

A Man with a Plan

By Sheri Forrest



Jeffrey Matthews built his world-class cutting horse business on land his grandfather once farmed.



Jeffrey Matthews hopes

his progressive business formula can positively affect the performance horse industry.

It was not on a whim that Jeffrey Matthews bought One Time Pepto for the then-record yearling price of \$380,000 in 2002. He had a hunch that the red roan son of 1995 NCHA Open Futurity Champion Peptoboonsmal was a once-in-a-lifetime kind of horse. That premonition set in motion a breeding program that is breaking new ground in an old sport.

How does a stallion whose first foal crop are just yearlings achieve a full book his first three breeding seasons that includes futurity-winning mares from the cutting, reining and cow horse industries? Simply put, the man behind One Time Pepto has feathered a lifetime of experience in the horse industry with a knowledge and feel for business.

Off the farm

Matthews is a North Carolina native who resides in the small town of Turkey on soil farmed by his grandfather more than half a century ago. Born in 1955 and one of three children adopted by his parents, Otto and Joyce Matthews, he was raised in a part of the country where agriculture is the lifeline and everyone still knows the neighbors.

Along with his sister, Carroll, and brother, Jim, Matthews grew up the son of a well-respected small-town doctor who treated the residents' ailments and delivered their babies. Otto passed away when Matthews was just 9 years old, but he is remembered by his eldest son as a good, kind and intelligent man.

Matthews' mother, Joyce, whom he describes as the epitome of southern style, was born Joyce Carroll in a farmhouse that still stands on Matthews' land today. Her father, O.S. Carroll, was a career farmer who built a lucrative grain mill to produce meal, which he sold to his fellow farmers. Polka Dot Meal became the solid foundation on which Carroll Foods would later be built and grown into a major player in the pork and poultry industries.

The farm and grain mill were a natural draw for Matthews as a child, and he willingly spent most of his free time there, working side-by-side with the employees and raising a multitude of 4-H projects. Working and play-

ing at the mill put him near his grandfather, who worked at the mill by day and delivered sacks of meal each night out of the back of his pickup truck. Thanks to Grandpa Carroll, Matthews learned to drive the tractors and take care of the stock—and he learned how to build a business.

"I didn't spend much of my time in town playing with other kids," says Matthews. "All I wanted to do was be at the farm, helping with the work and being around the animals." He admits to even skipping class as he grew older in order to "hide out" at the barn with the horses.

Although Matthews shared his grandfather's passion for the farm, he believes that his own father's early passing in 1964 enhanced their close relationship. O.S. Carroll was an important figure in his grandson's life and Matthews credits his grandfather with having the greatest influence on him both personally and in business.

Matthews also credits his grandfather with nurturing his intense passion for horses.

"He bought me my first pony and, from there on, made sure my sister and I always had horses to ride and show," Matthews recalls.

In the late 1960's, grandfather and grandson took a trip to Texas where they had chance to meet a man named Larry Sullivant.

"Larry was the first person we met in the horse business," says Matthews. "He introduced us to Matlock Rose and George Tyler. Larry became a very close friend over the years and has been a mentor to me ever since."

Show beginnings

After becoming a member of the North Carolina youth team during the early '70s, Matthews traveled to the All American Quarter Horse Congress and AQHA Youth World Show.

"I'd just take off on my own when I was still showing in youth classes and drive to horse shows," he says. "There was no where else I wanted to be."

Matthews' ambition for the show ring also drove him to a good deal of success in youth competition and gave him his first sense of accomplishment training horses. In 1972, he

showed for the first time at the AQHA Youth World finals in Amarillo and placed third in Western pleasure on a mare he trained himself. In 1974, he returned to win the championship in the same class on another horse he trained.

While heavily entrenched in the Quarter Horse show circuit in the mid-'70s, Matthews became acquainted with Tommy Manion, who was well known for his all-around expertise in the show pen. When Manion's head assistant resigned after the Florida Gold Coast circuit in 1974, Matthews stepped up and applied for the job.

"I was 18 and in my last year of high school," he explains. "Tommy hired me while we were in Florida. So, I made a beeline with my truck and trailer back to North Carolina and loaded up my belongings. During dinner, I told my family I was leaving for Illinois!

"I think they cried for three days," he adds with a laugh. "Tommy paid me \$600 a month and my job was everything from starting colts to showing pleasure horses. We hauled up and down the road on the circuit back then, and during that first year, we made nine world champions."

Matthews credits Manion with his first real education in the horse business.

"Tommy was a master showman," he says. "He taught me a great deal about conformation, correctness and showmanship. But I think Tommy's greatest asset is his people skills."

