### PHARO CATTLE COMPANY

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



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

#### Pest and Parasite Control

By Kit Pharo

Just like every summer, the push is on to discuss and promote pest and parasite control within the beef industry. Unfortunately, it's always the same old thing. No one within the status quo beef industry is willing to think beyond the heavy use of toxic chemicals. One advertisement said, "What doesn't kill parasites makes them stronger." That is exactly right! Cattle pests and parasites are becoming more and more resistant to more and more chemicals. Where will it end?

Allow me to ask a simple question. WHO took care of cattle pests and parasites 100 years ago? Pests and parasites have always been around. They have coexisted with their host animals. Animals that didn't have sufficient natural resistance did not survive or reproduce. That's nature's way! That's survival of the fittest! And then man came along thinking he could improve on nature's way. Man, in all his wisdom, has done nothing but create inferior cows and superior pests and parasites.

Genetic pest and parasite resistance is one of many areas in which Pharo Cattle Company has assumed the leadership position. We have cowherds in 12 different states - from Minnesota to Texas and from Alabama to Montana. Most of these herds have gone two decades without being treated for parasites. Animals with inferior genetics have been replaced by animals that are genetically resistant to pests and parasites. We continue to be different for all the right reasons!

I don't know of any other seedstock producers who are selecting and breeding for genetic pest and parasite resistance. We have been working on this for over 20 years. In the last 16 years, we have evaluated and scored nearly 14,000 bulls for genetic fly resistance. While other seedstock producers continue to use toxic chemicals to cover up their inferior genetics, we are helping you solve the problem.



Our fall bull sales will feature over 500 grass-developed bulls that will be evaluated and scored for genetic horn fly resistance. Since the heritability of fly resistance is very high, this is something you can greatly improve in a relatively short period of time. Call us at 800-311-0995 to receive a catalog for our fall bull sales.

## "Government is a disease masquerading as its own cure."

~ Robert LeFevre ~

# FOUR Fall Bull Sales

Burlington, CO — November 6 Letohatchee, AL — November 11 Three Forks, MT — November 18 Valentine, NE — December 2

- Over 500 Solar Bulls Angus, Red Angus, Polled Hereford and Heat-Tolerant
- Guaranteed Calving Ease
- Developed Slowly and Naturally on Grass
- One-Year Guarantee on All Bulls
- Evaluated for Disposition, Thickness, Muscling, Masculinity, Fleshing Ability, Grass Efficiency, Hair Coat, Fly Resistance and Much More
- Over 60 Delivery Points Across the Nation

Call or Email to receive a Sale Catalog

# THE PHARO CATTLE COMPANY NEWSLETTER

Published four times per year by:

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

Call or Email for a Free Subscription

#### Biggest and Best

There are 78 bulls to choose from in this year's AI Sire Directory. This represents the Biggest and Best selection of low-input, grass-based genetics in the world!

Most of these bulls are Angus and Red Angus — but we also have a nice selection of Polled Hereford, South Poll, Mashona and Composite bulls to choose from. Over 90% can be safely used on virgin heifers.

Call 800-311-0995 To Request an AI Sire Directory

#### Feed Bucket Genetics

By Chip Hines (1942 - 2020)

Most seedstock producers don't realize the genetic damage being done by pampering and



overfeeding their cows. They are making it possible for 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 to feed more feed.

This is nothing more than feed-bucket genetics. It is 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 operation to a startup seedstock operation. I watched them go from selling six bulls in 1991 to selling over 1000 bulls per year. How was that made possible?

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

#### We Do More

Pharo Cattle Company does more than just sell bulls. We provide a program and a way of thinking that are focused on increasing pounds and profit per acre — in good times and in not-so-good times. Our low-maintenance bulls are just one part of this program.

