



Think Like a River—

Finding Peace of Mind through Holistic Management

by Tony & Andrea Malmberg

“In the long run, we shape our lives, and we shape ourselves. The process never ends until we die. And the choices we make are ultimately our responsibility.”

Eleanor Roosevelt

Imagine rafting down a river through a mountain canyon. Rounding the bend towards home, you catch your breath as you approach a logjam higher than the mountains. You feel trapped. This is exactly how we felt when suddenly faced with the urgency of either buying out the entire partnership in our ranch or deal with the reality that the land we cared so deeply about would be sold or divided.

After much reflection, we finally realized

we became trapped by not paying attention to a deeply embedded logjam—we did not share a holistic goal with the three partners who should have been decision makers in our whole. But, the ability to recognize that we faced a logjam and would not make progress toward our holistic goal until we addressed it provided us focus and patience. Trusting that the Holistic Management® testing questions would keep us on track gave us peace of mind. Without money, business or legal acumen, our chances were slim, and many thought there was no way we could prevail. However, by keeping our mind’s eye on our holistic goal, as well as understanding the strength of our resource base, we were better equipped to use the tool of human creativity and muster what was needed against all odds.

Partner Assumptions

We ranch in central Wyoming. The Malmberg family came here 29 years ago. After nearly losing the ranch in the 1980s, it took a stint rough-necking on a drilling rig, some time in a Nevada barite mill, and some new partners before Tony got the ranch back on course. In 1987, he took his first Holistic Management seminar. By applying the concept of time and timing, he increased the stocking rate by eighty-five percent. We were chipping away at our loan payments. We felt pretty

comfortable. And then came “the notice.”

The notice said the partners wanted out of the ranch. We assumed they would want to sell someday,

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but we operated on the notion that as we grew older, each of us would replace ourselves with someone from the community, someone who appreciated all the benefits of a ranch. If any one of us were to resign, we would replace ourselves with someone who would tend the health of a landscape as well as provide human habitat. We thought as the partners faced retirement, they would sell their ranch share to a younger person, perhaps like themselves, who appreciated a place to recreate, like riding horses or hunting, or a place to achieve clarity by walking or just being there. This place could remain a destination for people to find renewal. We hoped the ranch would be a sustainable community resource for succeeding generations

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to raise livestock, recreate, and find refuge. If not this, the alternate scenario imagined each of the partners would sell in turn and the remaining partners could buy them out. This is how we structured our partnership agreement, so remaining partners could buy out a retiring partner. Rather than either of these scenarios, all three partners gave notice at once. We were definitely trapped.

Tony had walked into the partnership twelve years earlier, a cowboy with eyes wide open. He felt good about having partners who were experts in their fields of finance, law, and business management. But the seeds of this problem were planted early. He was a fledgling Holistic Management practitioner, but he didn't have enough experience or know-how to entice his partners to *practice* Holistic Management. We did not share a holistic goal.

What Tony hadn't realized was the logjam began building from day one. Not only did the decision makers never agree on a holistic goal, Tony remained distracted with the success he found ecologically and financially through holistic grazing planning. This was his realm, and since it was adding value to the ranch, the partners left him alone.

Left alone, Tony pursued his holistic goal—assuming all along he had buy-in from his partners. We know now that you cannot fabricate a holistic goal without everyone at the table if you expect buy-in. All decision makers must honestly contribute or you may find yourselves as oblivious as we were. Even though our partnership contract stated that any remaining partner had the option to buy the others out, the actions of the partners suggested

they did not want to honor the contract. Their plan appeared to be for us to fold because of a lack of resources. In retrospect, it is clear that not only did the partnership fail to have a clear goal, all four partners saw the land and the resource in different ways. We had as many as

five different goals, one for the partnership, one for each partner, and none of them were complete. Little wonder it seemed we were being squeezed. Furthermore,

no one thought we could meet our financial obligation required in the contract's buyout clause. With all our labor and assets tied up in the ranch—a partnership asset—how could we possibly save the ranch and our livelihood?

Maintaining Focus

Our response to feeling trapped was to look at all the options and test them toward our holistic goal. We wrote a paper entitled "Integrated Ranching" (<http://www.homeland-er.org/IntegratingRanchlands.pdf>) which tested

several different scenarios and created a plan to buy out the partners and pay off the partnership loans. To do so, we would need a bridge loan of more than a million dollars.

The plan also laid out how we would pay the bridge loan back. The first payment would result from selling a conservation

easement—something that had rarely happened in Wyoming.

Second, we prepared a gross profit analysis for each of our enterprises: 1) Custom Grazing, 2) Cattle Ownership, 3) Direct beef marketing, and 4) Guest Enterprises, including the Lodge—projecting that once our transition was complete, ongoing operations would reliably service a \$650K long-term loan.

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PHOTO CREDIT: MARY STIENBACHER

Tony Malmberg and crew rounding up cattle on Twin Creek Ranch.

