

Ten Steps to Maximize Your Profits...

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In a ten-year period, the average cow-calf producer is doing very well just to be a breakeven producer. That's just the way it is in this business. Is breakeven good enough for you? If you desire to be much better than average, you will need to make some major changes. Let's review the Ten Steps required to get on the right road. The sooner you take the first step, the sooner you will reach your destination. These steps are not difficult — but they will require a paradigm shift.

- **Step 1.** Focus on pounds and profit per acre — instead of per animal. There is a BIG difference. Trying to increase pounds per animal will always have a negative effect on your profits. It doesn't matter how big your cattle are if they're not profitable! The status quo beef industry has been focused on the wrong thing for over 40 years.
- **Step 2.** Purchase low-maintenance bulls that will produce cows that fit your environment. This is easier and much more profitable than artificially changing the environment with expensive inputs to fit your high-maintenance cows.
- **Step 3.** Increase stocking rates by over 30% with the right size and type of cows. Smaller, more efficient cows can wean a higher percent of their own weight. They will always produce more total pounds per acre — and those pounds will always be worth more per pound. Stocking rate affects profitability, or lack thereof, more than anything else.
- **Step 4.** Utilize rotational grazing to increase forage production and stocking rates by another 50 to over 200 percent. Once again, nothing is more important than stocking rates.
- **Step 5.** Do more grazing and less feeding. The easiest money you will ever make is the money you don't spend — and that money is tax-free. Let the cow be a cow!
- **Step 6.** Remember you are in a solar energy-based business — not a fossil fuel-based business. You don't need much in the way of vehicles, tractors and equipment. Let your cows do the work for you.
- **Step 7.** Work with nature — instead of against nature. This can easily increase profits by \$50 to \$100 per cow.
- **Step 8.** Use calving ease bulls to reduce death loss, decrease labor, increase enjoyment, increase conception rates and shorten your calving season.
- **Step 9.** Use genetics to fix problems — instead of spending money on chemical, technical and mechanical solutions that won't last. Parasite problems are a perfect example of this.
- **Step 10.** Stop associating with whiners, complainers and blamers. In addition to associating with people who are positive and profitable, you need to be careful about what you read. Most of the information that is being circulated is focused on increasing production per individual animal. That is what put you on the wrong road in the first place.

Cow-calf producers who have taken these steps are two to five times more profitable than all of their neighbors. They have also substantially increased their enjoyment and improved their lifestyle. Consequently, they have an operation that the next generation is anxious and excited to become a part of. Agriculture must be *both* Profita-BULL *and* Enjoya-BULL to be Sustaina-BULL!

You can do it! These very successful producers have done nothing that cannot be done by others. Believe it or not, some of these producers did not inherit anything. They created their phenomenal success from scratch — simply by following the Ten Steps listed above. You can do the same thing — but you won't go anywhere until you take the first step.

Deprogramming...

By Kit Pharo

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 deprogramming 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 some of you have had a similar experience.

Over the years, I have visited with thousands of potential new customers who have struggled with this deprogramming 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 programmed 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.



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