PHARO CATTLE COMPANY Spring 2020 NEWSLETTER CHEYENNE WELLS, COLORADO PHONE: 800-311-0995 Our customers are the most profitable cow-calf producers in the world. Spring 2020

A Special Year for Us...

Although it doesn't seem possible, this spring will mark our 30^{th} year of selling bulls. Time flies when you're having fun! In the late 1980s, we were purposely going in the opposite direction of everyone else in the beef industry. We had come to the realization that bigger is *not* always better. We had proven to ourselves that increasing weaning weights did *not* automatically increase profits. In fact, we had found the exact opposite to be true.



It didn't take long to conclude that the easiest money to be made on the ranch is the money we *don't* spend. Ben Franklin was right when he said, "A penny saved is a penny earned." This principle also applies to every 10, 100 and 1000 we *don't* spend. We focused on changing our management strategies and our genetics to the point that we would have almost no inputs — other than the grassland we were leasing. We also switched our focus from increasing pounds per cow (bragging rights) to increasing pounds per acre (profit).

In an era when everyone was spending whatever it took to increase weaning weights, we were working on ways to increase profits. While everyone else was chasing after bigger and bigger cattle, we were trying to produce cattle that could survive in our environment — with no extra feed or care. When the word got out, the criticism and disparagement started coming in. We soon became the brunt of many jokes within a large group of insecure seedstock producers. One said, "You should raise antelope. They are already low-input and adapted to their environment."

We were not discouraged because we knew we were right. Unlike most seedstock producers, we were intent on providing the tools commercial cow-calf producers needed to improve their long-term success. Fortunately, we found three like-minded ranchers to serve as our support group. We met with them on a monthly basis for several years. They provided the encouragement we needed to stay the course. Slowly but surely, other producers began to understand what we were all about. Being different has never been easy — even when it is the right thing to do.

We only sold six bulls in our first bull sale in the spring of 1991. We had enough of a following, though, that we knew we could increase the size of our program. Ten years later we sold 120 bulls. Twenty years later we sold 800 bulls. For the last several years, we have sold over 1000 bulls per year to farmers and ranchers all across North America. We are now producing, developing and marketing our low-input Solar Bulls in four different states and Australia.

Although more and more cow-calf producers have a better understanding of what Pharo Cattle Company is all about, we continue to be the so-called "oddball" within the seedstock industry. The trend to increase weaning weights and cow size at whatever cost is slowing down — but it has left most commercial producers with large, unadapted cows that require substantial inputs to stay in production. Although most cow-calf producers *know* what needs to be done, they are reluctant to *do* what needs to be done. Change comes mighty slowly in this business.

Selling bulls for 30 years... and counting! In all that time, Pharo Cattle Company has never waivered or changed courses. We have helped thousands of cow-calf producers put more fun and profit into their business. That has always been the driving force behind our business — and it will continue to be the driving force behind our business. We truly care about the long-term success of our customers. That's why we do more than just sell bulls. There is a reason our customers are the most profitable cow-calf producers in the world.

"To avoid criticism, do nothing, say nothing and be nothing."

~ Elbert Hubbard ~

THREE Spring Bull Sales

Springfield, MO – April 2nd West, TX – April 6th Burlington, CO – April 20th

- 520 Solar Bulls Angus, Red Angus, Polled Hereford and Composites
- One-Year Guarantee
- Developed Without Grain
- Guaranteed Calving Ease
- Evaluated for Disposition, Thickness, Muscling, Masculinity, Fleshing Ability, Hair Coat, Fly Resistance and Much More
- Over 50 FREE and Very Afforda-BULL Delivery Points across the nation

Call or Email to receive a Sale Catalog

THE

Pharo Cattle Company NEWSLETTER

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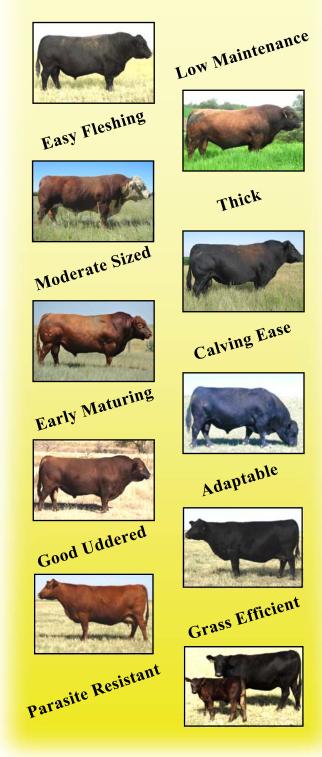
Our Mission: Help ranchers put more fun and profit into their business.

