

PHARO CATTLE COMPANY

CHEYENNE WELLS, COLORADO PHONE: 800-311-0995

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



Low-Maintenance...

How Does PCC Compare to the Status Quo?

As cattle prices continue to fall and as input costs continue to rise, it is becoming more and more important to have low-maintenance genetics in your cowherd. High-maintenance cattle must eat considerably more just to meet their higher maintenance requirements — *before* they can gain weight or reproduce. There's a *HUGE* difference between what we consider to be low maintenance and what the status quo industry considers 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, I would consider those bulls to be status quo bulls. I recently received AI catalogs from ABS and Alta Genetics. I compared the maintenance requirements of the ABS and Alta Genetics Angus bulls to the Angus bulls in PCC's AI Sire Directory, as well as the Angus bulls that will be selling in our upcoming spring bull sales. The American Angus Association has a Cow Energy Value (\$EN) that allows us to compare animals in regard to maintenance requirements. The higher the number the better. The average Energy Value (\$EN) for the Angus breed is -8.20. I averaged the Energy Value for the 143 Angus bulls in the ABS and Alta Genetics catalogs and compared that to the PCC averages.

Status Quo AI Sires -17.90 (bottom 25% of the breed)

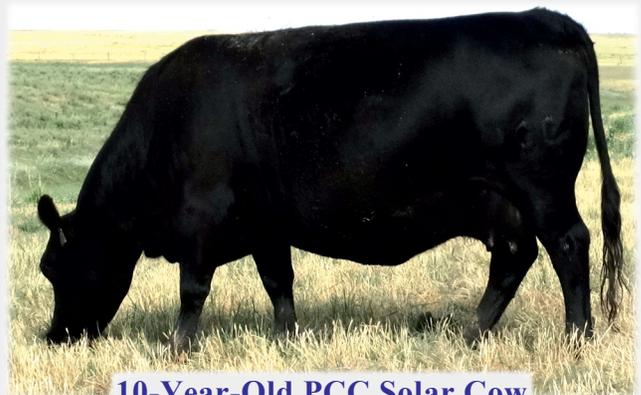
PCC AI Sires +33.20 (top 3% for current sires)

PCC Spring Sale Bulls +22.90 (top 2% for non-parent bulls)

Not surprisingly... there was absolutely *NO comparison!* The average Energy Value for the status quo bulls is in the **bottom 25% of the Angus breed**. They are taking the industry in the wrong direction at a high rate of speed. In contrast, the average Energy Value for the 23 Angus bulls in PCC's AI Sire Directory is in the **top 3% of the breed**. The Angus bulls that we will be selling in our two spring bull sales are in the **top 2% of the breed**. Pharo Cattle Company is so far ahead of the status quo that very few people truly understand what we have to offer. We have the genetics that will increase pounds and profit per acre — even when cattle prices hit bottom.

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? Those who are the quickest to adapt and change will be in the driver's seat — while those who are the slowest to adapt and change will get left behind or run over. High-maintenance cattle will eventually go the way of the dinosaurs.

No one, and I mean *NO ONE*, produces as many ultra-low-maintenance bulls as Pharo Cattle Company does! That is our specialty! We will be selling **450** PCC Solar Bulls in our two Spring Bull Sales. If you would like to receive a catalog, call 800-311-0995 or send us an email.



10-Year-Old PCC Solar Cow

~ Kit Pharo

"The riskiest thing we can do is to maintain the status quo."

~ Bob Iger ~

TWO Spring Bull Sales

Springfield, MO — April 7th

Burlington, CO — April 19th

- **450** Solar Bulls — Developed Without Grain
- Fleshing Ability has been Bred In — NOT Fed In
- Evaluated for Disposition, Thickness, Muscling, Masculinity, Fleshing Ability 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**

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

Call or Email for a Free Subscription

ATTENTION...

Those who receive our weekly PCC Update emails will notice that much of our newsletter content was originally published in a PCC Update. Those who do not receive our weekly PCC Update emails should seriously consider doing so.

