PHARO CATTLE COMPANY

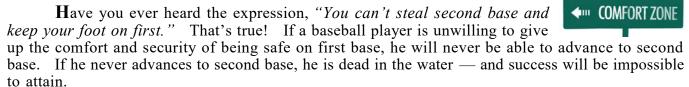
Website: www.PharoCattle.com Phone: 800-311-0995



Our customers are the most profitable cow-calf producers in the world.

True Success Requires Risk —

By Kit Pharo



The same is true of life in general. Those who are afraid to step out of their comfort zone are doomed to live a life with little chance of advancement. Look around. You will see many people who seem to be satisfied with this type of life. That's okay if that's what they truly desire. In most cases, however, these people want much more out of life — but they are unwilling to step out of their comfort zone. This seems to be true in all occupations and professions, including production agriculture. There is reason to believe it's worse in agriculture than in other professions.

Success almost always involves risk. You will never achieve your goals and dreams by playing it safe. No risk, no reward! To achieve true success, you must be willing to give up the security of your comfort zone and take some chances. You cannot wait for success to come to you, because it won't. You've got to get out there and make it happen. You cannot allow the fear of failure to paralyze you. Some of the most successful people throughout history have failed at least once. Failure is never permanent!

Yes, there is risk involved in leaving a good-paying job to become self-employed — or to become a fulltime farmer or rancher. I remember when I gave up a good job to become self-employed. It was really scary — and for good reason. I remember when I decided to give up my first self-employed business to become a rancher 36 years ago. That too was scary. I also remember making the decision not to subsidize my ranch with outside income, because I wanted to force the ranch to succeed or to fail on its own. If it failed, I knew life would go on!

I'm not saying you should totally ignore the potential risks involved with moving ahead. It's okay to consider the potential risks — but don't allow them to immobilize you. I know people who overthink everything. If they can't make every little detail pencil out, they will do nothing — and gain nothing. In contrast, I like to ask, "What's the worst that can happen?" If I can handle that, I move forward. I have always been well served by following my instincts — and then by doing all I can to make this advancement come to fruition.

The one risk I have always been afraid to take involves heavy debt, especially on things that have no income-producing ability. Heavy debt can be a killer! Fortunately, many of the things that lead to true success do not require much debt. They require nothing more than a change in thinking and doing. That may be scary — but it's not a killer! After achieving a higher level of success, I have become more willing to take on moderate levels of debt for things that will appreciate in value and/or produce a good source of income.

Many cow-calf producers are unwilling to risk being different. Because they don't want to stand out from the herd, they are doomed to being average at best! As you might expect, young people are less adverse to risk than older people because they have little to lose. In contrast, those who have worked long and hard to acquire what they have are reluctant to take chances. Understandably, this creates major problems for family-owned businesses that involve more than one generation. Sadly, many farms and ranches are only able to advance one funeral at a time.

Learn to take action! The longer you procrastinate, the higher the likelihood you won't do anything to advance your position. Action develops confidence. With every small success you will feel more and more comfortable in taking bigger risks. Often, the only difference between a successful person and a failure is the courage to take action!

"The biggest risk a person can take is to do nothing."

~ Robert Kiyosaki ~

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- 460 Solar Bulls Angus, Red Angus, Polled Hereford and Composite
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- One-Year Guarantee
- Guaranteed Calving Ease
- Evaluated for Disposition, Fleshing Ability, Grass Efficiency, Thickness, Masculinity, Muscling, Hair Coat and Fly Resistance
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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

What Have You Got to Lose?

The number of cow-calf producers who finally understand the philosophies behind our program has been growing at an unprecedented rate. While more and more producers are purchasing our bulls, others are unwilling to take the so-called "risk." Those are the producers this article is targeted at.

What have you got to lose? You will still have the same cows. You are just breeding them to different bulls. If you don't like the results, you can go back to the bulls you have always used. We're just asking you to give our bulls a chance to show you how they can improve your bottom line.

After 30+ years of selling no-nonsense, low-maintenance bulls, we can pretty much tell you what you will experience. That in itself should remove most of your doubt. We think you have much more to lose by *not* using our bulls, because doing things the status quo way is no longer working.

Many of our customers tell us they get more growth from our low-maintenance bulls than they got from the so-called "high-growth" bulls they used to use. How can that be? Their environment cannot support the high-growth (high-maintenance) genetics they used to use. Our bulls won't cheat you on pounds. They will just put those pounds in a thicker, beefier package.

It's well known that, on average, our grass-developed Solar Bulls can breed twice as many cows for twice as many years as the typical grain-developed Diesel Bulls. What's a bull worth that can breed twice as many cows for twice as many years? He's worth a whole lot more than you'll ever have to pay for him.

