

### 35. RON MAHAN (1937-2012)

The clock was still ticking and I wasn't getting much sleep. We urgently needed a fund-raising plan.

In the process of blundering around we met Sam Addoms<sup>1</sup> who would play a big role much later in the project. At the time we met Sam, he suggested in an offhand manner that we pursue financing using a limited partnership structure. And that's what we ended up doing, only we lacked advisors who were knowledgeable. Then, fortunately, we met Ron Mahan.

Ron was pleasantly plump, puckish and politically incorrect. It's probably a good thing he lived and worked when he did. I'm not sure he could have survived our modern PC and #MeToo eras without consequences.

He was a UW CPA with an MBA from CU – an avid hunter and fisherman and smart as a whip. A graduate of Fort Collins High School, he had plied his accounting trade from both inside and outside the world of professional practice and had lots of business and CPA war stories.

Ron had recently completed a six-year stint as Controller for the Two Bar, a very large ranch headquartered in the Sybille Canyon area west of Wheatland, Wyoming.<sup>2</sup> The Two Bar was the principal remnant of the legendary Swan Land and Cattle Company, Ltd.<sup>3</sup> and ran cattle under its historic brand, the venerable . This was familiar country as my father and aunt Ruth had ranched in the neighborhood.

The Two Bar Ranch in the 1970s was a progressive, vertically integrated cattle production and feeding operation. As its Controller, Ron had become familiar with all aspects of crop and cattle production that were relevant to our ranch and farm operations.

Ron had also had considerable experience with limited partnerships over the course of his career and had a good idea how to get us started.

For several pleasant days during the late summer of 1981, Ron and I sat on the screened in porch of our old Tibbits house as he listened patiently to my

disjointed explanation of our perilous circumstance and what we hoped to do.

Then he systematically unwound my serpentine narratives in the course of a thorough interrogation, taking detailed notes with a 3mm mechanical pencil in his precise accountant's script.

At the end of each session, he gathered up his notes and workpapers, punched a hole in the upper left corner of each page and added them to the stack, which he kept pinned together with a brass, split-pin paper fastener and brass washer (a work habit he had picked up at Price-Waterhouse).

Ron's prodigious analytical and organizational skills were invaluable, but the real questions were not quantitative, but qualitative – less about what we were going to do, and more about why. Ron and I ended up with a collaborative plan that made some financial, tax and common sense, while recognizing the extraordinary nature and prospects of the property that Jeanne and I had serendipitously assembled.

Looking back, I think, Jeanne and I must have exuded some sort of toxic messianic fervor. What other explanation could there be for someone as knowledgeable and experienced as Ron enabling us rather than having us restrained?

Ron and I hit it off from the start despite being very different sorts, having little in common except an inclination for the complex. We became good friends, working closely together on and off in several capacities over the next thirty years.

When we can, we celebrate the fact that someone has passed on while pursuing a favorite activity. That was Ron's fate. He died on the North Platte River while float fishing downstream of Saratoga, Wyoming, near the western extremity of the historic Swan Ranch.

*Thanks to Connie Mahan and her son and daughter, Dennis Mahan and Jeni Ford for their kind help with this chapter.*

<sup>1</sup> At the time, Sam was President of Denver National Bank, and previously had been President of Monfort of Colorado. Later Sam managed the startup of Frontier Airlines, becoming the President, CEO and Chairman of the Board. (more about Sam later)

<sup>2</sup> In the Small World Dept: It turned out that Ron and his wife, Connie, had rented a house in Wheatland from one of my cousins while Ron worked for the Two Bar.

<sup>3</sup> The largest of the 1880s Wyoming cattle empires. At its greatest extent: West to east, from the North Platte River to Chugwater; north to south, Casper almost to Cheyenne – covering an area roughly the size of a small eastern state. The operating headquarters at Chugwater had its own private fifty-five-mile telephone line to Cheyenne. At its peak, the Swan ran more than 110,000 cattle on 3.25 million acres including 550,000 deeded acres purchased from the Union Pacific Railroad (see shaded section on the attached map – also see Chapter 6).

Much of the action in Owen Wister's iconic western novel *The Virginian* took place within the operating boundaries of the Swan Ranch.

Ron Mahan said the *Venneford Ranch* in *Centennial*, the fictional history by James Michener, was based on the real-life Swan Ranch – magically resituated a hundred miles or so to the southeast.

An authoritative history published by the University of Oklahoma Press, *The Swan Land and Cattle Company, Ltd.*, Harmon Ross Mothershead, 1971, paints a more interesting picture for my money than Michener did.