If you are not receiving our weekly PCC Updates, you are missing out on a tremendous amount of up-to-date, thought-provoking information — information that could have an affect on the future of your business. It is impossible to put even a fraction of that much information in our quarterly newsletters.

Times are changing. You can't expect the world to stand still just because you are not ready for change. Although I am reluctant to say it, I believe having an internet connection and an email address is no longer an option for a business. It is a necessity — and I don't care how old you are. It doesn't matter!

Send your email address, along with your name, to Tammy@PharoCattle.com

I ALWAYS mean what I say...

...but I DO NOT always mean to say it out loud.

Can't Make the Sale?

If you don't think you will be able to attend either 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.

Getting Your Money's Worth...



When purchasing bulls, cost is always a factor — but it should not be the only factor. First and foremost, you should consider the program behind the bulls. Bulls that are produced in a program that aligns with your long-term goals are worth a whole lot more than bulls coming out of a program that does not align with your long-term goals.

It is unfortunate, but most bull programs do not align with any commercial cow-calf operations. Most bull programs are high-input operations with big, inefficient cows that require substantial pampering just to stay in production. I just heard of an extremely high-input outfit that sold well over 400 overfed Diesel Bulls for an average price of \$16,200. Unbelieva-BULL! Why would anyone pay so much for a bull that is guaranteed to fall apart?

Another very important factor in getting your money's worth is the number of calves a bull will sire before he must be replaced. It doesn't take a rocket scientist to figure out that a bull that sires twice as many calves as the average bull is worth twice as much as the average bull. After all, the reason you purchase bulls is to sire calves.

According to many university experts, you can only expect to get three years of use out of a high-maintenance, feedlot-developed Diesel Bull. On average, I think that is too high. Even with supplementation, most Diesel Bulls can service no more than 20 cows their first year and no more than 30 cows their second and third years — for a lifetime total of 80 calves.

It is not at all uncommon for low-maintenance PCC Solar Bulls that are developed *without* grain to provide at least six years of service. In most cases, we are not afraid to turn our Solar Bulls out with 30+ females their first breeding season. We expect our bulls to gain weight during their first breeding season — *without* being supplemented. Our mature bulls can handle 50+ cows — for a lifetime total of at least 280 calves.

In this case... the PCC Solar Bull sired **200 more calves** than the status quo Diesel Bull. If the Diesel Bull cost \$6000, his cost per calf would be \$75. At \$75 per calf, you could have paid as much as \$21,000 for the PCC Solar Bull, and still be getting your money's worth. Since PCC Solar Bulls cost about the same as Diesel Bulls, you will almost always get *MORE THAN YOUR MONEY'S WORTH* with a PCC Solar Bull.

We have testimonies from many longtime PCC customers who put the above comparison to shame. We will share a few of them with you...

“Our first PCC bull was purchased in 2001. We spent more than planned, but have never regretted it. We used him until he was 13 years old. On a per-calf basis, he was the cheapest bull we have ever purchased.” (Paul Landrigan — Nebraska)

“I just sold my first PCC bull at age 12. He bred around 50 cows every year and always stayed in great shape.” (Dan Tema — Kansas)

“The ability of your bulls to breed a large number of heifers in a short period of time has greatly improved my profitability.” (John Nino — California)

“I couldn't agree with you more about PCC bulls being able to breed more cows for more years than other bulls. I put my two PCC bulls out with 60 to 70 cows each — and they did great!” (Delvin LaDuke — North Dakota)

“We used our first PCC bull for ten years – and in that time he naturally sired over 1000 calves in spring and fall-calving herds.” (Garth Lloyd — Missouri)

“Your bulls have proved themselves so well that we have been able to reduce the total number of bulls we use by 17 bulls.” (Jim Espy — Wyoming)

Information...

That No One Else Can Give You

In addition to the usual **EPDs, weights and ratios**, we evaluate and score all of our bulls for **disposition, muscling, masculinity, fleshing ability, thickness, overall rating, calving ease, longevity, low maintenance, foot structure and the absence of preputial prolapse**. We also provide an **udder score** for the dam of every bull. We use a 1 to 5 star rating for all of these traits — with 5 stars being the best.