Our bulls will sire grass-efficient, low-maintenance replacement females that can do much more with much less. This will allow you to increase pounds of beef produced per acre by at least 30 percent. While the rest of the world remains focused on increasing pounds per cow (bragging rights), you will be increasing pounds per acre (profit).

What have you got to lose by giving our bulls a try? Don't let the fear of change keep you from maximizing your profits.

Weekly Emails —

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

Weather Forecasting —

Every fall you will run into people who are touting the signs of nature such as wooly



bears, cockleburs and locusts as indicating there will be a premature end to the growing season. While that is interesting, we've found those signs only work on years when there is an early frost.

"We must believe in luck.

For how else can we explain the success of those we don't like?"

~ Jean Cocteau ~

Whatcha Gonna Do?

By Kit Pharo

I don't like to do it — but every now and then we need to talk about things we don't want to talk about. Sticking our head in the sand is *NOT* a good management strategy! Our problems will *NOT* solve themselves! Procrastination is *NOT* our friend!

So, what do we need to talk about? We need to discuss the fact that it is extremely difficult for cow-calf producers to make a decent living. Most are doing well just to break even. Many are unable to break even. Many are slowly eating up their equity just to stay in business. A growing number are being forced to file for bankruptcy. This is *NOT* acceptable because it is *NOT* sustainable!



Be honest with yourself... Are you satisfied with your profitability? Are you making enough profit to build wealth? Is your business growing? Do you have a competitive advantage over others in your business? Is your business working for you, or are you working for your business? Are you creating a business the next generation will be eager to become a part of?

The most frustrating thing about all of this is the fact that some of the things we are dealing with are completely out of our control. I'm referring to things like the weather, the markets, the cost of inputs and the coronavirus chaos. So, whatcha gonna do? It would be a waste of time to whine and complain about the things we have no control over. The only thing we can do is focus on the things we do have control over — and then take action!

Contrary to popular opinion, there are many cow-calf producers who are very profitable, even during the tough times. While most of their neighbors sit around thinking, "Woe is me," these producers continue to make the necessary changes in their operation to keep up with the times. They know nothing stays the same. The present is different from the past and the future will be different from the present. If they can do it, others should be able to do it too.

The beef industry is not the same today as it was 50 years ago. Much has changed — and yet nearly all of today's cow-calf producers operate as though *nothing* has changed. They forget how much things have changed. Fifty years ago, you could purchase a new pickup for less than \$5000. You could purchase gasoline for 25 to 35 cents per gallon. Land could be purchased or rented for one-tenth what it costs today. In the last 50 years, the cost of inputs has risen four times faster than cattle prices.

It's no wonder cow-calf producers are struggling to make a decent living. It's no wonder some are going broke. It's no wonder the next generation has no interest in coming back to the family farm or ranch. With the cost of inputs increasing at such a disproportionate rate compared to cattle prices, we *must change* the way we operate if we want to survive. We simply cannot continue to do things the same as we have been doing them for the last 50 years.

Whatcha gonna do? If you are a cow-calf producer, your survival is dependent upon your ability to *adapt* and *change* with the times. The sooner, the better. Procrastination is *NOT* your friend! Unfortunately, it's probably too late for some producers to make the necessary changes. I hope it's not too late for you. If you are tired of just getting by, call or email to request a free copy of our "Ten Steps" to turn your cow-calf operation around.

Buyer's Market —

Our fall bull sales always create a much better Buyer's Market for our customers than do our spring sales. For example, the bulls we sold in our 2020 Colorado Fall Sale averaged \$1100 Less than the bulls we sold in our 2021 Colorado Spring Sale. That's a BIG SAVINGS! For the most part, this is because most cow-calf producers won't turn their bulls out until next summer.

That may be true, but... not only do our fall bulls cost much less, they are 18 months of age. They will be two years old when you use them next summer. These older bulls will handle a heavier workload with much fewer problems than yearling bulls. Since they have been developed slowly and naturally on grass, they will not melt or fall apart when you take them home.

We suggest you take advantage of this Buyer's Market. Come next spring, you will be glad you did. If you are unable to come to one of our fall sales in person, you can utilize one of our Stay-At-Home options along with our Bull Delivery Service. It's not unusual for over 50% of our bulls to be purchased by customers who do not attend a sale. We make it easy!

Over 25% of the bulls we sold in our 2020 fall bull sales were purchased for \$3500 or less. We think that is very affordable — especially when you consider our grass-developed Solar Bulls can breed *twice as many cows* for *twice as many years* as the typical grain-fed Diesel Bulls. No matter what your budget is, you will always get more than your money's worth when purchasing a PCC Solar Bull!

