thanks to Tom's lifelong passion for nature, no one has killed coyotes or rattlers legally on Lasater land for half a century, and years before it became politically correct, his cattle were famous for thriving under range conditions with-



# Lasater Grasslands Beef carves niche for products

Tom Lasater, 86, remains active in the running of Lasater Grasslands Beef. Tom and his father, Texas cattleman Ed Lasater, created one of only two original American cattle breeds, the Beefmasters.



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out any hormone implants, antibiotic supplements or pesticides.

Tom's son, Dale, registered Lasater Grasslands Beef in the summer of 1996 as a limited-liability company in partnership with his cousin, Walt Casey Jr., and long-time business partners Duke Phillips and Greg Lingus.

"Our slogan, 'In Nature's Image' tells you that we consider our beef the most chemical-free, most environmentally friendly meat available," Dale Lasater said. "But our projections are not dependent on the health food and environmental market. The USDA grading system and a packing industry dominated by IBP, ConAgra and Cargill have turned beef into a generic commodity, so there is plenty of room for anyone who can deliver taste, tenderness and consistency at less cost. That's us."

Says Mel Coleman, founder of Coleman Natural Beef: "Grass-fed beef can be wonderful, and grass is the best resource for perpetual production of food from solar energy, but selling it is not the same as raising it. When we started, they jeered at me, 'Welcome to the meat business, cowboy!' And we sure had a lot to learn."

"For a small-volume enterprise," Coleman continued, "it's a challenge to sell all those parts of the animal. Stores and restaurants want only the good cuts, but they want those every day and that's another challenge."

The problem with grass-fed, Coleman said, is that it's seasonal: When grass is dormant, the beef will be tough because the cattle are eating grass that's tougher and less juicy — the difference between your summer and winter lawn, for example.

"Also," Coleman said, "small packers are going broke because their profit isn't in the beef, it's in the by-products — hides, offal, bones, etc. — and the big packers can add value through processing and rendering."

Says Peter Decker, former Colorado secretary of agriculture under former Gov. Dick Lamm, and a rancher himself: "I applaud people like Coleman and presumably Lasater, but the one thing about grass-fed beef, many people like the idea, but when they taste it, it doesn't taste like regular beef. On the other hand, we all have different tastes in clothes, why not in beef?"

Lasater has heard these doubts but his experience has led him to ask different questions, and he is not a naive cowboy. Besides his family roots in ranching, after graduating from Princeton University he spent a year as a Fulbright scholar in Argentina, where all beef is grass-fed, and he later managed a large feed lot in Kansas.

"The interesting thing to me after all this and eating my share of corn-fed Iowa steaks is that we're not talking about an inferior product," Lasater said, citing the fact that Argentina exports grass-fed beef to restaurants in major American cities as a gourmet item at premium prices. "Argentine beef is famous around the world, and it's all grass-fed. Why don't we do that?"

He argues that the answer has nothing to do with taste, tenderness, consistency or even price. Those challenges can be handled by careful timing of breeding and slaughter, good pasture management and proper aging of the product.

"A lot of this is common knowledge in the rest of the world that we've forgotten. Grain feeding began here when we had surplus grain," Lasater explained, "not because you and me as consumers demanded grain-fed beef."

Lasater claims that the surpluses resulted from subsidies built into American farm policy, not from American ingenuity working in a free market.

The second big change came 25 years ago when packers stopped dry-aging beef before sale, which will make meat from cattle of widely differing age, breed and feeding regimens consistently tender.

"The chain stores and packers decided they couldn't have that money hanging there for two to three weeks, so they put the burden back on the cattleman, who was the only one in the chain who wasn't making money."

As the industry shifted to a mass production, rapid-turnaround mode, it forced ranchers to change a grass-eating animal into one that could convert grain into meat as efficiently as a chicken, and put uniform cuts on the table within three to five days of slaughter. They have turned American cattle breeding on its head, but consistency remains such a hot topic that even some in the industry mainstream have doubts.

Says Reeves Brown, executive director of the Colorado Cattleman's Association: "We don't need consistency, but predictability. Give the consumer diversity, but make sure he knows what he's paying for and gets it. The USDA rating system doesn't guarantee that, but branded products like Coleman, Certified Angus and Lasater have to. That's what will lead us out of this bind."

Lasater is not worried. He cites an Auburn University study in which 80 volunteers ranked even unaged beef from ryegrass pasture marginally higher than feedlot beef, though most could not tell the difference. "Most of the critics think grass-fed means the old 'cull cow' they ate in some bunkhouse as a kid, but our approach is every bit as sophisticated as any in the conventional market."

For starters, Lasater ranches manage grazing according to prin-



Dale Lasater spent a year as a Fulbright scholar in Argentina, where all beef is grass-fed.



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ciples designed to mimic the symbiotic relationship dense herds of bison once had with grass, when they migrated through Mattheson under pressure of wolf packs. The Society for Range Management, the Colorado Cattlemen's Association and even the Sierra Club have recognized the outstanding quality of their ranges.

They have fall and spring calving herds so they always have animals between 18 and 24 months to market, as well as capacity to freeze meat and hold it.

Finally, Lasater Grasslands Beef dry ages 21 days in a cooler.

Whether grass-fed beef develops beyond a boutique product will turn on Lasater's larger question. If subsidized grain surpluses created the grain-fed beef industry, could new farm policies and the global market kill it?

Allan Nation, editor of the monthly Stockman Grassfarmer newsletter in Jackson, Miss., points to what happened last year when corn closed in on \$5 a bushel.

"Nobody put the cattle on feed. They kept them on pasture and let them grow big, big, big. A year of that would have wiped out feedlot beef altogether."

Most observers, including Nation, predict more volatility as price supports wind down under the latest farm bill and farmers no longer are locked into planting certain acreage to specific crops.

"Now we produce beef for about 65 cents a pound. The Argentines do it for 42 (cents) and the Australians for 27 (cents). It's no coincidence that the Argentines also are the lowest-cost wheat growers, but they don't feed it to cattle. Their land cycles between pasture and grain, which spares them the cost of inputs that are standard here and maintains the soil better. We're going to see that here."

But maybe not for a while. A major sticking point is yet another government initiative launched in 1985, the Conservation Reserve Program which, in the interest of higher grain prices and land restoration pays farmers to plant grain fields back to grass but forbids them to graze livestock on it.

Cattlemen, farmers, conservationists and federal budget cutters are locked in a four-way battle over what to do next.

Lasater, at least, is not waiting for the outcome.

Lasater Grasslands Beef is available at Leever's Foods in Boulder, Sir Loin Meat Shoppe in Aurora, and The Manna Co. and several restaurants in Colorado Springs. Its products also may be ordered from the Lasater Web page at [www.lasatergrasslands-beef.com](http://www.lasatergrasslands-beef.com).

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