PHARO CATTLE COMPANY



CHEYENNE WELLS, COLORADO PHONE: 800-311-0995

Helping you is our business — and we take it very seriously.

Change Happens...

...and You Must Adapt to Survive

In all businesses, change happens. Nothing stays the same. The present is different from the past — and the future will be different from the present. The key to survival is to adapt to change when it takes place. Those who are the quickest to adapt will be in the driver's seat — while those who are the slowest to adapt will get left behind or run over.

I have communicated with hundreds of PCC subscribers recently about the changes that are taking place at the cow-calf level of the beef industry. Prices continue to fall, while the cost of inputs continues to rise. A 500-pound steer is worth a whopping \$500 less than it was just one year ago — and \$750 less than it was two years ago. That is a BIG change!

Many PCC customers and subscribers anticipated this change long before it became a reality. They did what they needed to do to adapt to the situation at hand. They understood that change happens and that it must be dealt with in a timely fashion. While all of their neighbors are struggling to break even, they have been able to maintain or increase their sustainable profit per acre — even with falling calf prices.

Most cow-calf producers, unfortunately, are making absolutely no attempt to adapt or change. They mistakenly believe they can continue to do things the way they have always done them. They are reluctant to step out of their comfort zone and do anything different. It's as though they would rather fail than succeed if success requires change. That's very sad — but it provides HUGE opportunities for the Herd Quitters.

If you have not already adapted to the drastic changes we are experiencing in the cow-calf business, *NOW* is the perfect time to get started. Time is of the essence! Calf prices will continue to fall, while the cost of inputs will most likely continue to rise. The longer you wait the more difficult it will be to make the necessary changes. Eventually, you will have no choice but to go out of business or subsidize your business with outside money.

Those who would like to maintain or increase their sustainable profit per acre need to start thinking in terms of production and profit per acre — instead of per animal. They need to work with nature — instead of against nature. They need to implement proper grazing management to make the most of every ray of sunshine and every drop of rain that falls on the land they control. They need to reduce and eliminate expenses. And they need to produce cattle that fit their environment — instead of artificially changing the environment to fit their cattle.

Pharo Cattle Company has the low-input, grass-based genetics you will need to produce efficient, easy-fleshing, low-maintenance, 3 to 4-frame cows that can increase pounds and profit per acre. Our 3 to 4-frame cows weigh 1100 to 1250 pounds. How many other seedstock producers have low-maintenance, 3 to 4-frame cows? Most have high-maintenance, 5 to 7-frame cows. We believe we must be tougher on our cows than our customers are on theirs. Otherwise, we won't be able to help our customers improve their genetics. How many other seedstock producers have this philosophy? Most pamper their cows and make excuses for them.

We are here to help you successfully adapt to the changes at hand. You must adapt to survive. We hope you will make plans to attend at least one of our three fall bull sales. We will be selling over **450** 18-month-old bulls this fall. That is 50 more bulls than we sold last fall. That should help moderate sale prices. Call **800-311-0995** to request a sale catalog.

"Control your own destiny, or someone else will."

~ Jack Welch ~



Valentine, NE — October 22^{nd} Zanesville, OH — October 29^{th} Burlington, CO — November 7^{th}

- Over 450 Forage-Developed Solar Bulls
- One-Year Guarantee on All Sale Bulls
- Evaluated for Disposition, Thickness, Muscling, Masculinity, Fleshing Ability, Hair Coat, Fly Resistance and Much More
- Guaranteed Calving Ease
- FREE and Very Afforda-BULL Delivery

Call or Email to receive a Sale Catalog

THE PHARO CATTLE COMPANY

NEWSLETTER

Published four times per year by:

Pharo Cattle Company 44017 County Road Z Cheyenne Wells, CO 80810

Editor: Kit Pharo

Phone: 800-311-0995

Email: **Kit@PharoCattle.com**Website: **www.PharoCattle.com**

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

Call or Email for a Free Subscription

Fall Sale Advantages...

You may have a springcalving cowherd and prefer to buy your bulls in the spring. However, there are some BIG advantages to buying your bulls at one of our fall bull sales.

- ◆ Fall is the best time to move cattle from one environment to another especially if you're moving them south and/or east.
- ◆ Our forage-developed bulls do not require much in the way of winter feed and care. In most cases, you can run them with your older bulls. Don't be surprised if your young PCC bulls come through the winter in better shape than your older, non-PCC bulls.
- ♦ Most spring-calving producers have more time to select and purchase bulls in the fall than they do in the spring.
- ♦ These bulls are 18 months old going on two years. They will breed *more cows* for *more years* than bulls coming out of other programs.
- ♦ If you need to buy something for year-end tax purposes, it makes more sense to buy bulls than it does to buy equipment that depreciates and burns fuel. Talk to your tax advisor about the Section 179 Expense.

Weekly Emails...