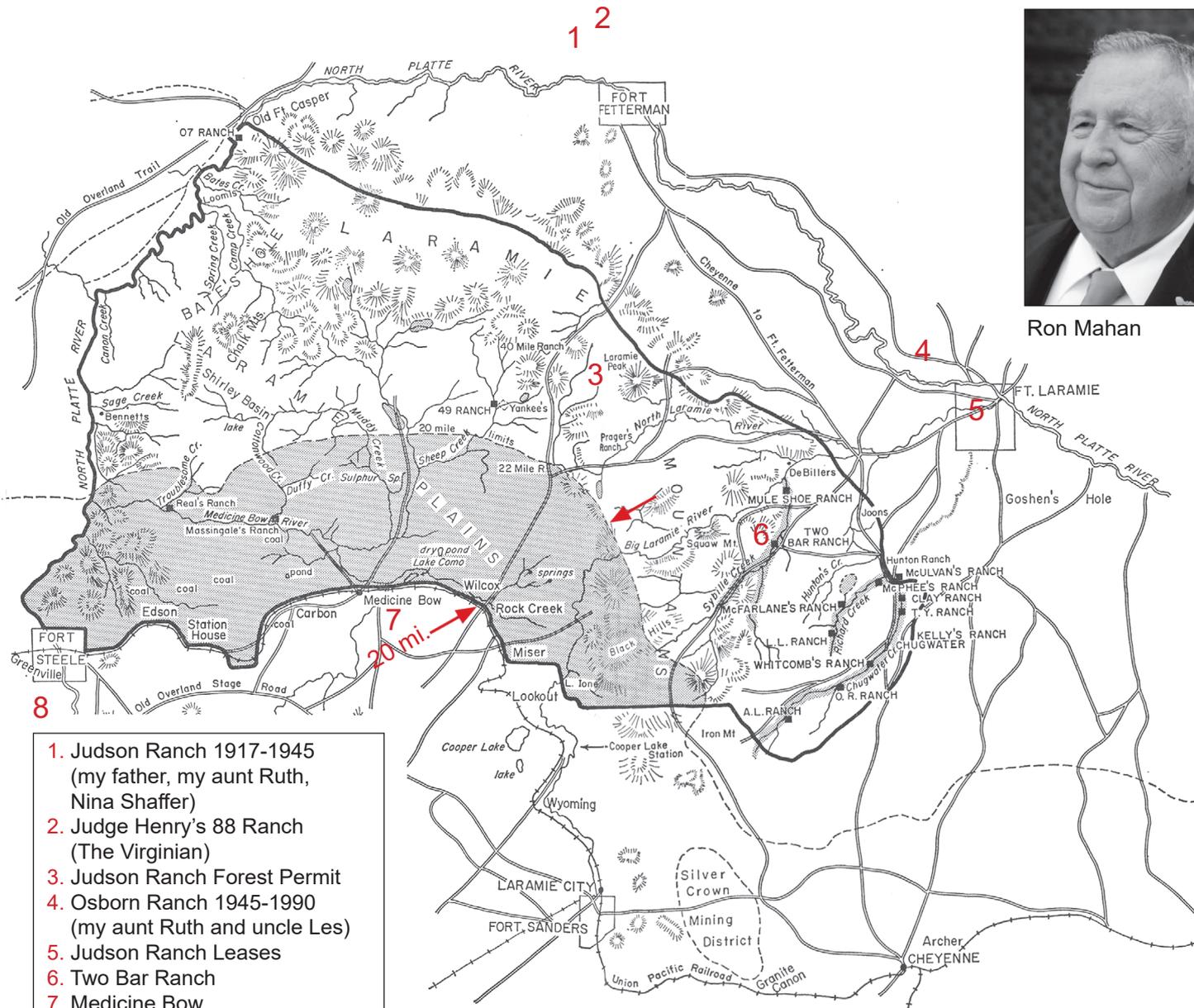
This ranch was founded in the 1870s by Alexander Swan, who expanded aggressively by raising capital in Scotland. The blizzards of 1886-87 decimated the herds and the Scottish investors replaced Mr. Swan. They reorganized their syndicate and pumped in more capital.

After a rough start, the Scots ran the ranch in a progressive and businesslike manner, investing in many improvements. It survived through both World Wars and the Great Depression, with another injection of investor capital in the 1920s.

The ~500,000-acre (deeded) ranch with all its substantial infrastructure, irrigation developments and dryland crop production was successfully liquidated in parcels, mostly during the post-WWII price run-up. Even so, when the Swan Land and Cattle Company, Ltd. settled its investor accounts in 1951, the compound return on invested capital over more than sixty years was about 2.5 percent – a sobering number.



Ron Mahan



1. Judson Ranch 1917-1945  
(my father, my aunt Ruth,  
Nina Shaffer)
2. Judge Henry's 88 Ranch  
(The Virginian)
3. Judson Ranch Forest Permit
4. Osborn Ranch 1945-1990  
(my aunt Ruth and uncle Les)
5. Judson Ranch Leases
6. Two Bar Ranch
7. Medicine Bow  
"When you call me that, SMILE."  
(The Virginian)
8. Ron's last float trip
9. Phantom Canyon Ranch

9 THE LANDS AND RANGES OF THE SWAN LAND  
AND CATTLE COMPANY, LTD., 1884-85