As if that wasn't enough, we provide **ultrasound data** on each bull so you know what he looks like under the hide. Considering the way our bulls are developed, I think you will be very impressed with this information. Our bulls have what it takes to produce a very desirable end product — with or without grain.

NO ONE ELSE has even thought about providing you with as much useful information as we do. To help you utilize all of this information, we created a unique computer **Quick Sort** program that can sort and resort bulls to match your exact specifications in just a matter of seconds. If you don't have a computer, we will do the sorting for you. Request a catalog and give us a call.

PCC Herefords...

By **Kit Pharo**

It has taken us a long time, but we finally have a substantial number of Hereford cows that truly fit Pharo Cattle Company's program and philosophies. In my opinion, these cows are the best of the best! They are located in four different cooperative herds — from Texas to Kansas to Nebraska to Minnesota.

My dad had a very functional herd of commercial Hereford cows when I grew up. Those cows were tough as nails! They could produce and reproduce with minimum inputs. Unfortunately, those good Hereford genetics were all but lost when the status quo beef industry started worshipping the god of weaning weight 40 years ago. It didn't take long for Hereford breeders to out-Simmental the Simmentals.

I'm proud to announce that we will be offering 37 Polled Hereford bulls in our upcoming Colorado Bull Sale. These low-maintenance bulls were produced by efficient, easy-fleshing, moderate-sized Hereford cows that have never been pampered. **Like begets like!** If you are serious about producing the right kind of replacement females, then I suggest you get serious about buying bulls that were produced by the right kind of momma cows.

EXCITING Times...

The beef industry is at a major turning point. What has worked for the last 40 years will not work for the next 40 years. While this scares some, others see it as exciting times. This will provide an opportunity for producers who are not afraid of change to create a business that is very profitable and sustainable. There are always more opportunities to advance during times like this than during the so-called "good" times.

PCC's AI Sire Directory...

There are **57** top-sort bulls to choose from in this year's lineup. Most of these bulls are Angus and Red Angus — but we also have a nice selection of Polled Hereford, Lowline, Tarentaise and Composite bulls, as well as one Mashona bull (indigenous African breed).

If you are serious about reducing cow size and maintenance requirements, and if you are serious about increasing thickness and fleshing ability, and if you are serious about calving ease and cow efficiency, then we have exactly what you are looking for. We have the biggest and best selection of low-maintenance, grass-based genetics in North America.

**Call or email to request our
2016 AI Sire Directory**



Where's the Car?

By Tyson Pharo

For our wedding anniversary, I surprised my wife Sky with tickets to the National Finals Rodeo in Las Vegas. With all our bags packed, we were off to the airport. When we finally found a parking spot, we noticed a shuttle bus coming to pick people up. Since we were already a little short on time, we grabbed our bags and rushed to the shuttle stop. We made it just in time.



After four days in Vegas, we were ready to go home. We landed in Denver at 10:30 Sunday night. After gathering up our luggage, we were on the shuttle bus and headed to the parking lot. That's when it hit me. I looked at Sky and asked, "Where did we park the car?" In our rush to catch the shuttle, neither of us had paid any attention to where we had parked. No big deal, I thought. Well, I was wrong! We got off of the bus in twenty degree temperatures with snow on the ground. This parking lot holds over 8000 cars and most of them look the same after dark with two inches of snow sitting on top of them.

We walked around hitting the panic button on the key fob for about thirty minutes. By this time, Sky was shivering and had retreated to a shuttle stop which had a tiny heater blowing hot air. I walked from one end of the parking lot to the other hitting that stupid panic button. Finally, on my second pass I heard a car horn! I called my wife on the phone because I was about a quarter mile away and gave her the coordinates.

Calving Ease...

How Does PCC Compare to the Status Quo?