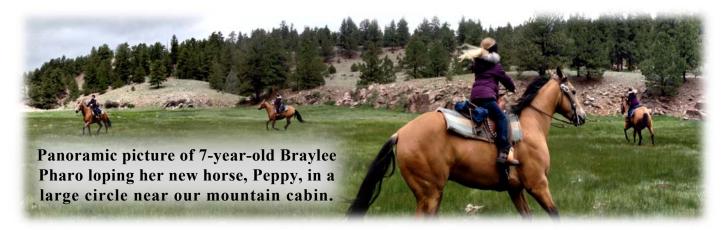
Call or Email for a Free Subscription

Afforda-BULL...

It's never been more Afforda-Bull to own a no-nonsense PCC Solar Bull. Nearly 30% of the bulls we sold last fall could have been purchased for \$3500 or less. We think that is very Afforda-BULL — especially when you consider our bulls can breed *more cows* for *more years* than bulls coming out of other programs.

Profita-BULL Genetics





Low-Maintenance Requirements... How Do We Compare to the Status Quo?

As the cost of inputs continues to rise, it is becoming more and more important to have low-maintenance genetics in your cowherd. High-maintenance cattle must eat substantially more just to meet their maintenance requirements. Maintenance requirements *must* be met *before* any weight gain or reproduction can take place. There's a huge difference between what we consider to be low maintenance and what status quo producers consider to be low maintenance.

What is status quo? Since nearly all seedstock producers use bulls or sons of bulls marketed by the major AI companies, we think it is appropriate to consider those bulls to be status quo bulls. We recently received AI catalogs from three major AI companies. We compared the maintenance requirements of the status quo Angus bulls in those catalogs to the Angus bulls that will be selling in our upcoming spring bull sales.

How do we calculate a Low-Maintenance Score? The American Angus Association has a Cow Energy Value (\$EN) EPD that allows us to compare animals in regard to maintenance requirements. The higher the number the better. Bulls that have a \$EN EPD in the top 20% of the breed receive a 5-star rating for low-maintenance. A 5-star rating is the very best. Bulls in the next 20% receive a 4-star rating. Those in the middle 20% receive a 3-star rating. Those in the next 20% receive a 2-star rating — while those in the bottom 20% receive a 1-star rating.

Status Quo Angus	Pharo Cattle Angus
5-star 7%	5-star 100%
4-star 5%	4-star 0%
3-star 15%	3-star 0%
2-star 22%	2-star 0%
1-star 51%	1-star 0%

Not surprisingly, there is absolutely *NO comparison!* Over **50%** of the status quo bulls have a \$EN EPD in the **bottom 20% of the Angus breed**. They continue to take the industry in the wrong direction at a high rate of speed. In contrast, **100%** of the Angus bulls that will be selling in our spring bull sales are in the **TOP 20% of the breed**. Pharo Cattle Company is so far ahead of the status quo very few people truly understand what we have to offer. We have the genetics you need to increase pounds and profit per acre — in good times and in not-so-good times.

Sooner or later... all cow-calf producers will be forced to produce easy-fleshing, grassefficient cows with extremely low maintenance requirements — or they will be forced out of business. Why not get a head start on everyone else? Those who are the quickest to adapt and change will be in the driver's seat — while those who are the slowest to change will get left behind or run over. High-maintenance cattle will eventually go the way of the dinosaurs.



"Let your light shine before men, that they may see your good deeds and praise your Father in heaven." (Matthew 5:16)

Feed Bucket Genetics...

By Chip Hines

Most seedstock producers don't realize the genetic damage being done by pampering and overfeeding their cows. They are making it possible for their inefficient and hard-keeping cows to breed

back. Most seedstock producers are also engaged in a blind push for more and more performance — at any cost! Everyone in this race is trying to beat the competition. The easiest way to beat the competition is with more feed and special care.

This is nothing more than feed-bucket genetics. It's artificial. Can you buy one of their bulls and expect the same performance in your herd? Only if you pamper and overfeed your cows. Most seedstock producers continue to brag about their increased performance, but how much of it is due to the feed bucket? Is anyone bucking the system?

The answer is "yes" and it is Pharo Cattle Company. I've watched Pharo Cattle Company go from being a commercial cow-calf operation to a startup seedstock operation. I watched them go from selling six bulls in 1991 to selling over 1000 bulls. How was this made possible?

It was made possible because of Kit Pharo's diligent and disciplined focus on genetic pressure. What's the most important aspect of putting on pressure? Culling! Yes, culling is what makes it all work. If an undesirable trait or animal is identified, it must be eliminated. This is what separates Pharo Cattle Company from other seedstock producers.

Advantages of Late Weaning...

By Tim Goodnight

We shared the picture below in a recent PCC Update (weekly email). This is a coming-three-year-old with her first calf. The calf was born in May of 2019 when the cow was two years old. The calf will not be weaned until March of 2020 when it is 10 months old.



