

## Ten Steps to Maximize Profits

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In a ten-year period, the average cow-calf producer is doing good just to break even. Is breakeven good enough for you? If you want to maximize your profits, you will need to make some major changes — beginning with the ten steps listed below. The sooner you take the first step, the sooner you will reach your destination.

- **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. See article on reverse side.
- **Step 2.** Purchase low-maintenance bulls that will produce cows that fit your environment. This is much easier and 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.** Implement a rotational grazing system to increase forage production and stocking rates by another 50 to over 200 percent. This is like having someone give you another farm or ranch for free! Once again, nothing is more important than stocking rate.
- **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. Learn how to grow more grass and let the cow be a cow! There is a reason every cow comes equipped with a mouth and four legs.
- **Step 6.** Remember, you are in a solar energy-based business — not a fossil fuel-based business. Properly done, you won't need much in the way of vehicles, tractors, equipment and fuel. 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. Calve in sync with nature and/or with your best forage resources. The cows need to be gaining weight prior to calving. Calving in sync with your best forage resources will not always be calving in sync with nature. For example, fall calving works best in Fescue Country.
- **Step 8.** Use calving ease bulls to reduce death loss, decrease labor, increase enjoyment and increase conception rates. Use bulls that were bred and selected for gentle dispositions to decrease labor, decrease repairs, decrease medical bills and increase enjoyment.
- **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. The continual use of drugs, chemicals, medications, etc., does nothing but create drug-addicted cattle.
- **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 Ten Steps are many times more profitable than all of their neighbors. They have also substantially increased their enjoyment and improved their lifestyle. Consequently, they have an operation the next generation is excited to become a part of. Agriculture must be *both* profitable *and* enjoyable to be sustainable (passed on to the next generation)!

## Deprogramming

By Kit Pharo

At one time or another, we were all programmed to think in terms of increasing pounds per cow. 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 major paradigm shift. It requires replacing a long-held way of thinking with a new way of thinking.

Thirty-six 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 three 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 others who 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's understandable. I wish I could snap my fingers and create a light-bulb moment for them — but it isn't 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 most PCC customers are many times more profitable than all of their neighbors. Nothing affects profitability as much as stocking rate.



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