Live Local —

By Bobby Thoman

We are living in uncertain times. The world is in chaos. Our freedoms are being eroded away a little at a time. You can feel the tension in the air. People want to know what they can do. We often hear that we need to focus on the things we can control, but how does this help the current situation?



One of the ideas proposed by Jarrin Jackson, who is a Bible-believing Christian and a constitution-defending patriot, is to "Live Local." This includes many things from getting involved in local politics to supporting local businesses. One of his main points is to identify and secure your food supply. He says, "He who controls the food, controls the people." He encourages people to produce and/or source their own food and shorten the supply chain.

Building local relationships is the key. There have never been more opportunities to market your own beef than now. Restaurants are seeking local producers to partner with. Demand from customers wanting beef bundles is at an all-time high. People are more concerned with availability than price. If you have ever thought about marketing your calves as beef, this would be the opportune time.

A few words of advice:

- 1) The right genetics can make all the difference in the world when trying to finish beef. Stick with what works. The money spent on a PCC bull will more than pay for itself in the added efficiency of his offspring.
- 2) Make sure your beef is finished. This may seem obvious, but you would be surprised at how many people have had a bad experience with under-finished beef.
- 3) Book your slaughter appointments in advance. Many of these places are six months out. I always book extra, just in case. You can always cancel an extra if you need to. Be sure to check your state regulations for inspection requirements.
- 4) If you are already direct marketing your beef, work on diversifying your market. Grocery stores, restaurants, health food stores and individual customers are a few examples. Market diversity provides less risk and more opportunities. The old adage "Don't put all your eggs in one basket" comes to mind.

Uncertainty in the markets, politics and the world should encourage us to build local networks. Get to know your urban neighbors. Meet with your local restaurants. Diversify your beef business. Learn to Live Local... and above all, PRAY!

Drought-Tolerant Cows...

Much of Cow Country USA is dealing with severe drought conditions. There is also severe drought in southern Canada, as well as parts of Mexico. For cow-calf producers, drought is a normal part of business. It will come and go and we need to learn how to deal with it.

Are some cows more drought tolerant than others? Absolutely! If you have ever been through a drought, it should have been obvious that not all cows are created equal. Some cows are able to do much more with much less. The primary difference between those cows and their herd mates is their ability to maintain a good body condition score.

In good and bad times alike... nothing is as important as a cow's ability to maintain good body condition. Thin cows are incapable of getting bred. If a cow cannot get bred, she becomes a liability — instead of an income-producing asset. Thin cows also struggle to produce enough milk to raise healthy calves.

The difference between a low body condition score and a higher body condition score is the amount of body fat a cow has amassed. Fat deposition, however, cannot take place until after all other needs have been met — including requirements for maintenance (survival), growth and lactation. The sooner a cow can meet her basic needs, the sooner she can start laying down fat.

Do drought-tolerant cows come in all shapes and sizes? No! The most drought-tolerant cows I know of are thick, easy-fleshing, low-maintenance, 3 to 4-frame cows that weigh 1100 to 1250 pounds. Even during extreme drought conditions with calves at side, the 10-year-old cows pictured below were able to store up sufficient energy in the form of fat.





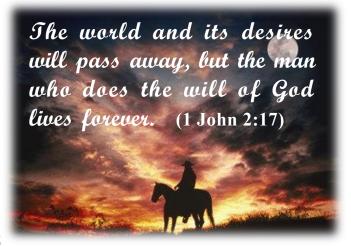
No matter how drought-tolerant your cows are, you still need to manage your grass and your stocking rates. If you are no longer growing grass, you will need to do some destocking. The sooner you sell or relocate the bottom end of your cowherd, the more grass you will have left for the top end of your cowherd.

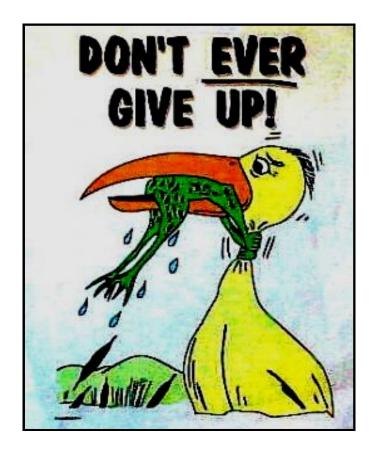
Hidden Opportunity... This drought has provided many ranches with the opportunity to make the switch from high-input cows to moderate-sized, low-input cows that can increase pounds and profit per acre. Sell your big, hard-keeping cows — and breed your remaining cows to PCC Solar Bulls. Before you know it, you will have a herd of drought-tolerant cows.