This resulted in many questions about late weaning and why we choose to leave calves on their mothers over the winter.

For starters, it's the natural thing to do. In nature, there is no herdsman to wean the offspring. Along with mimicking nature, running one herd requires less time, labor and money. Late weaning will allow the calves to learn what to eat, where to find water and how to survive harsh winters.

Most importantly, late weaning will allow the calf's rumen to fully develop. This will result in a dramatic increase in rumen efficiency, which will substantially improve a heifer's fleshing ability and fertility — for the rest of her life. It will also reduce the amount of time and feed required to finish a steer.

In addition to the advantages listed above, I believe we will see improvements in herd health. The immune system is developed and maintained in the gut. If the increased efficiency in the rumen leads to greater mineral uptake, then it is reasonable to believe herd health will improve.

I am fully aware status quo producers will scoff at the idea of wintering calves on the cow. Most will say it can't be done. If they still have mainstream genetics and/or if they are calving out of sync with their forage resources, they are 100% correct!

With the right genetics, however, it is amazing what can be done. We run our first-calf heifers with our mature cows. They do not receive any special care. We purposely push them to the limit — and expect them to breed back in a 45-day breeding season.

One-Year Guarantee...

Our Solar Bulls have always had a reputation for being tough as nails. Even so, problems can and do occur. That's why we are offering a **One-Year Guarantee** on our bulls. Now, you are covered. Customer service has always been important to us. This just makes it easier.

Deprogramming...

By Kit Pharo

Weekly Emails...

If you would like to receive our FREE weekly updates and/or devotions, send your request to Tammy@PharoCattle.com.

Women spend more time thinking about what men think than men actually spend thinking.

At one time or another, we were all programmed to think in terms of increasing pounds per cow (bragging rights). That is what the status quo beef industry has been single-mindedly focused on for over 40 years. As most of you know, it is not easy to deprogram oneself. The definition of deprograming is "to release someone from previous brainwashing." Deprogramming involves a paradigm shift. It requires replacing a long-held way of thinking with a new way of thinking.

Thirty-five years ago, I came to the conclusion that the only way cow-calf producers could improve long-term, sustainable profit was to focus on increasing pounds per acre — *not* per cow. I struggled with the deprogramming process as much as anyone. It took me most of five years to totally break out of this status quo paradigm. Once I had been freed, I wondered why it took me so long to understand the truth. I know many of you have had a similar experience.

In preparation for our spring bull sales, I have already visited with several potential new customers who are struggling with this deprograming process. That is understandable. I wish I could snap my fingers and create a light-bulb moment for them — but it is not that easy. If you find yourself in this situation, I encourage you to keep pushing against what you have been programed to believe. I encourage you to look at status quo articles and advertisements in a more discerning way. When the light comes on, you too will wonder why it took so long.

The best analogy I've ever heard was when Johan Zietsman said, "If corn farmers thought like beef producers, they would space their plants far apart and try to maximize the number of ears per plant and the number of kernels per ear. They would think nothing about yield per acre. In the end, they would all go broke."

If the goal of a corn farmer is to increase production per plant, he would plant few plants per acre — as shown in the foreground of the picture to the right. On the other hand, if the farmer's goal was to increase production per acre, he would plant many plants per acre — as shown in the background of the picture to the right. The plants in the foreground will produce more pounds per plant — but profit will be nonexistent.

Can you see how ridiculous it is to focus on more pounds per cow at the expense of more pounds per acre? This is the biggest difference there is between high-profit producers and average producers. This is why many PCC customers are two to five times more profitable than their neighbors. Nothing affects profitability, or lack thereof, as much as stocking rate.



Pharo Cattle Australia...

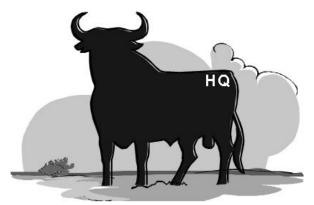
We are excited to announce that we will be hosting our 2^{nd} Annual Australian Bull Sale on May 7^{th} . We have a partnership with Furracabad Station in New South Wales. They have been purchasing some of our very best Angus bulls — and are creating one of the best PCC cowherds in the world.

Competitive Advantage...

When a business is able to sustain profits that exceed the average for its industry, that business is said to have a competitive advantage. The only way to truly prosper in any business is to have a competitive advantage over others in that business.

Nearly all the people in any business belong to the status quo herd. That is why it is called status quo. They conform and do things pretty much the same as everyone else in that business. They are content with being average. Because they're afraid to leave the herd, they will never have a competitive advantage.