According to Manion, young Matthews was an exceptional addition to his operation.

"Jeffrey was one of the prettiest riders," he says. "That's an odd term to use for a man, but he had a phenomenal presence about him in the show pen. We had several employees, but the only people who showed were me, my wife and Jeffrey. We had a lot of pleasure horses back then, and when you put him on the right horse he was unbeatable. He was a wonderful addition to our business."

As a case in point, Manion, who now resides in Aubrey, Texas, says he retains an image that always comes to mind when he thinks of Matthews.

"I had an own daughter of Doc Bar, named Doc's Sunshine," he says. "She was out of a Thoroughbred mare, and always a little high-strung. Jeffrey got along better with her than either my wife or myself. One of the most memorable pictures I recall in my mind was when we were at the Illinois State Fair. The mare was a very elegant mover, and Jeffrey was a very elegant rider.



In 2002, Matthews bought the Peptoboonsmal son One Time Pepto for a then-record Quarter Horse yearling price of \$380,000. His gamble paid off when the stallion went on to win \$331,000 in just 15 months with trainer Matt Gaines.

"I remember sitting in the stands during the finals of this 70-horse pleasure class, and seeing Jeffrey and this mare loping down the rail. It was absolutely picture perfect. There were a lot of shows we went to, but that one just sticks in my mind. Ray Charles could have picked them out to win!"

After working for Manion, Jeffrey began to migrate West and took a job starting colts in Arizona. He was becoming increasingly aware of the working cow horse competition that was booming out on the Pacific Coast, and was intrigued by the techniques being used to train those cow horses.

"I had heard about these bridle horses that took five and six years to finish," Matthews says, "and I was determined to get out there and learn what those trainers knew."

That thirst for knowledge took Matthews all the way to California, where he met a man who would have an everlasting affect on his life.

"I was introduced to Tony Amaral, who to this day I believe is the greatest hackamore

man there has ever been," he stresses. "I ended up heading to California to learn everything I could from that man. The whole reason I ever went out West was to learn how to train a horse correctly—how to really get it done right."

By 1976, Matthews was spending summers in sunny California riding with Amaral, a member of the National Reined Cow Horse Association Hall of Fame, and living in a mobile home on the ranch. He remembers the next five years as some of the best times in his life.

"I thought I knew something about training horses when I went to work with Tony," Matthews says. "But I quickly realized I didn't know a thing about really getting a horse broke. He taught me about conformation and how it translates into performance. Tony taught me more than anyone on how to really get a horse soft. We didn't work cattle in round pens back then. We worked those colts in square arenas and out in the hills."

By 1978, Jeffrey had turned his part-time position with Amaral into a permanent one.



One Time Pepto

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While his primary job description included starting all the operation's 2-year-olds, he jokes that his job had him wearing several hats.

"I was assistant trainer, chef, chauffeur, and the guy who did all the breeding of the mares," he recalls with a laugh. "That's how I learned to tie a horse's hind leg up. I had to tie those mares up to the side of the round pen to get them bred by myself."

Matthews incorporated those learning experiences into his current horse operations. He recalls seeing many a good trainer pass through the Amaral barn, and says the opportunity to learn was tremendous.

"The different trainers that would come to Tony for help were phenomenal," says Matthews. "There were guys like Don Dodge, Pat Hubbert, Greg Ward, Benny Guitron, Bobby Avila and Billy Arthur, who is my nephew Will's father. I got to watch and learn from all of them."

"Tony really ingrained in me to take the training of a colt one step at a time, to start at a walk, getting them light and soft, before ever moving on to the trot and lope. He really knew how to train the ultimate cow horse, from the snaffle bit to the bridle. You could do everything on Tony's horses—rope, cut, rein and take them down the fence."

Matthews was able to officially put his newfound knowledge to work in the reined cow horse arena when he showed at his first NRCHA Snaffle Bit Futurity in 1979. Though that first show didn't bring memorable success, he arrived at the Arizona Snaffle Bit Futurity one month later and took home

the Non-Pro Championship. The win, however, almost immediately prompted a change in his rider status.

"Even though I wasn't getting paid by Tony, just riding for him, that win generated some attention and I ended up losing my non-pro status," explains Matthews. "I had to show in the open division from there on out."

A twist of fate

Looking back, Matthews believes he might have settled in California and pursued his horse-training career if it hadn't been for a twist of fate that came about during the holidays of 1980. Arriving home in North Carolina for Christmas, he was met with a grim situation.

"I knew my grandfather had been sick," he says. "But I didn't know just how ill he was until I came home that year."