Third, we put the tool of human creativity to work by proposing a way to fix our ranch ownership model so it could align with the values of a capitalist culture. The idea of successional owners within the community hadn't worked out as envisioned, but the concept still held true. Agricultural operations, hunting, fishing, and solitude require landscapes of scale. Those of us with modest financial means have to converge with similar streams of consciousness and desire to retain the values of wildness and open space. When looking at the resources at Twin Creek, there are so many that are not being utilized because we don't have the energy, passion, or knowledge to tap into them. By making these resources available to other entrepreneurs—like a hunting guide, a gardener, a wool producer—the overall prosperity of our community would be enhanced.

The plan seemed so simple to us that we were chagrined when three banks rejected our loan request. We probed for an economic stream to carry us beyond this logjam. We posted our ideas as a document on the internet, offering a “use” of the ranch in exchange for the financial resources to carry us downstream. Nothing.

And then, more logs cascaded down the mountainside, seemingly to dam us completely from hope. The partners sued to take part of the ranch. What once was a logjam mostly social in nature, was now clearly a financial, and, moreover, a legal logjam.

We knew we were strapped for cash. We knew it would take a miracle but countersued to enforce the partnership contract and our right to buy the partners out. This begat waves of emotion. With each court filing, mediation hearing, and settlement discussion, we would have high hopes, which dried up before they could build momentum. We would depend on each other for support, and then turn on one another in flurries of anger.

The best of times found us giddy when imagining our idea of several people with different passions using the same landscape for different enterprises. Times of crisis and fear would suck us into a whirlpool of blame, accusation, self-pity and eventually we would collapse in tears and exhaustion. Both the worst of times and the best of times resulted from a new court filing or new development requiring a decision.

We rode this roller coaster of emotion for three years. It was hell on earth, but two Holistic Management principles kept us sane. First, we knew we were in a logjam, and we knew what it was. We knew that no progress toward our holistic goal could be made until ranch ownership was settled. We had a holistic



Tony and Andrea Malmberg with their daughter, KD, have learned how to stay the course by focusing on the outcomes rather than the problem. That shift has given them peace of mind while facing great adversity.

goal, and we tested every decision toward it. Proposals to split the ranch up one way or another and how much debt to carry were all carried rigorously through the testing questions. The testing questions kept us grounded and returned our focus to our holistic goal. It gave us hope.

Surprisingly, the frequent use of the testing questions even challenged our own underlying values and tenacity. Every time we were faced with a decision we actually questioned our holistic goal! We would ask ourselves, “Is this really worth it? Should we just split things up?” When we were ready to take the path of least resistance, give up and sell out, the decision

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would not pass the sustainability test because it did not move us toward our future resource base. All of this testing helped us refine our holistic goal.

Initially, our holistic goal said, “We will live and die on this ranch.” We realized that a

statement like this should not be in our holistic goal because it is a decision that needs to be tested. We learned that we did not need to own the ranch if it were protected from development. Holistic Management's idea of thinking how the future resource base must be 150 years into the future removes the personal ego. That process broadened our awareness from self to life in general, and the human condition as part of that life. Fracturing migratory corridors, severing spring-fall transition ground from higher summer country, and taxing the future generations of plants, animals, and people from future flexibility wouldn't sit well with whomever lived on Twin Creek. Selling for a lot of money did not necessarily make a decision sustainable far into the future.

Looking to the Future

We knew we weren't special. Nearly every western community has skeletons of the trapped cowboy. Some got left up the creek when the banker took their paddle. If they were lucky they got a job with the new owner, along with benefits. Others sold out for money, finding themselves sitting dazed, glassy-eyed, and bitter in the sale barn bleachers. There have been more than a few cowboys edged out by a partner who knew more about a different landscape. Financial finagling and legal logistics aren't the average cowboy's forte. The most common root cause of how those cowboys became statistics is that they made decisions to address a problem rather than testing decisions towards their holistic goal. Or, more accurately, dwelling on what they thought a cowboy used to be, rather than asking: “How can I be a cowboy and attract the future resource base I need to achieve my holistic goal?”

We had a good start on our future resource base, due to fourteen years of practicing the awareness Tony gained from Holistic Management. For example, by including and managing for a functional ecosystem in our holistic goal, we gained significant support from the conservation community.

Through this long ordeal, our future resource base, and our community and customer base provided the energy and wherewithal to make it through the logjam. Tributaries of support swelled from our community, converging with our daily efforts to survive. Friends urged us to seek legal advice.

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Tony's sister provided living and operating expenses. Many supported our fledgling lodge by referring bookings. Others supported our grass-finished beef enterprise above and beyond their needs just to keep it alive. Our attorney deferred payment and was a "counsel" in the old sense of the word. We received many suggestions on negotiation, and everybody provided simple moral support. Our Holistic Management Club became a valued support mechanism in designing implementation of our different ideas. And sometimes people just came by to talk about anything but our dilemma. When we were unable to find a bank to provide the bridge loan, an investor from the Holistic Management community stepped in at the last minute to stop a foreclosure.

And then, following a plentiful snow after a long drought, a good spring thaw broke everything loose. It was over. We agreed to a settlement that passed the testing questions. The lawsuit was over, and the logjam cleared.

