



CapitalFarmCredit.com  
(877) 944-5500



## Landscapes: Celebrating Rural America

Dear Stockholder:

Capital Farm Credit is extremely proud to serve agriculture and rural America, and our pride is reflected in Landscapes magazine, which celebrates its 15th anniversary this year.

Landscapes is our gift to you. It was launched in 1998 to showcase the agricultural industry and the rural people served by Farm Credit, while also providing helpful information and association news to our customers.

On behalf of Capital Farm Credit, I would like to thank you for your business and your involvement with our financing cooperative. Due to our efficiencies and loyal customer base, we returned a record patronage this spring, totaling \$138.2 million. Our ability to return patronage each year strengthens our mission to provide financing and related services to support Texas agriculture, and affords our membership lower net borrowing costs.

We hope that you enjoy Landscapes and share it with your friends, neighbors and family. The magazine is a great tool for educating the public about the agricultural industry and spreading the word about Capital Farm Credit; so when you are finished with your copies, please pass them along to others in your community.

It is a privilege to serve you and our many other customers, who together contribute to the success of Capital Farm Credit and help make rural America the best place to live and work.

Sincerely,

Ben R. Novosad  
Chief Executive Officer



# WORK HARD. WIN BIG.



*Rusty, Riggan, Katie and Ryder Day enjoy family time on their property.*

Rusty Day gave his wife Katie a ring pretty early in their relationship — not necessarily the type of ring that comes to mind, however.

After dating for four years, the couple entered the show ring together, purchasing 10 Hereford females for their show cattle operation. The engagement ring came later, and so their story begins.

The Days — Rusty, Katie and their two boys, Ryder, 6, and Riggan, 2 — operate Day Show Cattle, beef cattle raised and marketed for the niche show-calf market, with Rusty's parents, Ricky and Cindy Day. In addition to the cattle operation, Rusty and Katie farm irrigated and dryland cotton, wheat, improved grass, hay and peanuts in their “spare time.”

The entire family are Capital Farm Credit members, and Jason Swann, vice president/branch manager of the Levelland credit office, assists with financing several facets of their operation — or, to be completely correct, operations, located between Meadow and Sundown in the Texas South Plains region.

“We’re extremely honored that we’ve been able to call Ricky and Cindy stockholders since 1991 and Rusty and Katie since 2002,” says Swann. “Helping farm and ranch families carry on a way of life across three generations is why Farm Credit was established in the first place. Seeing Rusty and Katie continue that tradition through adaptive technology, diversification and hard work is impressive.”



## Stock Shows in Their Blood

Now, how does one enter the show cattle business? No lost bets or arm twisting here. It came pretty naturally. Both sides of their family have shown animals for three to four generations.

Day Show Cattle began with Ricky and Rusty during Rusty's junior high school year. In 1991, his third year to show, he won the Reserve Grand Champion Steer award at the Houston Livestock Show. He decided to reinvest his winnings in 12 head of Chianina-Angus cows, in addition to starting his college fund. Not long after graduating from their respective alma maters, Texas A&M University and Texas Tech University, Rusty and Katie entered the show ring together.

Day Show Cattle started in a simple lean-to shed on Ricky and Cindy's ranch. Calving and breeding operations remain at their place. After weaning, calves begin their club-calf careers on Rusty and Katie's property, complete with a processing/grooming/show barn and office, just two miles down the road.

Averaging several hundred head on any given day, the operation is definitely hands-on, with much attention and care being given to every animal. All cattle offered in the Days' sales are ranch-raised, and considering the family raises 14 breeds, there's likely something for everyone.



"Most stock shows have a 16-breed format, and we try to offer customers most of those breeds," says Katie.

Although it is a hands-on business, Day Show Cattle is definitely not low-tech. "We take advantage of the technologies available," Katie says. "Bottom line, they're successful and profitable, allowing us to provide a more consistent-quality animal."

Rusty, a cum laude graduate, and Katie, a summa cum laude graduate, stress that breeding top-notch calves takes know-how and research. "This industry is not dumb work. It's always changing and advancing. If you're not looking to learn, you're going to be left behind," Rusty says.