The fact that most people are afraid to leave the so-called "comfort" of the status quo herd makes it easy for you and me to gain a distinct competitive advantage. However, we must be willing to do what members of the status quo herd are unwilling to do. We must be willing to differentiate ourselves from the herd.



A Herd Quitter is someone who has enough courage to break away from the status quo, herd-mentality way of thinking. It is more about thinking for yourself than anything else. As long as you are following the herd and doing what everyone else is doing, you will never be above average and you will never have a competitive advantage.

Information... No One Else Can Provide

In addition to EPDs, Weights and Ratios, we evaluate and score our bulls for:

- Disposition
- Fleshing Ability
- Muscling
- Masculinity
- Thickness
- Hair Coat
- Fly Resistance
- Calving Ease
- Longevity
- Maintenance Requirements
- Foot and Leg Structure
- Preputial Prolapse Problems
- Udder Conformation

We use a 1 to 5 star rating to score these traits — with 5 stars being the best and 3 stars being average. As if that isn't enough, we provide Ultrasound Data on each bull so you know what he looks like under the hide.

NO ONE ELSE has even thought about providing you with as much information as we do. To help you utilize all of this information, we created our **Quick Sort** program. We encourage you to let us help you sort for the traits that are most important to you.

Can't Make the Sale?

If you don't think you will be able to attend any of our spring bull sales, we suggest you request a sale catalog and take advantage of one of our Stay-At-Home options, as well as our Bull Delivery Service.

We make it easy. With our unique Quick Sort program, you can quickly sort bulls to your exact specifications — and then you can watch a video clip of every bull that made your sort. And... you can do all of this from the comfort of your home.

It's not unusual for 50% of our bulls to be purchased through one of our Stay-At-Home options. Call or email for a sale catalog.

Ranching — A Great Way of Life...

Ranching is a great way of life, but is it sustainable? Can it produce enough income to support a growing family? Can it be passed on from one generation to the next? In recent years, there has been much talk about a concept called "sustainable agriculture" but most of the so-called "experts" fail to mention the two most important ingredients — profit and enjoyment. Agriculture that is not profitable *and* enjoyable will never be sustainable.

I am very troubled by the large number of ranchers who struggle to make a decent living. I am also troubled by the fact that the average age of ranchers is near retirement age because the next generation is not interested in coming back to the family ranch — but can you blame them? They spent their entire life watching their parents work very hard for very little pay. If ranching isn't going to be profitable *and* enjoyable, why ranch?



This is a subject we are very passionate about, but since space is limited I'm just going to hit a few high points. We encourage you to make ranching more than just a great way of life.

- 1. Profit and enjoyment are attainable. I know many ranchers who have both. While some have inherited a family ranch, others have done it entirely on their own.
- 2. Success is more a matter of attitude than of anything else. Those who are open to change and not afraid to think outside-the-box are most likely to succeed. On the other hand, those who are afraid to step out of their comfort zone are least likely to succeed.
- **3.** Successful ranchers work smarter, not harder. Although they enjoy riding a horse and driving a tractor, they always set aside time to "drive the desk."
- 4. Profitable ranchers make efficient use of the ranch's available resources. Instead of investing in the latest gadget or piece of equipment, they invest in workshops and courses that teach them how to make the most efficient use of what they already have.
- 5. Successful ranchers observe and imitate nature. Going against nature always requires more money and more labor (less profit and less enjoyment).
- 6. Production and profit are not the same thing. In fact, they are often antagonistic toward one another. It's ironic, but many ranches that were put together and paid for with 350 pound calves are now struggling and going broke with 600 pound calves. Increasing pounds per acre is much more profitable than increasing pounds per calf.
- 7. Successful ranchers know who to listen to. We've been taught by the so-called "experts" how to maximize production (weaning weights), but few are teaching us how to maximize profit and enjoyment. Who do you think pays for all the so-called "free" magazines you receive? Unfortunately, many ranchers are doing everything right (according to the so-called "experts") but they are not doing the right things.
- 8. Profitable ranchers have a very low cost of production. Their breakeven price is so low they have a huge competitive advantage over their neighbors who are still trying to increase profits by producing bigger and bigger calves.
- **9.** The most profitable ranchers sell a product instead of a commodity. They control their markets. Time spent on marketing can pay dividends ten times greater than time spent on production.
- **10. The easiest way to adapt to change is to create it.** Successful ranchers chart their own course. They will do whatever is required to make their ranch profitable *and* enjoyable.

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Cowboy Logic: "Never own more cows than your wife can take care of."



Efficient, Easy-Fleshing, Moderate-Sized, Low-Input, Grass-Based Genetics

— with Calving Ease —











Call or Email to receive a catalog for our three Spring Bull Sales and/or an AI Sire Directory

800-311-0995

Bulls@PharoCattle.com