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



Papa Kit helping 4-year-old Braylee Pharo move some cows and calves in preparation for AI breeding in August. Calving in sync with nature increases profit and enjoyment.

"Our butcher was very impressed with our finished cattle this year. We actually had one that graded prime. This is all on grass! We wanted you to know since nearly all of our calves are sired by your bulls."

Dave James — Colorado

Can't Make the Sale?

If you don't think you will be able to attend any of our fall bull sales, we suggest you request a sale catalog and take advantage of one of our three Stay-At-Home options, as well as our Bull Delivery service. It is not unusual for 50% of our bulls to be purchased by customers who do not attend the sale. Call 800-311-0995 for a catalog.

Why Grass-Fed?

Annual growth in the grass-fed beef sector has been averaging 25% to 30% for the last 12 years, according to Dr. Allen Williams. In contrast, the commodity beef sector has been stagnant during the same time period. Packers and retailers are rapidly adding grass-fed products because consumers are demanding them, and are willing to pay a premium. With that in mind, I think it is important to discuss why the consumer cares.



I believe it is directly related to two things — negative publicity about confined animal feed operations, and positive publicity about the beneficial nutrients that are increased two to five times in grass-fed animals, especially omega-3 fats and conjugated linoleic acid (CLA). Let's take a look at the latter reason...

When consumed, omega-3 fats are transformed into anti-inflammatory compounds. Omega-6 fats, on the other hand, become inflammatory compounds. The body needs both inflammatory and anti-inflammatory capability, but the two need to be in balance. When we consume an excess of omega-6 fats, we tip the scales towards overall inflammation in the body. Scientists are now realizing that most of our chronic diseases have inflammation at their core.

How easy is it to consume an excess of omega-6 fats, leading to overall inflammation? Pretty darn easy! Omega-6 fats are found in grains, vegetable oils (especially corn oil, soybean oil and safflower oil) and most nuts. Grain and vegetable oils are things most people eat a lot of. Most processed foods contain soy and corn oil. On the other hand, omega-3 fats are found in green vegetables and fish. But it is virtually impossible for a human to eat enough fish and greens to balance out our current omega-6 rich diet.

It is important to realize that omega-3 and omega-6 fats are found in the fat of our food animals, and the relative ratio of the two depends on what the animal eats. Animals that are grainfed have fat that is high in omega-6s. Grass-fed animals, on the other hand, have fat that is high in omega-3s. When we consume their grass-fed omega-3 rich fat, it can help us keep inflammation and anti-inflammation in balance.

Conjugated linoleic acid (CLA) is another type of healthy fat that is known to have antiinflammatory effects, to reduce the risk of various cancers, and to increase insulin sensitivity, as well as other benefits. CLA is highest in dairy and meat products from ruminants eating fresh grass. There are other purported benefits of grass-feeding our meat animals, including increased levels of Vitamin E, B vitamins and beta-carotene.

In short, I believe consumer interest in grass-fed beef is here to stay, because it is directly linked to the growing consumer obsession with health and nutrition.

Are You a Herd Quitter?

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.

Following the crowd and doing what everyone else is doing is seldom the best way to manage your business. In fact, it may be the absolute worst way to manage your business. If you're doing what everyone else is doing, you'll never be above average.



If you are not already a Herd Quitter, how much longer do you think you can afford to follow the status-quo herd of high-input, unsustainable agriculture? We have entered a new era in beef production. As cattle prices continue to fall, the cost of inputs will continue to rise. What has worked so well for the past 20 years no longer works.

It's not easy to be a Herd Quitter because it's not easy to do what your neighbors aren't doing. However, the fact that it is not easy, gives us untold advantages. Most people hate change so much, they will stay on the road of least resistance until they are forced to change courses. That is most unfortunate, but that's just the way it is.

These 3" x 8" Herd Quitter stickers are showing up all over the world. They help us recognize others who have enough courage to think outside the herd. These stickers will be available FREE of charge at all three of our fall bull sales.

Here's to the Herd Quitters... The crazy ones. The rebels. The square pegs in a world full of round holes. They see things differently. They have no respect for the status quo. They make things happen. If it weren't for the Herd Quitters, the earth would still be flat.

"My PCC bull had to adjust to fescue grass and a much warmer climate. While he adjusted, he bred all the cows — and gained weight! His offspring have great performance on grass."

Mike Greene — Arkansas

Guaranteed Calving Ease...

Most of our bulls can safely be used on heifers. Many will be *guaranteed* for calving ease. Calving ease is extremely important to us because it is extremely important to our customers. Dead calves have distressingly low weaning weights.