## Cloning Their Best Genetics

The Days have an extensive embryo transfer operation in addition to their newest venture — cloning genetics. Their most successful genetics currently being cloned are Hereford cattle. These include a female they call Ranch Royalty, who thus far has raised progeny that have won six banners in the "Texas majors." She is the most decorated Hereford cow in the club calf world, as far as they know. Another is Magic Man, a well-known slick-sheared steer that Katie nicknamed Chatter for the buzz he caused when his picture hit social media, including Facebook, ultimately going viral online.

Their March and April spring sales, most recently held at the new Mallet Event Center in Levelland, were also hosted online through Breeders World for customer convenience.

The Days are connected, worldwide in fact, through online sales, their website and social media. What is their most far-reaching sale to date? A customer from Georgia purchased a Shorthorn steer online last year, using his iPad while on an offshore drilling rig in India. He turned into a repeat customer, making additional online purchases and keeping in touch via Facebook and e-mail, before finally making a trip to the South Plains to attend their most

recent sale.

In terms of sales, the March event produced record-breaking results for polled Hereford and horned Hereford steers.

"Not many times in life do you get to quantify perseverance," says Swann. "By maintaining their genetics and herd during one of the worst droughts of all time, the Days were able to have a record sale in March." The April sale, occurring after this magazine's press deadline, is looking to be just as successful, Swann says.



*Rusty and Katie Day raise 14 breeds of cattle on their ranch near Meadow, south of Lubbock.*

Tanya Foerster

The Days' slogan is "Work Hard. Win Big." It's a mantra they carry through their daily lives, teaching lessons of hard work and dedication to their boys. Seeing a family at a stock show bond over a recent success, often in tears, is priceless and, according to Katie, "worth the time and effort put in by all." It may not be everyone's definition of success, but it's a dream come true for the Day family.

— By Sarah Cortese



## A BANNER YEAR

For the Day family, the winter 2013 show season was outstanding, with wins at four of the major stock shows in Texas:

- Grand Champion Hereford, 2013 San Antonio Stock Show
- Reserve Champion Brangus, 2013 San Antonio Stock Show
- Champion Simmental, 2013 Houston Stock Show
- Champion Shorthorn, 2013 Star of Texas
- Reserve Champion ABC, 2013 Star of Texas
- Grand Champion Steer, 2013 SandHills Stock Show



# A New Take on an Old Business

Family Markets Grass-Fed Beef to San Antonio Restaurants  
and Farmers' Markets

**Profile:** Fohn Bendele, Grassfield Beef, Hondo, Texas

**Products:** Grass-fed beef

**Size of Operation:** 100 head

**Years in Business:** 30

**Farm Credit Partner:** Capital Farm Credit

**Years Working With Farm Credit:** 35



*Above, from left to right: William, Fohn, Caroline, Jana, Krisann and Brad Bendele. Above right: Kenneth and Mary Bendele.*



Photos courtesy of the Bendele Family



*From left to right: Abigail, Angela, Lilly, Eric and Nicholas Bendele.*



Americans' growing interest in where their food comes from and an increased demand for naturally raised products has given one multigenerational farm family an opportunity to satisfy consumer preferences while increasing their own success.

Brothers Fohn and Eric Bendele have raised cattle on their Texas ranch for 30 years, following a family tradition that goes back generations. About five years ago, though, they changed how they raised their animals, switching to a grass-fed approach that lets the cows graze on the pasture, supplemented as needed with cut grass. "Because the cattle are outside and moving around, grass-fed beef actually has healthy Omega 3 fats, similar to olive or fish oil," says Fohn.

These health benefits, combined with consumer interest in natural and sustainable agriculture, has created a market that Fohn is now supplying, selling his products through San Antonio restaurants and local farmers' markets.

### Big Premium for Local Beef

"One restaurant features us on their menu, along with other farmers they buy from," Fohn says. "This adds value for them, because people want to support local farmers and are willing to pay more for those products." Fohn says it's a win-win-win: The consumers get the products they want, the restaurants attract more customers, and the growers earn a better price. With grass-fed beef, that premium is 50 to 100 percent over conventional beef. This price is balanced, though, by the fact that it takes significantly longer to raise grass-fed cattle compared to cattle in feedlots.

Despite the increased profit margin their new approach is garnering, the Bendeles each continue to maintain an off-farm business: Fohn is an investment advisor and insurance broker, and both Eric and his father, Kenneth, are tax accountants.