If you are concerned about profitability, then fertility and calving ease are the two most important traits you should be selecting for. As explained in our 2015 Spring Newsletter, fertility is more a function of fleshing ability than of anything else — and fleshing ability is more a function of low-maintenance requirements than of anything else. We demonstrated how PCC compares to the status quo in regards to low-maintenance (fertility) on page one.

Although there are several factors involved in calving ease, none are more important than birth weight. Therefore, we compared the birth weight EPDs of the same ABS and Alta Genetics bulls to the Angus bulls in PCC's AI Sire Directory, as well as the Angus bulls that will be selling in our upcoming spring bull sales. As far as birth weight EPDs are concerned, the lower the number the better. For example a -2 is superior to a +2. The average birth weight EPD for the Angus breed is +1.3. I averaged the birth weight EPDs for the 143 Angus bulls in the ABS and Alta Genetics catalogs and compared that to the PCC averages.

Status Quo AI Sires +1.1 (Slightly better than breed average)

PCC AI Sires -2.1 (top 4% for current sires)

PCC Spring Sale Bulls -1.7 (top 4% for non-parent bulls)

Once again... there really was *NO comparison!* We are serious about calving ease because we know it is important to our customers. It doesn't matter how much growth potential a calf has if it is born dead. Dead calves have distressingly low weaning weights. Pharo Cattle Company produces more bulls with genuine calving ease than anyone else. No one else would even consider *guaranteeing* calving ease. If you would like to receive our AI Sire Directory or a catalog for our *two* Spring Bull Sales, call 800-311-0995 or send us an email.

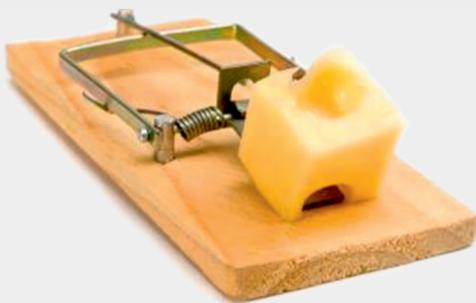
Worth the Wait...

Our Spring Bull Sales will be among the last of the season — but we think they'll be well worth the wait. Where else can you find such a large selection of Solar Bulls that were developed *without* grain?

Where else can you find bulls that were produced by easy-fleshing, low-maintenance momma cows that have never been pampered? Where else can you find bulls that can reduce cow size and maintenance costs — without cheating you on pounds? Where else can you find bulls that are guaranteed for calving ease? Where else can you find bulls that can breed more cows for more years?

Where else can you find bulls that were produced with *your* long-term profits in mind?

BEWARE... Free stuff may come with liabilities.



Hidden Treasure...

The kingdom of heaven is like treasure hidden in a field. When a man found it, he hid it again, and then in his joy went and sold all he had and bought that field.

— Matthew 13:44 —

What would you pay to guarantee your salvation? What would you pay to guarantee the salvation of your loved ones? Most of us would be willing to give all that we have to guarantee an eternal home in heaven — and it would be worth every penny!

Guess what? Salvation and eternal life in heaven are totally FREE! They won't cost you a thing, because Jesus has already paid the price.

Life is full of choices. Eternity only has two. What's yours?

Reds... Second To None

“For 10 to 15 years, all the buyers ever talked about was black calves, and the black calves always sold for more than everything else. Now I can honestly say that good Red Angus calves outsell the black calves, and I know the Red Angus bred heifers will outsell black Angus bred heifers of equal quality every day.”

— Jim Davis —

Superior Livestock Auction

No Silver Bullets...

By Kit Pharo

It seems that more and more cattlemen are searching for that elusive silver bullet to help them produce the perfect bovine critter. They are looking for a shortcut and a guarantee for success. Folks, there ain't no free lunch and there ain't no silver bullets. If producing the perfect bovine critter was easy, everyone would already be doing it.



As cattle breeders, we have many, many tools at our disposal — some high tech and some not so high tech. To start with, we have a large variety of different and unique breeds of cattle to choose from. Other tools include, but are not limited to, EPDs, scales, linear measurements, DNA testing, ultrasound, linebreeding, crossbreeding etc., etc. Contrary to what you may have been told by overzealous salesmen, none of these tools qualify as a silver bullet.

