



Profile / By Laura Sands

Quick Change Artist

If it grows in Kansas, Tim Dewey has tried it

An organ transplant gave this Great Plains operator a second chance at life and farming. He doesn't squander the opportunity.

Growing up, Tim Dewey knew one thing about his life: It would be short. His mother, and a rash of aunts and uncles all died young from an inherited, devastating and deadly kidney disease. Renal failure was simply a fact of life, Dewey figured. "It seemed that virtual-

ly everyone died when they were 52 years old," says Dewey. "By the time I was in my 30s, I knew I had the same kidney disease. I figured I would die young too, just like them."

That history weighed on Dewey, runner-up for the 2003 Top Producer of the Year, the magazine's award that honors farmers for business excellence.



PHOTOS BY THE AUTHOR

Over a 27-year career, Tim and Pat Dewey reinvented a modest Cimarron, Kan., grain farm into one of the state's largest dairy and hay brokerage businesses. Along the way, they dabbled in swine, beef and even rabbits.

ers, that Dewey achieved steady business growth even while his health was poor: He was forced onto kidney dialysis and often worked in a greatly weakened condition.

Today, a vigorous Dewey is up to work at 4 a.m. and not in bed until 10:30 p.m. Some would call him a workaholic. But he doesn't see it that way; he thinks farming is "like taking a vacation every day."

His longtime accountant and adviser, Russell Frey, with Kennedy & Coe in Garden City, Kan., says "Tim simply relishes a challenge or a problem. He is one of the most remarkable people I know."

Get up and go.

The 40,000-acre ranch, dairy and farming operation is a far cry from the quiet, stable job with the electric company that Tim's mother wanted him to get when he was a young newby in 1966.

Though he grew up on a conventional grain farm, Dewey simply couldn't shake the entrepreneurial streak

that erupted when he was a youngster. Tim used to follow his future mother-in-law around and undercut her egg sales by a nickel. Not surprisingly, he was popular with egg buyers, though perhaps not his future relatives—something Pat still teases Tim about today. But that egg money and other small ventures, including hogs and even rabbits, were the start of a career that eventually took on the proportions of a Kansas horizon.

Dewey says his growth came in part because he tries to recognize potential markets that others overlook. The \$20 million hay business started when Dewey, in the heart of cattle-feeding country, realized that offering a quality product with better service could win him a steady, if not premium, customer base. So he bought a hay grinder—and later a single truck—and began a hay business.

While "a lot of guys would have stacked the hay in the corner," says Dewey's longtime lender Bruce Frost, vice president of correspondent banking at Intrust Bank in Wichita, Kan., "Tim hit the road and aggressively marketed his product." The first year, the farm sold 2,000 tons and delivered with one semi. Today, the hay operation grows and sells 200,000 tons and uses a 147-truck fleet.

Dewey also uses various enterprises and skills to complement and support one another. He can better control feed costs for the dairy as a result of the hay and farming business. Because he was an experienced cattleman, he raised many of the 9,000 head of dairy cattle himself—saving himself a bundle at a time when other dairies were paying high prices for heifers.

Seek excellence.

If you ask employees and business advisers, all say Dewey's growth has also come because he is a perfectionist. Dewey no longer plays golf, he admits, because he knew he wasn't improving as quickly as he wanted. "He is relentless in his pursuit of acquiring excellence in all aspects of agriculture," reports office manager Doug Davidson.

Even though "Tim has become a ►



"I know he felt that he wouldn't have much time to accomplish his dreams," says wife Pat. "He was always in a hurry to do things."

Now 56, Dewey has beaten the odds and family history, thanks to a miraculous kidney transplant from his wife Pat in 1997. And, given a second chance, his entrepreneurial ambitions are still in high gear: Although he began farming with his father on a modest 1,500-acre grain operation in Cimarron, Kan., Dewey's farm today spans a 7,500-head dairy, a hay operation that sells 200,000 tons annually, a 147-truck fleet, and 1,000 head of beef cows as well as crop acreage. Total farm sales top \$50 million annually.