Drought Discount —

With the ongoing drought, we decided to keep our Drought Discount in place for our fall bull sales. There are five levels of drought. The lowest level is good for a 2% Discount on all the bulls you purchase. The highest level is good for a whopping 10% Discount on all the bulls you purchase.

Google "US Drought Monitor Map" to see what level you are in.





"It is not necessary to change. Survival is not mandatory."

~ W. Edwards Deming ~

Heat-Tolerant Bulls...

We have another set of Heat-Tolerant Composite bulls being developed on grass in East Texas. These bulls will sell in our Second Annual Alabama Bull Sale on Saturday, November 13th.

Our goal is to produce cattle with no Brahman influence that can work well in very hot and humid environments. We have been very impressed with this set of bulls. They will still be out grazing when other cattle are shaded up or standing in the water.



Maximizing grazing time is the key to profitability in this business. Heat-adapted animals that graze twice as long as non-adapted animals will likely be twice as profitable. The best way to beat the heat is with genetics.

Rubber Bands and Envelopes —

By Rob Pierce

Growing up around our family feed store, local sale barns and local ranches, I often heard farmers and ranchers discuss the cattle business. I wondered if the cattle business was profitable. No one talked much about profitability. They did, however, say things like, "These ole cows will hold your money together for you."



My turn... When I got older I purchased my own cattle, land and equipment. I ran my cattle business the traditional way — and I figured out real quick that my cows were NOT profitable!

In 2008, I had had enough! I told my father-in-law, "I'm selling out! These cows aren't making any money!" He said, "Now Rob, you need to think about this. They might not be making you money, but they will hold your money together." I replied, "A rubber band or an envelope can hold my money together!"

After selling out, someone signed me up to receive the PCC Newsletter. I began to read and ponder the Pharo Philosophies. In 2011, I decided to try the cattle business again! Rather than purchase big, high-input cows like I had before, I purchased 300 low-input Corriente cows.

In the fall of 2012, I purchased my first five PCC bulls with a plan to raise some efficient, low-input and profitable replacement females. That plan worked! My cows now do a whole lot more than a rubber band or an envelope! I have learned the cattle business can be Profitable, Enjoyable and Sustainable — just as Kit Pharo said it could be!

Your cows should do more than rubber bands and envelopes! They should be making you a good living and building wealth.

6

Tough Times Won't Last —

Ranchers have been plagued with various forms of tough times throughout history. There have been recurring droughts, blizzards and poor markets for as long as anyone can remember. Tough Times won't last — but Tough People will! The same is true of Tough Cows. Here are a couple of recent testimonies from PCC customers who are suffering from extreme drought conditions.

We are in the driest year on record! I cut my cows back to all PCC-sired cows last spring. Remarkably, the cows and calves are as fat as we have ever had them! My status quo neighbors are no longer poking fun at me! Thank you! I wish I would have started buying your bulls sooner!

Marty Bidwell — California

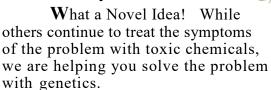
As you know, we are in the middle of an extreme drought. I just wanted to let you know how well our Pharo cows are handling it. These cows haven't missed a beat! They have maintained good flesh and are cycling very well.

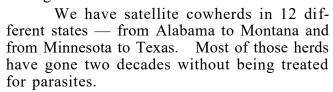
When we hauled our pairs out to breeding pastures, the neighbor who was helping us commented on how fat our cows were and on how stout the calves looked. Many of the cows in this part of the country are in tough shape. It will be difficult to get them bred. This could be a major disaster for some ranchers.

Pharo genetics and philosophies have given us the opportunity to hold everything together and hopefully to come through this drought in pretty good shape. I'm always amazed at how well these cows hold up during the toughest of times! Thanks for everything!

Sean Weinert — North Dakota

Genetic Fly Resistance -





Genetic parasite resistance is one of many areas in which Pharo Cattle Company has assumed the leadership position. In the last 15 years, we've evaluated and scored over 11,000 bulls for genetic fly resistance.

All of the bulls selling in our fall bull sales have been evaluated and scored for fly resistance.

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 because dead calves have distressingly low weaning weights.

Are You Tired —

Are you tired... of buying bulls that melt and fall apart when you take them home? Most ranchers are! That's why Pharo Cattle Company specializes in low-maintenance bulls that are developed on grass! Our fleshing ability has been bred in — NOT fed in!



All of the bulls selling in our fall bull sales have been developed on grass. They will be 18 months of age. They have been bred and selected to do the most for the least! They are drought tolerant and parasite resistant. They will *NOT* melt and fall apart when you take them home!

Call 800-311-0995 to request a Sale Catalog

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Cowboy Logic: "Never argue with an idiot, because people watching may not be able to tell the difference."

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

800-311-0995

Bulls@PharoCattle.com

