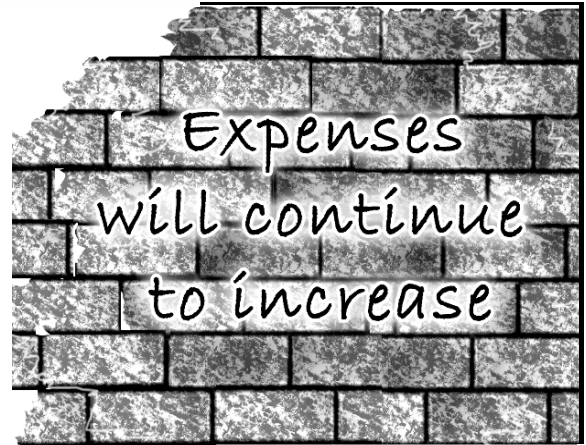




The Writing on the Wall...

While there are many uncertainties in the world we live in, there are a few things that we can be quite certain of. For example, expenses have steadily increased for the past 40 to 50 years. Agricultural expenses have risen four to five times faster than cattle prices during this time period. It's no wonder many are finding it more and more difficult to make a decent living in the cattle business. Folks, the writing is on the wall — and it is not that difficult to read and understand. Most people fully expect expenses to continue to increase for the next 40 to 50 years.



It seems incredibly obvious to me that we all need to get serious about reducing and eliminating expenses — in our personal lives, as well as in our businesses. We cannot change the writing on the wall — but we can learn to live with it. I discuss this at length in many of the talks I give to groups of cow-calf producers around the country. Some of the producers I come in contact with contend that there are absolutely no more expenses they can reduce or eliminate. They believe they have already done all the cutting that is possible. If this is true, then I suggest they sell their land and their cattle and invest the proceeds in something that will make them money. Land and cattle prices are at all-time highs. Why not take advantage of this situation?

Understandably, my suggestion to sell the land and the cattle is not well received by most producers. They cannot imagine selling the family farm or ranch — and/or they love the lifestyle that goes along with being a cow-calf producer. Fair enough! Now we are right back where we started. If we are going to stay in the cow-calf business, we need to get serious about reducing and eliminating expenses. If the writing on the wall is true, those who believe it is impossible to reduce and eliminate expenses have inadvertently locked themselves into a business that is destined to fail. It is only a matter of time. Their inputs and expenses will continue to eat up their profits at an ever-increasing rate. They are slowly but surely going out of business.

Most producers have been a part of the status quo herd for so long that they don't realize there is another way. Since they, as well as their parents, grew up during one of the most amazing technological ages of all time, they've never experienced anything else. Technology, believe it or not, made it possible for agricultural production to nearly double in the last 50 years. Unfortunately, this increase in production no longer provides any financial benefit to the producer. It simply costs too much! Most status quo producers act as though they are trapped in their high-tech, high-input paradigm. They continue to work harder and harder for less and less pay. Folks, this is not profitable, enjoyable — or sustainable.

Only when a cow-calf producer is willing and able to break away from the status quo herd of high-input, unsustainable agriculture will he be able to truly identify expenses that can be reduced or eliminated from his operation. He will quickly realize that eliminating an expense is vastly more important than simply reducing the same expense year after year after year. Once an expense has been eliminated, it will never have to be dealt with again. Most producers really do have some expenses that can be eliminated — but it will require some earnest outside-the-herd thinking to identify them. Although it isn't easy to break away from the status quo herd and its herd-mentality way of thinking, I believe it is our only hope for survival.



*"An ounce of prevention
is worth a pound of cure."*

— Ben Franklin (1706-1790) —



Monday, April 18th

- ◆ **400** Bulls — developed *without* Grain
- ◆ Afforda-BULL prices — Volume Discounts
- ◆ Guaranteed Calving Ease
- ◆ Low-Input, Grass-Based Genetics
- ◆ FREE and Very Afforda-BULL Delivery

Call or Email to receive a Sale Catalog

**THE
PHARO CATTLE COMPANY
NEWSLETTER**

Published bimonthly by:

**Pharo Cattle Company
44017 County Road Z
Cheyenne Wells, CO 80810**

Editor: **Kit Pharo**

Phone: **1-800-311-0995**

Email: **Kit@PharoCattle.com**

Website: **www.PharoCattle.com**

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

Call or Email for a Free Subscription

An Ounce of Prevention...