The world and its desires will pass away, but the man who does the will of God lives forever. (1 John 2:17)

NO Fat Bulls... NO Pampered Bulls... NO High-Pressure

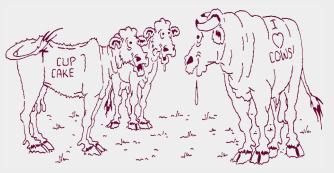
Are you tired of buying over-fed bulls from pampered seedstock herds at hyped up, high-pressure auctions?

Our bulls were produced by some very efficient, moderate-sized cows that have never been pampered. They have been developed slowly and naturally on grass. They will NOT melt or fall apart when you take them home.

These coming-two-year-old bulls will be sold in their work clothes at our unique, low-pressure Cowboy Auction. We hope you will make plans to attend one of our fall bull sales.

Sex Is NOT Work For A Bull...

Have you ever heard a veterinarian or a seedstock producer caution against overworking a bull, especially a young bull? What do they mean? How can you overwork a bull? When someone advises you against overworking a bull, they are really telling you to not give him too many cows or heifers to breed.



Now, wait a minute... allow me to set the record straight. Sex is NOT work for a bull! In fact, every bull worth his salt will go to sleep and wake up thinking about finding more cows to breed. There is nothing a bull would rather do than breed cows.

So why do the experts caution us against overworking a bull? The problem lies in the fact that most of today's bulls are late maturing. They lack masculinity and fertility. Besides being sissy bulls, they lose condition and/or go lame during their first breeding season. Sex is not the problem. Nevertheless, when a bull has low sex drive and is losing condition or limping around, it becomes quite difficult for him to get very many cows settled.

I have heard many seedstock producers and veterinarians say a young virgin bull should not be turned out with more than 15 to 20 cows, and a mature bull should not be turned out with more than 25 to 30 cows. I'm not going to argue with them because I understand the reasons they are making these recommendations. I will say, though, that it is high time for us to fix the problem instead of just treating the symptoms.

Seedstock producers need to get back to the basics of bull production. They need to stop selecting exclusively for higher and higher EPD numbers. They need to quit over-feeding and pampering their cattle. They need to produce environmentally adapted cattle with fleshing ability that has been bred in — not fed in.

Pharo Cattle Company was established as a no-nonsense seedstock producer nearly 30 years ago because we saw the need to redefine and change the responsibilities of bull suppliers. From the very beginning, we believed seedstock producers need to be tougher on their cattle than their customers are on theirs. Otherwise, we will never be able to help our customers make any herd improvements. This simple, common-sense philosophy quickly differentiated us from status quo seedstock producers.

Our bulls are not sissy bulls. They are moderate-sized, early-maturing bulls that look very masculine at a young age. They are bred and developed in such a way that they don't fall apart during the breeding season. In fact, most of our bulls will gain weight while breeding cows. They go to work every morning with a big smile on their face — because breeding cows is NOT work for them.

Our recommended cow to bull stocking ratio will vary from ranch to ranch, but it is much higher than the norm. We are not afraid to recommend turning our first-time, virgin bulls out with 30+ cows. Our mature bulls have proven that they can cover 50+ cows. We know of several cases where our bulls have successfully exceeded these rates.

I don't think anyone really knows how many cows a moderate-sized, easy-fleshing, early-maturing bull can settle. Many of our customers say they can get by with one-half to two-thirds the bulls they used to have. They also say our bulls will last much, much longer than the bulls they used to have. Many PCC bulls are still going strong at eight to twelve years of age.

~ Kit Pharo

Profita-BULL... I don't know what criteria you use to select bulls — but shouldn't profitability and economics be considered? PCC bulls have the genetics required to increase pounds and profit per acre. Our bulls can also breed *more cows* for *more years*. On top of all that, our bulls don't mind being "overworked."

What Is A Composite?

Although we have been breeding and selling Composite cattle for over 25 years, we realize this may be a relatively new concept for some of you. A Composite is nothing more than a synthetic breed comprised of two or more breeds. The strengths that exist within the different breeds are combined to form a new, superior breed.

Our Composite cattle were specifically designed to provide the right genetic combination to fit many different environments and production goals. They are 25 to 50 percent Continental breeding (Tarentaise, Simmental and/or Gelbvieh), 25 to 75 percent Red or Black Angus, and 0 to 25 percent Hereford. They can be red or black in color.

Keep it simple. If you would like all the advantages of hybrid vigor and breed complementarity without all the problems and headaches involved in managing a crossbreeding system, you should consider using our Composite bulls. Traditional crossbreeding requires too much time and management.



We will be offering an outstanding selection of PCC Composite bulls in our Nebraska and Colorado Bull Sales.

Game Changer...

It's not often something comes along that can be considered a Game Changer. We think this will be a Game Changer for PCC customers and prospective customers.

For the first time ever, Pharo Cattle Co. is going to offer a **One-Year Guarantee** on all bulls selling in a PCC Bull Sale. Our forage-developed bulls have a reputation for being tough as nails — but injuries can still take place. Now you are covered.