Pharo Cattle Company uses all of the above mentioned tools — but we do not hang our hat on any of them as a cure-all, magic potion or shortcut to success.

Mother Nature and **Father Time** are the two best tools we've found for producing the perfect bovine critter for the environment it lives in. Many producers overlook these two tools, though, because they do not fit in their tool box and because they've never been promoted or marketed as silver bullets. Breeding efficient and profitable cattle requires a lot of time and patience. It can't be hurried. Ironically, breeding the right kind of cattle often requires a hands-off approach.

We Believe...

...the average cow-calf producer can double his profit per acre on a sustainable basis.

First and foremost, this will require producers to be open-minded and willing to make some significant changes. It will also require producers to think in terms of production and profit per acre — instead of per animal.

Producers who have already done this are working with nature — instead of against nature. They are implementing proper grazing management — and they have transitioned to the right size and type of cattle.

We Believe... *now* is the perfect time to start making the necessary changes.

Smart People...

by Jenn Swanson

I've been enjoying a book called "Why Smart People Make Big Money Mistakes - Lessons from the Life-Changing Science of Behavioral Economics." The title makes the book sound prudent but not overly fun. I'm happy to report that this couldn't be further from the truth; it's both thought-provoking *and* hard to put down.

Chapter 3, entitled "The Devil That You Know", is all about decision paralysis. The authors describe how *fear of regret* and *preference for the familiar* can cause people to postpone making proactive decisions, or even avoid decisions altogether. The following example was particularly striking.

Two economists, Samuelson and Zeckhauser, conducted a study in which people with a working knowledge of finance were offered a hypothetical choice among four investment options. The first half of the study group started with the assumption that they were not currently invested in anything, and then picked an investment. They chose roughly as follows: 32% took the moderately risky investment, 32% took the moderately conservative investment, 18% took the very risky investment, and 18% took the ultra-safe investment (a bell curve).

The second half of the study group was offered the same investment choices. What was different was that these folks were told that they were already invested in one of the four options and asked if they wanted to make a switch. The results were amazing. *No matter which investment option they were told they were already invested in, it became the favorite choice among the four.* This is a classic example of the status quo bias at work.

The authors pose the following questions: "Is there something so intrinsically attractive about the status quo — or is there something inherently frightening about the prospect of change?" The behavioral economists cited say "both." Economists call our tendency to overvalue what we already have the "endowment effect." This is our preference for the status quo. Combine that with a dose of risk aversion and the tendency to under-estimate the opportunity cost of not taking action, and the result is decision paralysis.

As I read this book, I realize that nearly all of us exhibit the tendencies described, albeit in different areas of our lives. Luckily, the authors wrap up each chapter with some useful reminders. While acknowledging that approaching decisions with some degree of caution is wise, they encourage good decision-making practices, such as "don't forget the opportunity costs."

It made me wonder... how long can ranchers afford the opportunity costs of *not* adopting the pounds-per-acre paradigm?

"Twenty years from now, you will be more disappointed by the things you didn't do than by the things you did do."

~ Mark Twain ~

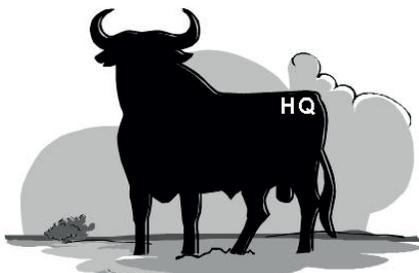


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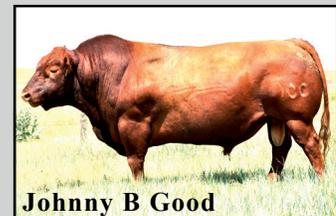


Dare to be a Herd Quitter

Cowboy Logic: "If you are thinking like everyone else, 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 two Spring Bull Sales
and/or AI Sire Directory*



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