As I was growing up, my parents often used Ben Franklin quotes to encourage, instruct and discipline me. I'm probably a better man for it. I would like to briefly discuss the Franklin quote that is featured to the left.

As you know, it doesn't take nearly as much time, energy and money to prevent a problem as it does to eliminate a problem. The time we spend on planning and preparation is invaluable. In fact, it is probably the best use of our time and energy. Unfortunately, this is not an area that the average farmer and/or rancher excels in.

Although farmers and ranchers are extremely hard workers, we are not always good at management. We mistakenly believe we are too busy to have regular management meetings. Consequently, we spend too much time putting out fires that should have been prevented. As the quote implies, we need to be more proactive — and less reactive.

You are a Herd Quitter...



You, my friend, are a Herd Quitter because you have enough courage to break away from the status quo, herd-mentality way of thinking. You are not afraid to think on your own. I have concluded that being a Herd Quitter is more about having the ability to think outside the herd than anything else.

**Proud to be a
Herd Quitter**

Herd Quitter

With you in mind... we have printed some 3 x 8 inch Herd Quitter stickers. These window/bumper stickers are showing up all over the world. They help us recognize others who have enough courage to think outside the herd — and who are proud to be a part of the Herd Quitter movement. Call or email if you would like us to mail a Herd Quitter sticker to you FREE of charge.

The Writing on the Wall (continued from page 1)...

To my knowledge, there is no downside to becoming a low-input producer. In good times, low-input producers will be extremely profitable. In bad times, most low-input producers will continue to be profitable because their cost of production is so low. In contrast, average producers are only profitable 50 percent of the time. Their farm and/or ranch must be subsidized to stay in business. This is precisely the reason the next generation, for the most part, is not interested in coming back to the farm and/or ranch. Can you blame them? They spent their entire life watching their parents work relentlessly, often with one or two off-farm jobs, just to break even. If farming and/or ranching isn't going to be profitable and enjoyable, why do it?

Pharo Cattle Company has been publicly discussing and promoting low-input management strategies for over 20 years — almost non-stop. We don't know of anything else that is as critical to the long-term sustainability of family farms and/or ranches. We have always urged cow-calf producers to learn how to make the most efficient use of the free solar energy that falls on the land they control. Proper forage management has made it possible for many producers to increase forage and beef production by 50 to over 200 percent with minimum inputs. We have also urged producers to mimic nature whenever and however possible. Calving in sync with nature, for example, can easily save \$60 to \$100 per cow for most cow-calf producers.

We also believe it is vitally important, now more than ever, for cow-calf producers to produce smaller, more efficient cows that are able to do more for less. High-maintenance cows are quickly becoming a thing of the past. Your environment can only support so much growth, milk and size without drastic destocking and/or expensive supplementation. If the writing on the wall is true, we need to produce cows that fit our environment — instead of changing the environment with expensive inputs to fit our cows. Pharo Cattle Company has proven that the right size and type of momma cow is able to produce and reproduce with minimum inputs — and we have proven that she will work equally well in many different environments.

~ *Kit Pharo*

NO-Input Production...

Have you ever considered the possibility of being a no-input producer? I have. In fact, I have had several way-outside-the-herd discussions about no-input farming and ranching — but only within the confines of producers who are bona fide Herd Quitters. This is NOT a subject that can be easily discussed in the presence of high-input status quo producers. My original reason for wanting to discuss no-input production was to hone my skills as a low-input producer. Just considering the possibility of being a no-input producer opened up several doors of opportunity that I had never seen before. I have come to the conclusion that there is a difference between being a low-input producer and being a *really* low-input producer — a BIG difference.

I like to play “what if” games with other Herd Quitters, because doing so challenges and sharpens the mind. It also helps me to mentally prepare for potential situations that I have never had any prior experience with. A few months ago, I asked myself and others, “What if fossil fuel and electricity are no longer available? What would you do?” If fossil fuel and electricity are no longer available, that would quickly eliminate the lion's share of inputs in most households and businesses. If you can come up with a workable plan to deal with this scenario, you have the potential of becoming a *really* low-input producer.

