

Profile / By Steve Miller

# In the Eye of the Storm

Bill Kubecka faces risks head on



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Diversification into multiple crops and aquaculture helps Kubecka (center), and sons Mark (left) and Wade, manage South Texas's volatile weather.

boro Man and the Rifleman. There is no squishy feel-good sentiment here. His attitude toward farming is rooted more in the cerebral than the physical. Obsessed with production costs, for example, Kubecka keeps loose-leaf binders of crop data stacked to the ceiling in his office.

"Some people grow cotton because their granddaddy did it," says Wayne Cleveland, executive director of the Texas Grain Sorghum Association. "Bill does it because his marketing plan says it works."

Kubecka is acutely aware that "our ability, as farmers, to respond to change is the key to success. Actually, in anything, any business, you have to be prepared and smart enough to keep ahead."

**Accurate accounting.** More than any other of his farm clients, Kubecka knows his cost with precision, says Bill Jenkins, executive vice president at the First State Bank of Louise, Texas. "The advantage is that Bill can look at his cost in a field and make a decision about how much money to put into that crop, like whether to avoid the last respray," says Jenkins. "Other farmers keep pumping money into a crop. When they have a bad year, they have a very bad year."

With Redwing's Perception accounting program—a managerial accounting package that tracks by profit centers—Kubecka created a set of templates specific to his operation that tell him exactly what his overhead is for each crop. That has improved his

Farming near the Gulf requires a survivor's instinct, flawless tracking and unfettered optimism. Texan Bill Kubecka possesses them all.

**H**urricane Claudette hit Bill Kubecka's 4,000-acre Texas farm in July 2003 like a platoon of tractors, ripping apart the land in mid-season, threatening to destroy his bumper crop of rice, cotton and grain sorghum.

The hurricane's 90-to-100-mph winds decimated the year's harvest for many of his neighbors, striking at a crucial time of year for agriculture on the Gulf Coast where Kubecka farms near the port town of Palacios.

As he watched the winds buffet crops and buildings, Kubecka, a finalist for the magazine's 2005 Top Producer

of the Year, recalled another storm when he was only 13. It was September 1961 when Hurricane Carla ripped apart the region, including much of the land he was now farming. Winds back then reached 200 mph.

Kubecka remembered how his father wanted to give up after burying 5,000 head of cattle. "I was in the 8th grade and after the storm ended, I said, 'Dad, it's dry out now, let's finish harvesting.' And that was it, we went and did it. I knew even then that you never work yourself out of a problem by doing nothing."

That no-excuses attitude helped Kubecka harvest two-thirds of a normal crop in 2003, and then live to participate in a banner crop and price rally last year.

**Business sense.** With his wind-burnt face, salt-and-pepper hair, Kubecka, 56, looks—and, sometimes, acts—like a combination of the Marl-



marketing performance because he knows what price he needs to earn a profit. He even uses the system to compute bonuses for his 14 employees in accordance with the profit or loss of their enterprise.

"It has enabled me to customize reports, as well as show me a year-to-year comparison of trends. I can see my labor and equipment for each acre of cotton, for example," he says.

Kubecka also credits his diverse enterprises as having paid big dividends over a 30-plus year career. Lately, that has meant adding aquaculture to the family portfolio. Bill's son, Mark, now stocks 15 fish ponds with striped bass and catfish to sell to Asian live markets in the area. "Ponds have few weather risks at all," Bill notes. "This is how you avoid devastation from something like a hurricane that you cannot control."

The Kubeckas see a growing market in Houston's Asian population and the Delta's fall as a top provider of fresh fish. Striped bass typically bring \$2.35/lb. in Houston markets, Kubecka says, a hefty premium compared with 55¢ to 65¢ for catfish.

#### Multiple choices.

"Our diversification has made us sustainable," he adds. Besides aquaculture, that strategy includes adding a second crop of rice in November, to take advantage of South Texas' warm late season, and buying land with mineral rights. "These are the kinds of things that everyone in agriculture should look for, some way to keep building income when crops fail," he says.

**On top of the crop.** It isn't a haiku, it's part of the agrigospel according to Kubecka, aptly found on a yellow Post-It note on a bulletin board in his office:

"60% of yield is determined when the planter leaves the field."

During the crop season, Kubecka hops into a two-seater Piper Cub airplane and makes a 45-minute flight over his crops, scouting for signs of waste or something that needs attention.

He looks for drainage problems, always an issue in a region that receives more than 50" of rain a year. He estimates yields for each parcel. He calculates, in his head, what the land, fertilizer, pest control and machinery operation cost. "We are working in an area where the environment is our biggest challenge, and to combat that, we have to know our margins," he says.

Such attention to detail not only helps buffer disasters, but may come in handy in the wake of farm program cuts that are likely to affect cotton and rice the hardest. "I would have to turn some land loose," Kubecka says of the proposals. "They may also determine whether cotton is worth planting."

But the one thing Kubecka refuses to do is compromise his unshakable belief in his occupation. "My goal is to prove to both myself and the world that you can make a living as a farmer in South Texas." ■

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## Bill Kubecka Palacios, Texas

**FAMILY:** One of 12 sons born to Oswald and Martha Kubecka. Bill's wife, Maxine, a veterinarian, runs her own clinic. Two sons, Mark and Wade, are active on the farm.

**OPERATION:** 4,000 acres of cotton, rice and grain sorghum, 50-head of cattle and land rental from Mark's fish ponds.

**BIGGEST DECISION:** Building equity with land. "Over the objections of my wife, I bought 160 acres when I got out of veterinary school. I knew that in the old days when things got rough on the farm, if people owned land, they could sell a percentage of mineral rights to get by."

**LEADERSHIP:** President, Texas Grain Sorghum Producers; past president, National Grain Sorghum Producers.

**TURNING POINT:** A close call in 1989 with his oldest son, Mark, who has Wolf-Parkinson-White Syndrome, a rare heart ailment that affects the electrical fibers

of the heart and can lead to sudden death if not monitored.

"It changed my attitude about how life works. I realized the value of my kids. It reinforced my idea of living to appreciate life and the time I have with my family. I still place them above everything."

**PHILOSOPHY:** Pinpoint costs with a precision accounting program. "You have to know where you've been to know where you're going."

PHOTO: GRANT KESSLER



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