Customer service has always been very important to us. This will just make it easier. We hope this will increase your peace of mind when you purchase bulls.

Crabs in a Bucket...

When a single crab is put into a bucket of water, it can and will escape. However, when more than one share a bucket, none will ever escape. When one crab tries to climb out of the bucket, the others will pull it back down.

I know many people who are like crabs in a bucket. They belong to a status quo herd of some sort. When someone tries to leave the herd, these people will do whatever they can to keep him or her from leaving. It takes courage and determination to be a Herd Quitter.

The status quo herd, by definition, is made up of individuals who are comfortable with being average. There is nothing wrong with that until you realize members of the status quo herd don't want anyone else to rise above average.

Per Cow vs. Per Acre...

For the last 40 years, most of the so-called "experts" in the beef industry have been focused on one thing — increasing production (weaning weight) per cow. For some reason most animal scientists are terrible at economics. They know what it takes to increase production per cow — but they ignore the cost of doing so.

When you increase production per cow, you will change the size and type of your momma cows. Along with increasing production, you will increase *cost of production*. Ranches that once ran 200 cows can only run 150 (or less) of the bigger, high-maintenance cows, and/or they are required to feed much more supplemental feed.

In contrast... Pharo Cattle Company has always been focused on increasing production and profit per acre — NOT per cow. It does not matter how big your cattle are if they are not profitable. We have NEVER EVER found an environment where our low-maintenance, moderate-sized cows could not produce MORE POUNDS and MORE PROFIT per acre than the bigger, high-maintenance cows that most cow-calf producers have.

Forward is Backwards...

Several years ago, I told my wife that in the future of the cattle business forward is going to be backwards. I firmly believe that time is at hand. In order to progress and move forward, we are going to have to do things the way they used to be done by our fathers and grandfathers.

There won't be any wormers or fly sprays. There won't be any fertilizer or herbicides. We will feed very little or no hay. We won't have big tractors or equipment. And we will have much smaller cows. As a side note on cow size, I remember the first gooseneck trailer I purchased in the early 1970s. It was 6' x 24'. I could usually figured on hauling 15 cows. Today, however, I can only haul nine or ten cows.

~ **Doug Marburger** PCC Bull Developer in Texas

\$maller Cows = Bigger Profit\$

Spicy Foods...

Have you ever wondered why food around the world gets spicier the closer you get to the equator? For example, India, a country with one of the highest average temperatures, uses an average of nine spices per meat-based recipe while the typical Norwegian meat dish calls for only two spices.

A research group at Cornell University discovered that spices used in food preparation kill or inhibit dangerous food bacteria. Of the 30 spices tested, all had some effect against food bacteria. Garlic, onions, allspice and oregano killed 100% of the tested bacteria. Some spices work much better when used in combination than when used alone.

So, why does food get spicier the closer you get to the equator? Because food bacteria is a much bigger problem in hotter environments. Isn't it amazing how mankind has learned to deal with natural problems through the use of natural solutions? I suspect there are some common-sense, natural solutions to nearly all of our perceived problems.

Low-Maintenance Cows...

For many years, we've talked about Pharo Cattle Company's efficient, low-maintenance cows. We have shown how we compare to status quo seedstock producers. Although there really is NO comparison, we're afraid many of our subscribers don't fully understand the true value of this trait. Growth and reproduction simply cannot take place until maintenance requirements have been met. Low-maintenance cattle can do the most with the least!





10-year-old, low-maintenance, 3 to 4-frame PCC cows stay this fat even during a severe drought — 30 days post calving.

We are light years ahead of nearly everyone else in this business. Sooner or later, *all* cow-calf producers will be forced to produce easy-fleshing, grass-efficient cows with extremely low maintenance requirements — *or* they will be forced out of business. Why not get a head start on everyone else? High-maintenance cattle will eventually go the way of the dinosaurs.

No one sells as many low-maintenance bulls as Pharo Cattle Company. For 30 years, we've been producing low-input, grass-based genetics that can increase pounds and profit per acre. These are the genetics you will need to continue to be Profita-BULL with much lower cattle prices. Call **800-311-0995** if you would like to receive a catalog for our *three* Fall Bull Sales.

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PHARO CATTLE CO.

44017 County Road Z CHEYENNE WELLS, CO. 80810

PHONE **800-311-0995**

E-MAIL Kit@PharoCattle.com

Tyson@PharoCattle.com

WEBSITE www.PharoCattle.com

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Cowboy Logic: "If you are thinking like everyone else, then you're not thinking."

PHARO CATTLE COMPANY

Efficient, Easy-Fleshing,
Moderate-Sized, Low-Input,
Grass-Based Genetics
— with Calving Ease —











Call or Email to receive a Catalog for our <u>three</u> Fall Bull Sales and/or AI Sire Directory



800-311-0995

Bulls@PharoCattle.com