

TRANSCRIPT: TED ABELE INTERVIEW

Ted M. Abele · Chairman and CEO of Continental Capital Corporation

TRANSCRIPT

An interview with Mr. Ted M. Abele, Chairman and CEO of Continental Capital Corporation. Abele is a 1976 graduate from Texas A&M and an inducted member of the Tyrus R. Timm Honor Registry.

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Could you please introduce yourself and tell us a little about your career?

My name is Ted Abele and I was born and raised in Nevada, Missouri and grew up on a roughly large farm there. My parents raised livestock, cattle, hogs, corn, wheat, soybeans. I graduated from Nevada High School and then did my undergraduate work at the University of Missouri and Columbia and majored in agricultural economics. My career really began straight out of undergraduate work, and I accepted a position with the federal intermediate credit bank of St. Louis, and they had what they call an executive program with the bank. And I spent my first couple years out of school there and then was promoted to position as the VP of Ozark production credit before we got field experience in farm credit and was basically the manager of farm credit services for PCA in Dade and Barton county, Missouri.

I begin to look around graduate programs, and my old college undergraduate advisor, a gentleman named Don Levi, called and suggested I come down and spend time with him at Texas A&M and look into graduate programs at A&M before I made any decisions, and so I did. I came to Texas A&M in 1974 and I did my Master's work. After my Master's work, I went back to farm credit in Bloomington, Minnesota as the associate director of Audit and spent a couple years there before deciding I was probably not well-suited, long term, to being in credit and thought probably the best opportunities were on the other side of the desk. So, I left Farm Credit in '78 or so and moved back to the family farms in Vernon County, Missouri and farmed with my father and then later my younger brother, who finished his undergraduate work in Missouri, until the early '80s, about '84.

But in 1979 I started the first company called American Agronomics that was basically responsible for helping distressed agriculture producers in the late '70s who had incurred a lot of debt and with sinking agricultural commodity prices were looking for solutions so I began doing financial consulting in the Ag sector with a firm we call American Agronomics and 1978 or nine until 1996, that company basically provided management, financial, and marketing/consulting services to the agricultural sector. And we had, oh, 2400- 2500 clients in twenty-two or -three states here in the Midwest. And in the early '80s we became a rather large farm management player because of the great recession in the agricultural economy, we had a lot of entities, particularly Farmers Home Administration, and other institutional landowners who came into possession of lands during periods of foreclosure, so we had Farmers Home Administration, the FHA, SBA, FDIC, lots of banks and insurance companies who suddenly needed farm management services. So, we became, in the early to late '80s, one of the larger farm management firms in the country. We sold out the farm management division of American Agronomics in 1987, and that happened to sell Brock Associates out in Milwaukee and we continued to do financial consulting and in 1970, no, 1987 we began to buy distressed farmland properties because we knew where there was a lot of farmland being managed to few million acres. We knew where there were lots of farmland available, and what institutions held them, and which ones were motivated to sell. So we syndicated a lot of farmland in the late '80s and then began through continental capital, our holding company distressed RTC and FDIC and private assets and rolled up some bank interests in the late '80s, early '90s which we sold in the '90s.

And, for the last 12 years or so I've done primarily financial consulting mergers and acquisitions work and invested most of my time in making real estate investments and acquisitions – primarily single-family homes for the first number of years. 800 to 900 transactions, and then a few commercial acquisitions and office buildings and warehouses and so on, and currently I still stay engaged by managing our own investment portfolios and our real estate portfolios and consulting a couple of private foundations and hedge funds on acquisition investments in commercial real estate.

Could you tell us a little about your experiences at Texas A&M?

Well, I came here in Texas A&M in 1974 at the at the behest of Dr. Don Levi, who had been my undergraduate advisor at the University of Missouri. I also had a couple of other associates from Mizzou who had come down to Texas A&M and I arrived like a lot of students do with a with a car and a travel trailer and it was a place that made me very comfortable. Texas A&M is a wonderful place to be and particularly attractive to those of us whose value systems focus around God, country, motherhood, and apple pie - those kinds of things - because it's a pretty conservative place, but that was a good fit for me. And I spent two years here studying Agricultural Economics and although I studied a lot I never let the bookwork interfere with my education. And, so I made a lot of life-long friends - people who are still here active in the department, Dr. Ed Rister and John Nichol and different people who I've come in over the years and spent time with. Dr. Rister and I were graduate school friends together, and I saw this evening some other old friends, Carl Wilman and Mike Adams and others, who I've stayed real close to over the years. And so, it was a great learning experience, and a great institution – and a lot of tradition, and it was a place where I felt right at home. If you're gonna study agriculture, there are very few better places do that than right here at Texas A&M.

In your opinion, what does it take to achieve success?

When I speak to my young students here at Texas A&M - which I come a couple times a year to talk to various classes including some of Dr. Rister's classes - and I think one of the underlying theses that I always advance is, for young people, that your success in life lies where your passion intercepts your aptitude and I think that's still true. Of course, on that last axis also is probably some economic function. So, if you can determine what you have a passion for in life, what you really, really enjoy, what makes you happy, what would you get up in the morning to do tomorrow even if they didn't pay you, and you can identify things in life that you do really well - all of us have specific gifts that I think are important - and if you can identify what those gifts are in your life and then determine how you're going to deploy your skills and your gifts and those things for which you have a passion in the service of someone else or there's an economic reward and an incentive to invest yourself, you'll probably do well. Underlying every economic function, though, are the fundamentals of integrity, self-discipline, and perseverance, and if you can master those three essential elements – integrity, self-discipline, perseverance - no matter what you pursue, as long as its something you're passionate about, you're likely to be very successful.

Mr. Ted Abele | Transcript

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What advice do you have for students of Agricultural Economics ?

It's terribly important, and it's very difficult to do when you finish school, regardless of your degree, and particularly for the young people who are wanting to be entrepreneurs. Identify the people who are extremely good at what you want to do, look at the business or the industry that you're interested in, and do some research and identify the people who do what you would love to do most, and do it very successful. And then, I encourage students to go to work with or for those people for free, if necessary, for a year or two to learn what it takes to be phenomenally successful at what it is you want to do. Many times, we are so enamored with the economic opportunities when we get out, and we are ready to make real money, and we're pursuing short term, all those physical rewards from a paycheck, that we forget that the greatest things in life over the years are not what you get, but what you become. And, in that vein, I think it is very important to associate with people that you enjoy, and respect, and admire and from whom you can learn rather than those whom you can impress.

How were you able to manage time for your family, work, and other priorities throughout your career?

It's very difficult; it's very difficult whether you're entrepreneurial and own your own companies, and grow companies, and sell them, or whether you work a nine-to-five job, and everyone's got a different vision of their lives. One of the things that I found is hard to do or fit all those things together - but it's a matter of allocating time, and planning ahead and accepting the fact that you probably can't be every place all the time. And there are some trade-offs; there are always some sacrifices that you have to make, but I've never known anyone in my life who on the last days wish they spend more time in the office. And, the most important, most salient moments in your life are going to focus around people, and experiences, and relationships – almost never around portfolios, and bank accounts, and possessions.

What are your thoughts on being selected to the Tyrus R. Timm Honor Registry?

Well, it's a great honor and I'm always impressed when I look back at the caliber of people who've been honorees in the past. I was sure someone would stand up at the presentation when I was honored and people who know me well and suggest that "goodness gracious we made a terrible mistake here". It's a wonderful honor and there are people of great achievement, and great contribution who've been honored in the past, and I'm happy and very humbled to be among them.

Is there anything else you would like to add?

Gig 'Em.

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