Shortly thereafter, on January 3, 1981, Ottis Carroll died. His passing changed the course of Jeffrey Matthews' future.

Realizing his responsibility to the family business in North Carolina, Matthews reluctantly left his position with Amaral and returned to the East Coast. He took on an active role in running Carroll Foods, and put the knowledge his grandfather had instilled in him to work in growing the business. He traveled across the United States and around the world, expanding the operation, securing business relationships and pioneering new technology in pork and poultry production.

The company thrived and grew with Matthews at the helm, eventually becoming the second-largest pork producer in the world. With plants around the globe and more than 5,000 employees, Carroll Foods reached annual production levels of more than 1 billion pounds of pork. Eighteen years later, in 1999, the company merged with Smithfield Foods. With the change, Carroll Foods' turkey operation was able to acquire the entity known as Butterball.

The changes enabled Matthews to once again turn his full attention to horses.

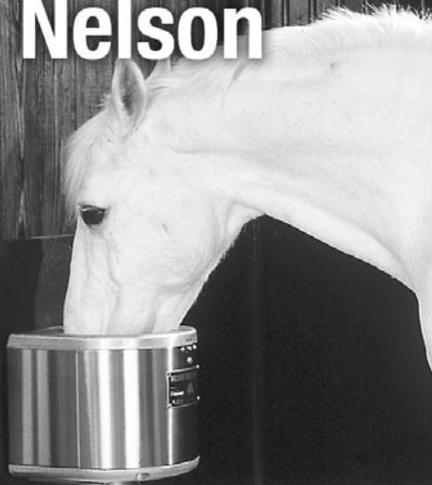
During the growth of the business, Jeffrey had continued to show horses throughout the '80s and '90s as he was building his own horse facility.

"I was loading pigs at night, and building my ranch during the day," he recalls with a smile. "I lived in my little cabin on the farm and built a 10-stall barn and continued riding reining and cow horses."

In the show pen, he was a finalist at such

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Somewhere during the '90s, Matthews' perspective on the horse business would be broadened once more when he was introduced to the Thoroughbred industry. A racing enthusiast, who was on the board of directors of Carroll Foods, invited him on a trip to Kentucky and Matthews accepted. The trip, according to Matthews, proved to be a major milestone. "I met Jimmy Bell, of Jonabell Farms," Matthews remembers. "Jimmy and his father, Jon A. Bell, had a world-class Thoroughbred operation, and Jimmy and I instantly became really good friends."

Jonabell Farms, today known as Darley Thoroughbreds, is the leading owner and breeder of Thoroughbreds in the worldwide racing industry.

The friendship between the men evolved into a partnership in the Thoroughbred breeding business, and together Matthews and Jonabell Farms invested in broodmares.

"I gained a whole new perspective on quality," says Matthews. "I still believe today that we can learn a lot from the Thoroughbred industry. The structural quality is there in the top-end horses, and so is the value. Those horses are bred for conformation that performs."

The racing venture inspired Matthews to invest a similar effort in the cutting horse industry. Having been introduced to the sport by long-time friend and current American Quarter Horse Association President Frank Merrill, Jeffrey purchased what he considers his first "real" cutting mare in the early 1990s.

"I've known Frank for 30 years," Matthews says. "The second year I went to the NCHA Futurity, I ended up buying my first real good mare in this business, Shortys Girl, by Shorty Lena and out of Barrettas Girl. I was going to make a reiner or cow horse out of her. Frank told me he thought I should make her a cutter. So, I handed the lead rope to him and Dell Bell, who was my first trainer in the business."

Matthews believes the Thoroughbred business inspired his focus on breeding top-quality mares in the cutting industry. Fifteen years ago, Shortys Girl became the cornerstone of the 20-mare broodmare band that now resides at Matthews Cutting Horses in North Carolina.

"The top Thoroughbreds have the straight legs and structural integrity that we lack in the performance horses today," Matthews says. "And that quality also brings top dollars. At



Although he is generally perceived in the horse industry as a major breeder and owner, Matthews is also an accomplished rider who once considered pursuing a professional horse-training career in California.

SHERI FORREST

the yearling sales this year in Keeneland, there were colts selling for anywhere from \$100,000 to \$4 million. The yearlings in the cutting industry are starting to bring these kinds of prices, too. We saw that at this year's Select Yearling Sale in Fort Worth. I believe this is the direction this business is headed."

Back on the farm

Matthews Cutting Horses has evolved into a full-care facility that reflects the influence the Thoroughbred industry has had on Matthews' vision. Broodmares, foals and yearlings

are managed on the farm, as well as show horses that are either on a reprieve from the show pen or retired. Each reside outdoors in green pastures with shelters, in line with Matthews' policy of keeping his horses turned out as much as possible.