It bears noting, say business advis-

highly skilled dairy manager," says Frost, "when he started, he didn't know any more about getting milk than how to open a carton." In fact, Dewey's dairy career is recent—born only after he dispersed his prize-winning Charolais cattle herd at the height of the market in 1993. He started the dairy with two other investors the same year, using a 1031 tax exchange that allowed him to trade beef cows for Holsteins.

He didn't plan to manage the dairy. But the investor-owned operation was floundering under the care of the hired manager. So in 1997, just a few days out of the hospital after his kidney transplant, Dewey took over as full-time manager.

Soon, he admits, he was hooked on

the thousands of details that require a large-scale dairy to run smoothly, if not profitably. Dewey soon bought out partners and expanded in 2000.

To manage the expansion, Dewey taught himself how to use a computer—including the highly complex CAD (computer-aided design) program for building and construction design. By acting as his own contractor for the 7,500-head operation, he saved a cool \$1 million, which, combined with the cheap startup cows, cut overhead costs on an otherwise expensive proposition.

"Today I would put up his productivity and his ability to get the most out of cows against anybody in the nation," says Frost. When many other

large-scale High Plains operations are losing cash, the Dewey dairy is in the black. In fact, says his accountant, Frey, Dewey has been able to add about 20% in earned net worth during the past five years, despite a downturn in dairy prices. "When it comes to things under his control, there just isn't a better manager than Tim Dewey," adds Frost.

Manage risk. Dewey is a highly skilled risk manager, says banker Frost. "After a few years, you think that he is lucky," says Frost. "But then after a few more years, you realize that he is just a very good risk and marketing manager."

Dewey not only hedges milk prices at least a year in advance, but his input prices as well. Thanks to his skill as a market manager, he is able to keep the dairy profitable even in hard times. "If I didn't have debt, I probably wouldn't lock in so much because you also lose out on the high end," he admits. "But this gives me protection on the downside."

None of his formidable skills as an operations manager would be as advantageous if Dewey "wasn't able to make very good strategic choices," says Frost. In fact, he has reinvented himself several times over—each time spurring new business growth. He has used skill and imagination to change from a small grain producer to a premium hay provider; from a purebred cattle producer with a half-dozen national champions to a dairy operator with one of the largest herds in Kansas.

Whether it is his health or his business, second acts are just a fact of Tim Dewey's daily life. It doesn't leave him feeling entitled but, rather, humbled—and watchful. Says Dewey: "You have to stay flexible and watch for the opportunities around you—they will come." And you never know; they may just bring you a new lease on life. ■

PROFILE: Tim Dewey, 56, Cimarron, Kan., CEO, Tim Dewey Farm and Cattle Co.

FAMILY: Wife Pat and three children are also involved in the operation's management.

FARM: Tim first joined his father's 1,500-acre grain operation in 1966, but quickly added other enterprises to generate more income. Today, the farm encompasses 40,000 acres, including rangeland, hay and grain. The farm sells 200,000 tons of hay and its Cimarron Dairy milks 7,500 head. A hay brokerage business complements the dairy.

ON TOUGH STARTS: In 1966, the newlywed Deweys took out a loan to buy calves, with plans to use the profits to buy furniture. However, most of the calves died from tetanus. They not only had to forgo the furniture, but pay back the loan. To help the startup business, Pat worked off the farm at a local bank for 10 years. Times were so tough, she remembers that Tim once asked her if she couldn't use tin foil instead of replacing a dental filling.

ON ATTITUDE. "The thing that is amazing about Tim is that regarding the things that have happened to him with his kidney, I have never heard him say 'Why me?'," says Russell Frey, CPA. "Rather than sit back, he identified the problem with his health and attacked it. I just think that is an amazing trait. It is a trait of successful people."



PHOTO: DAVE TONGE

Call For Entries

Top Producer of the Year is awarded annually to farm operations exhibiting business excellence. The winner receives 200 free hours or six months' use of a Challenger tractor; the winner and runners up receive a free trip to the TOP PRODUCER seminar in Chicago in January. Deadline for entries is Nov. 25. For more information, call (215) 557-8745.