#### Learn from History

By Kit Pharo

#### **Yellow Postcard**

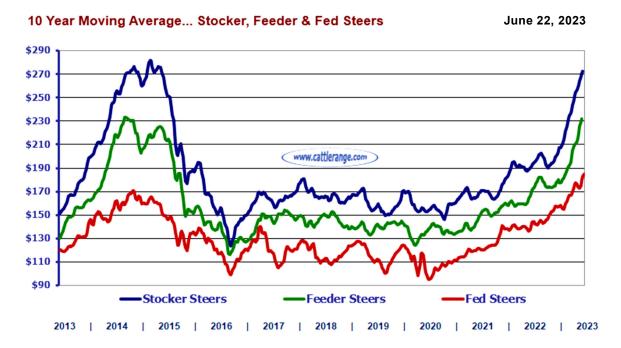
If you have a Yellow Postcard in your Newsletter, you need to <u>put that post card in the mail</u> to continue receiving our Quarterly Newsletters.

#### We will pay the postage!

If you don't have a Yellow Postcard, don't worry about it.

Those who learn from history will make far fewer mistakes than those who ignore history! Fortunately, cattlemen don't have to look back very far in history to learn some very important lessons. Remember the record-breaking prices we received for our calves in 2014 and 2015? Those were the Good Times!

Many of the more astute cow-calf producers took advantage of those record-high prices to change what needed to be changed in their operation. Consequently, they are currently among the most profitable cow-calf producers in the world. Unfortunately, most cow-calf producers spent their windfall profits on the wrong things. As a result, they are struggling to make a decent living — even with today's high calf prices.

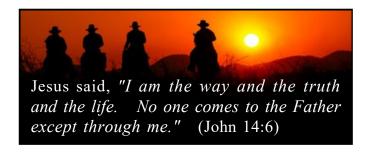


We have officially entered the Best of Times. Calf prices (blue line above) have reached the record-high prices of the 2014/2015 time period. Hang on to your hat! This is just the beginning! Prices will continue to increase — but only for a while.

The most important lesson to learn from history is the fact that record-high prices don't last forever. They only lasted two years in 2014 and 2015 (see above). We suggest you take full advantage of the Best of Times. Making the necessary changes in your operation after cattle prices go back down will be extremely difficult, because survival will take precedence over all else.

Are you going to learn from history — or are you going to foolishly assume the Best of Times will last forever? We have all heard stories about people who won the lottery — but had nothing to show for it five years later. Don't let something similar happen to you. Cattle prices will not stay high forever — and when they fall, the cost of inputs will continue to go up. Survival will require change!

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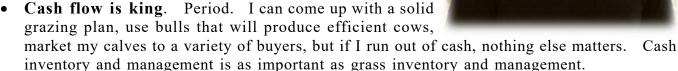


#### First-Generation Rancher

By Sean Weinert

#### **Part 2: Learning How Money Works**

Until we purchased our first set of cows, I had never borrowed money. I had spent most of my life trying to save money and to avoid debt. I never truly understood what the words "appreciation" and "depreciation" meant. Here are a few lessons I have learned over the last 10 years.



- Not all debt is created equal. I struggle with knowing when to pay cash vs borrow money. We have started asking some simple questions. Is this something we will use up this year, in five years, in ten years? What is the total purchase price? Is this a *want* or a *need*? Will this make my business more efficient and/or effective and/or profitable?
- **Depreciation**. We try to avoid buying things that will depreciate *and* rust. Therefore, we have very little in the way of machinery and equipment. Most things will depreciate, with the exception of long-term valuation of land. Your cows will depreciate without you noticing it. One day you will wake up and your young cowherd will be an old cowherd that needs to be replaced.
- Operating money. Sometimes, we may have to take out a short-term note to help us get by until we have income coming in. An operating note doesn't have to be a forever note. There is no reason to have an operating note if you still have a town job. Borrow from yourself when you can but always PAY YOURSELF BACK.
- **Taxes**. It is worth hiring an accountant to help you navigate the ways to decrease your tax burden. Be very cautious about buying things just to avoid taxes. If you do purchase something, make sure it is something you really *need* instead of something you *want*.
- CASH. I need to reiterate how important it is to not run out of cash! When you run out of cash, you will be forced to make decisions that can negatively impact your operation. Keep a good inventory of cash, so you are able to make decisions when you want to, instead of when you are forced to.