We paid off the bank and our partners with the loan from the angel investor. At that point our debt totaled 12 percent more than initially projected. We partnered with The Nature Conservancy and the Natural Resource Conservation Service to sell a conservation easement under the Farm and Ranchland Protection Program and sold an odd piece of land that was not part of the ranch. We will carry 15 percent less debt on a long-term basis, than our initial projection.

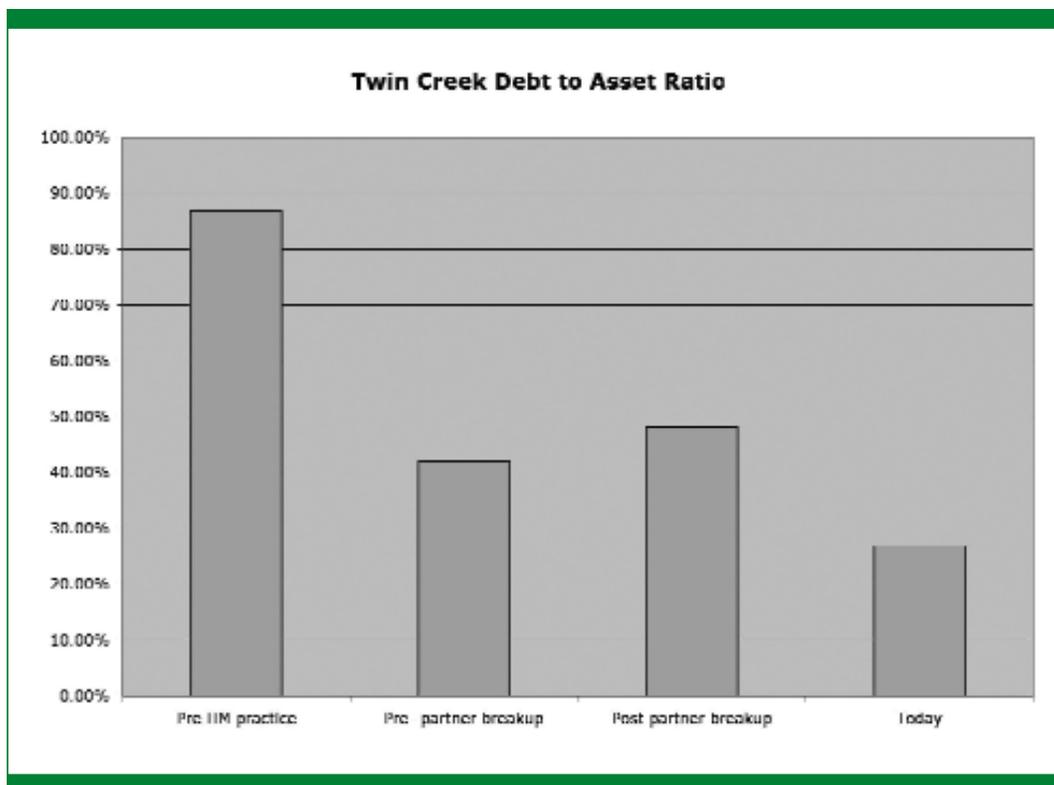
We will continue executing our plan to meet our debt service with ongoing enterprises. We still think our enterprise sale idea is a sound approach to providing liquidity and sustainability to our rural communities, and we are currently developing marketing strategies to attract entrepreneurs to share in the rich resources of Twin Creek.

Building Energy

The night before we faced yet another court hearing during the foreclosure, Tony thought back to a question his daughter asked nearly three years earlier.

"Dad, when will the lawsuit be over?"

"It probably won't be over until we learn the lesson we are meant to learn," Tony replied



at the time, and with that thought, made the following journal entry:

"March 21, 2005—Andrea and I talked about how different our attitude was in facing our court hearing tomorrow. Initial meetings and hearings found us anxious, nervous, edgy, and left us sleepless. This night we were calm and focused."

What was the difference? We had learned, in a very real way, to stay focused on the holistic goal—"to keep a landscape whole and functional for many generations far into the future." We learned not to allow fears generated by others and their actions to direct our reactions. We learned

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that no matter how many times our path was blocked to stay focused on our holistic goal. We learned that attention to a problem will make the problem become the goal, whether it's another's actions, a bank's loan rejection, being flat broke, or even indigestion.

We learned the problem falls away when we stay focused on our objective or the result we

want. We learned that real solutions came to us when we focused on results we desired. By recognizing that we faced a logjam, we found the serenity to wait, so that when the opportunity to address the logjam arose, we were more equipped than ever. By returning to the testing questions when we were tempted to take control we allowed things to progress at their own pace. We would return to our holistic goal and wait. Practicing Holistic Management gave us peace of mind by teaching us to think like a river.

In a natural watercourse, when a river is dammed, it goes nowhere until the cavity is filled and sufficient energy is available to move the dam or crest it with a new streamflow. It doesn't run upstream or around the hill. The river's attention is not on destroying the problems, the boulders, and dirt blocking its progress. The river simply pauses until it builds the energy, the capacity, and the depth to continue under, through, over or around the obstruction. A river is never really trapped, for time means nothing to a river. ♪