"We'd love to purchase more land and grow our farms," says Fohn, "but we're not interested in getting so big that we'd have to have someone else operate the farm for us. That would take all the fun out of it."

### Featured in Dodge Video Tribute to Farmers

Some recent fun the Bendeles enjoyed has actually become a national topic of conversation: Members of the family were featured in the two-minute-long Super Bowl commercial from Dodge that honored America's farmers and ranchers. Even more fun, they were as surprised as everyone else when they saw it. Although a photographer had spent half a day with them on their farm, they weren't told how the photos would be used.


"It put a lump in our throats," Fohn says. "Not just because it was our own pictures, but because it was so heartfelt and because it showed that there are still many farm families who really work hard to grow our food."

Fohn attributes much of the success he and his family have enjoyed to the support they receive from Capital Farm Credit, which has financed land purchases, equipment and improvements for them, such as irrigation systems. "They're the reason why we were able to farm to this day," he says. "Thank goodness for Farm Credit."

— By Karen Macdonald

## SO GOD MADE A FARMER

Bendele Family Appears in Super Bowl Commercial



Kenneth Bendele, his son Eric and grandson Brad couldn't believe their eyes when they suddenly saw their faces in the Dodge Ram Trucks 2013 Super Bowl commercial.

Narrated by the late radio broadcaster Paul Harvey, the commercial touched people around the world, as viewers later shared the aptly named "So God Made a Farmer" video on YouTube and other social media, and traditional media outlets, including morning television shows and USA Today, praised it.

The Bendeles, who had no idea their photos were to be used in the commercial, are thrilled to be a part of such a wonderful tribute to farming, ranching and the agricultural way of life.

To view the video, go to [www.ramtrucks.com/en/keepplowing](http://www.ramtrucks.com/en/keepplowing).



# Ready, Set,

Capital Farm Credit established a Facebook, LinkedIn and YouTube presence earlier this year. We invite you to connect with us online for association news and information, job postings, community and industry news, and much more.

This multi-channel approach enables us to increase the ways in which we engage, inform and interact with customers and the public. Capital Farm Credit's communication via social media is not limited to our corporate presence. Several credit offices are

on Facebook, including La Grange and Kerrville, with more to follow throughout the year.

All social media efforts will support our website, **[www.CapitalFarmCredit.com](http://www.CapitalFarmCredit.com)**, which is on tap for a complete redesign in 2013. Join the conversation — we look forward to interacting with you.



## ICA Bull and Heifer Sale Raises Funds for Youth

For the 18th consecutive year, the Southeast Texas Independent Cattlemen's Association (ICA) hosted its commercial bull and heifer sale in Beaumont. Capital Farm Credit was the corporate sponsor of the sale, which grossed more than \$1 million. A portion of the proceeds will fund scholarships for high school seniors in the region.

The ICA of Texas is devoted to fighting for the rights of cattlemen and serves as their voice in promoting the beef industry. For more information about the annual commercial bull and heifer sale or becoming an ICA member, visit [www.icatexas.com](http://www.icatexas.com).



Photos by Evelyn Frank

# Hay, We Roll Money Back to You

## Capital Pays Record Cash Patronage

When it comes to financing agricultural production, real estate and agribusiness, Capital Farm Credit is the best in the field. On top of competitive rates and service, the customer-owned cooperative returns almost 100 percent of its net earnings to customers through its patronage program.

This spring, Capital returned \$42.1 million in cash patronage, the largest yet. What's more, based on the co-op's strong earnings last year, the board of directors has allocated another \$96.1 million in equity that may be eligible for future payment.

Capital Farm Credit values its customers. Its ability to return patronage each year strengthens the mission to provide financing and related services to support Texas agriculture, and affords Capital's membership lower net borrowing costs. The benefits of doing business with Capital really stack up.

## Teenager Named Childress County Farmer of the Year

When Sawyer Galyean was 14 years old, his grandfather leased him 100 acres of land to farm on his own. Two years later, Sawyer has more than 200 acres to manage and farm while balancing his other job — attending high school.

The young man's days start early and end late, especially during peak farming season. He finds himself helping his grandfather farm his land and anyone else who might need an extra hand. He is constantly working in the barn, repairing or creating some type of equipment to implement into his operation. Sawyer's true passion is farming and everything involved with it, and he is the epitome of hard work and dedication. Last fall, his efforts earned him recognition as the Childress County Farmer of the Year for 2012.