A major part of the operation is dedicated to Matthews' 2-year-old program. With anywhere from 10 to 15 2-year-olds who reside on the farm, each are started by Matthews himself for a very specific reason. Matthews incorporates the techniques he acquired during the years working with Tony Amaral, and prides

himself on taking his time and riding each of the colts out on the farm on a regular basis.

"I think the 2-year-old programs in the cutting business are the weakest link in the industry," he emphasizes. "It's important to me to put the kind of solid foundation I know is right on these colts before they head to the trainers as 3-year-olds."

The two stallions owned by Matthews Cutting Horses—One Time Pepto and Cowboy Cattylac—continue to reside at Oswood Stallion Station in Weatherford, Texas. One Time Pepto, in particular, has presented an opportunity for Matthews to put, all he has seen and learned in the horse business thus far in life "into motion."

"When I first saw 'One Time' as a yearling, I had never felt that way about a horse before," he explains. "You have good, and you have special. And special doesn't come along very often. I know that this horse is special."

And while owning a stallion wasn't necessarily a part of Matthews' original business plan, this stallion, he felt, warranted an exception.

"What I saw in One Time represents the most important things I learned in the Thoroughbred industry," said Matthews. "He has the straight legs, short cannon bones, good withers and overall structure that I had learned was imperative for not only top performance, but longevity. This horse is built to stay sound."

Matthews has every intention of keeping One Time Pepto in his program for a long time. The stallion was sent to \$4.5 million rider Matt Gaines. That pair experienced tremendous success in the cutting pen, earning more than \$331,000 in just 15 months. But, even with Gaines and the stallion on an undeniable upswing in the show pen, Matthews made the decision to retire the horse early in 2006.

"I wasn't going to breed him while we were still showing him," Matthews explains. "I believed his value was greatest as a breeding horse, and I wanted to retire him sound. It felt like the right time to make the move. It wasn't necessarily the most popular decision, but I still believe today that it was the right one."

Matthews says he copied the breeding strategy he learned in the Thoroughbred business when it came to selecting mares. Instead of making decisions on his own, Matthews created a board of directors to help him manage the future of One Time Pepto. Combining a model used in both the Thoroughbred industry with one used in his own business, Mat-



Shown here with his 1974 youth team, Matthews (far right) was active in AQHA activities as a young man, winning a world championship in Western pleasure and eventually scoring a job with trainer Tommy Manion.

thews believes the strategy will protect the value of the offspring in the future and solidify lasting relationships among individuals and ranches that share common goals.

"I really wanted to limit how many mares we bred to keep the value strong," explains Matthews. "And, to pay attention to what mares we breed, their history, and who will be training the offspring. This is something I saw work very well in the Thoroughbred business. I feel blessed to be surrounded by individuals who have a great deal of knowledge and are exceptional advisers."

"We used to say in our business that you can put up the brick and mortar of an organization, but it's the people that make it. I believe this is also the case in the horse business. The people make all the difference, in my opinion, and I want to make a difference in this business and do right by them and the horses."

Matthews admits that his vision for the offspring of One Time Pepto goes beyond the cutting pen.

"I'm focused on putting contenders in each of the performance horse events," he explains. "I've definitely focused my own program on breeding some of the very finest mares in the cutting business. But, we're also breeding some of what I consider the best mares today in the reining and reined cow horse industries as well."

Matthews continues by adding that, while he believes there is a great deal of opportunity

in all three performance horse venues, the cutting industry is on a particular upswing with regard to the value of the horses.

"We saw yearlings selling at the 2007 NCHA Futurity for a half million dollars," he points out. "You don't see that in the Thoroughbreds. These prices are rivaling that industry in value. Those types of numbers will only help the industry as a whole to grow. I don't think this is a flash in the pan. Good conformation is a must these days. That is where I see an opportunity to improve."

"The whole program from birth to the show pen is extremely important, and we have a lot to learn from the top Thoroughbred people. With these high prices, owners are going to be demanding better care of the horses, better care of their investments."

Matthews, who is the current chairman of the NCHA Stallion Owners Committee and a member of the Breeder's Invitational Board of Directors, has a distinct vision for the future of the performance horse breeding industry.

"I'm in this business because I love these horses and the people in it," he says. "I believe there is so much growth available to us, and I really want to do right by that opportunity."

It is said that behind every great horse is someone with a vision. Behind One Time Pepto is not only a man with a vision for the future, but a man whose unique combination of perspective, experience and passion is seeing this vision to fruition. 