Ranching is a fairly easy business model. You need to keep grass and water in front of your cattle. Your cattle will convert those inputs into a marketable product. What we do with the cash we receive is where things can get complicated. Plan for profit — and spend that money in a way that will benefit your operation for years to come.

**NOTE:** This is the second of a series of "First-Generation Rancher" articles Sean will be sharing. Future articles will appear in our weekly PCC Update emails. If you are not already receiving our weekly emails, send us your email address.



#### Cow to Bull Ratio

By Kit Pharo

One question I am often asked by customers and potential customers is, "How many cows should I run with a bull during breeding season?" As you might expect, there is a big difference between what status quo bull producers recommend and what Pharo Cattle Company recommends.

In 2004, I wrote a newsletter article entitled "Sex is NOT Work for a Bull." Have you ever heard a veterinarian or a bull producer caution against overworking a bull — especially a young bull? What do they mean? How can you overwork a bull? They apparently don't know there is nothing a bull would rather do than breed cows.

So why do the experts caution against overworking a bull? The problem lies in the fact that most bulls are high-input, overfat Diesel Bulls that were developed on a feedlot ration. They require more feed than the environment can provide. They melt and fall apart when introduced to the real world. Many of these overfat Diesel Bulls go lame. Sex is not the problem! The problem is in the way these bulls were bred, selected and developed.

Below is the long-held status quo recommendations for cow to bull ratio:

- 12 15 month old bulls 10 12 females
- 15 18 month old bulls 12 18 females
- 18 24 month old bulls 18 25 females
- 24 month and older 25 35 females

In nearly all situations, Pharo Cattle Company recommends you double the number of females per bull — but only if you are using low-input, grass-developed Pharo bulls. That means you will only need to purchase half as many bulls as you used to purchase. If you follow the status quo recommendations with Pharo bulls, you'll end up getting bulls hurt.

The larger the cowherd, the higher our recommended cow to bull ratio. For example, putting one bull with 50 cows might make me a bit nervous because he has no backup. Putting four bulls with 200 cows, however, does not concern me one bit. If one of those bulls gets injured, I would have no problem letting the remaining three bulls finish the season.

#### Are You Missing Out?

We send out 52 PCC Update emails every year. We only send out four of these hardcopy newsletters every year. Therefore, 93% of the information we share with our subscribers is via email. Only seven percent is shared in our Quarterly Newsletters.

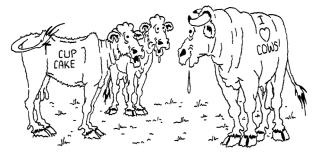
If you are not receiving our weekly emails, you're definitely missing out on most of the information we share. Can you afford to miss out? Can you afford to be in the dark?

Recently, for example, we shared information in our weekly emails on how thousands of people have beat terminal cancer through unconventional and nontraditional treatments. If you or someone you love is dealing with cancer, this is information you simply cannot afford to be without!

If you are too busy to read one email per week, you probably have some major management problems. We all have 24 hours in every day. While some people make the most of every 24-hour day, others are always trying to catch up.

#### — Send Us Your Email Address —

If you have not yet sent us your email address, don't feel too bad. Many who are receiving our weekly emails are "too busy" to read them. They're "too busy" to be informed!



#### One More Cow to Bull Thought

To avoid bull injuries, we strongly recommend you reduce the number of bulls by 50 to 75 percent after the first 21 days of breeding. If you're calving in sync with nature and/or with your forage resources and if your cows are in good enough condition to cycle, then 75 to 85 percent of your cows should be bred in the first 21 days. You will only need 25% of your bulls to breed the remaining 15 to 25 percent of your cows.

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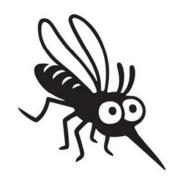
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Cowboy Logic: "The good Lord didn't create anything without a purpose — but mosquitoes and sand gnats come close."

### 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 four Fall Bull Sales and/or an AI Sire Directory