Sawyer's grandfather, Jim Parker, has been a member of Capital Farm Credit in Childress since 1997, and Sawyer also finances his farming operation with Capital's Childress credit office.

"Sawyer is a dedicated young man who represents agriculture extremely well and has a very bright future," says Cliff Tippet, vice president of lending in the Childress office.

## Born to Farm or Ranch?

Next Generation Agricultural Conference  
to be held in Abilene

Capital Farm Credit and Texas AgriLife Extension have teamed up to proudly offer two Next Generation Agricultural Conferences in 2013. The first conference was held in late May in Bryan. The second conference is scheduled for July 18-19 at the Taylor County Expo Center in Abilene, beginning at 8:00 a.m.

Designed to educate beginning farmers and ranchers about financing opportunities and farm management issues, the conferences will feature topics on:

- Farm financial management
- Agricultural economic forecasts
- General agriculture
- Farm planning and budgeting

The conference curriculum, provided by Texas AgriLife Extension, is tailored to the type of agriculture in the region. To register, go to <https://agriliferegister.tamu.edu> (**keyword search:** generation) or call (979) 845-2604.

# Get Ready to Rodeo — Angler-Style

Capital Farm Credit Partners with CCA

For the second year in a row, Capital Farm Credit has partnered with the Coastal Conservation Association (CCA) Texas STAR Tournament as a co-sponsor.

The State of Texas Angler's Rodeo (STAR) is the annual membership recruitment drive for CCA Texas. The tournament spans the entire Texas Gulf Coast and offers CCA Texas members the chance to win more than \$1 million in prizes and scholarships.

Through unmatched volunteer involvement, CCA Texas is the largest marine conservation group of its kind.

Capital Farm Credit shares CCA's dedication to the conservation of our coastal natural resources and its collaboration with policymakers to ensure Texans' enjoyment of the outdoors.

The STAR Tournament runs May 25 to Sept. 2. Visit [www.startournament.org](http://www.startournament.org) for more information.



## Partnering With Cattle Raisers

To Offer Networking and Ranching 101

The Texas and Southwestern Cattle Raisers Association (TSCRA), the oldest and largest livestock organization based in Texas, boasts a membership of more than 16,000. Capital Farm Credit has partnered with the TSCRA on several levels, including Ranch Gatherings and Ranching 101 educational classes.

Ranch Gatherings are held across the state, providing networking opportunities for ranchers and cattlemen and women as well as updates on industry information.

Ranching 101 is a monthly training seminar designed to give new ranchers practical information on tools and equipment needed to get started in the industry. Held at TSCRA headquarters in Fort Worth, the seminars are free for TSCRA members. Non-members may attend for \$20.

A list of remaining TSCRA seminars and events is available at [www.tscra.org](http://www.tscra.org).

Capital Farm Credit representatives attend these events and can answer any agricultural financing questions you may have.

## AgDirect.

### Equipment Financing Service Offered Through Capital Farm Credit

Farmers and equipment dealers in Texas have a new equipment financing option from AgDirect, a credit source already familiar to many producers across the country.

Through a partnership with Capital Farm Credit, AgDirect now offers its financing program to equipment dealers and their farmer-customers in Texas.

AgDirect is known for its competitive rates, fast decisions and flexible terms to better serve an ever-evolving ag equipment industry.

"Financing applications are completed online at the dealership in minutes, and most credit decisions take seconds," said Ben Novosad, Capital Farm Credit chief executive officer. "Overall, we expect that farmers and their dealers will find that the simplicity and flexibility of AgDirect will make the financing of equipment sales easier on customers and dealership staff."

AgDirect offers financing, refinancing and leases starting at \$10,000, with up to seven-year financing terms and delayed first payments of up to a year (subject to credit qualification). Other options include fixed or variable rates and no prepayment penalties. There are no manufacturer rebate restrictions.

Established more than 10 years ago, AgDirect is an equipment financing program offered by Capital Farm Credit and other Farm Credit partners of AgDirect LLP through more than 2,300 agricultural equipment dealers in 18 states, representing dozens of brands and types of equipment.

To learn more about AgDirect, Capital Farm Credit customers may contact their local credit office or visit [www.agdirect.com](http://www.agdirect.com).