Several PCC Cooperative Producers and Customers had no trouble coming up with very workable plans that will allow them to continue to operate without electricity and fossil fuel inputs. That, my friend, is very impressive! They will use these plans to make their existing low-input programs even better. When and/or if fossil fuel and electricity become unavailable or unaffordable, these producers already know exactly what they will need to do. They have a plan and it won't take much to implement it.

Faith...

Have you ever noticed how young children have the unique ability to trust wholeheartedly in a God they cannot see or fully understand? I envy their ability to do so. It's a real struggle for me to maintain a faith that even comes close to being as sincere as that of a little child's.

The Bible tells us that faith is being sure of what we hope for and certain of what we do not see. By faith we understand that the universe was formed at God's command. And without faith it is impossible to please God, because anyone who comes to him must believe that he exists and that he rewards those who earnestly seek him. (Hebrews 11:1, 3 & 6)

In Matthew 18:3, Jesus said, *"I tell you the truth, unless you change and become like little children, you will never enter the kingdom of heaven."*

Weekly Updates...

We send a PCC Update every week to nearly 13,000 people. These email updates allow us to share news, information and ideas in a very timely manner. If you would like to receive our FREE weekly emails, send your email address (along with your name) to Kit@PharoCattle.com.

DON'T WORRY... we will continue to mail you a hard copy of our newsletter.

"I calved out 65 heifers bred to your bulls — hands-off. I didn't touch a one!"

Tim Kelley — Missouri

Angus Bull Bonanza...


We are offering more Angus bulls in our upcoming Spring Bull Sale than we have ever offered in any other bull sale in the history of Pharo Cattle Company.

Whether you need just one Angus bull or a truckload of Angus bulls, you won't want to miss our Angus Bull Bonanza — **Monday, April 18**. We expect 50% to sell in the \$2000 to \$3500 range. That is very Afford-a-BULL, especially when you consider that our bulls can breed more cows for more years than bulls coming out of other programs.

Quantity Discounts. If you purchase 5 or more bulls, you'll receive a 5% Discount on all the bulls you purchase. If you purchase 10 or more bulls, you'll receive a 10% Discount on all the bulls you purchase. That's **one FREE bull** for every nine that you purchase!

Can't make the sale? We suggest you request a catalog and take advantage of one of our three Stay-at-Home options — as well as our bull delivery service. To request a catalog call **1-800-311-0995**.

World Class Fencing at Affordable Prices



The Powerflex Post.
Hi-Tensile Wire.
The Ultimate Fence.

417-741-1230
info@powerflexfence.com

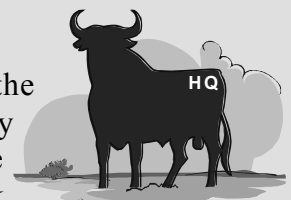
**POWERFLEX
FENCE**

www.powerflexfence.com

Dare to be Different...

It has always seemed to me that the most successful people throughout history have been those who have dared to be different. They weren't afraid to break away from the herd. More often than not, they were contrarians. When everyone else seemed to be headed in the same direction, they chose to go in a different direction.

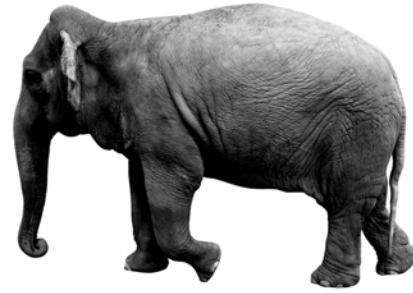
In light of ever-increasing costs of energy, feed and land, I challenge you to step out of your comfort zone and dare to be different. Dare to make the necessary changes in your business to keep it fun and profitable. Dare to break away from the "herd mentality" way of thinking that is so prevalent within the beef industry. Instead of chasing after bigger and bigger weaning weights, chase after bigger and bigger profits. Dare to be different. Dare to be a Herd Quitter.



Kit's Speaking Engagements...

- ◆ **March 22 — Hettinger, North Dakota**
Phone 605-564-2161
- ◆ **March 23 — Medora, North Dakota**
Phone 701-872-4551 extension 112
- ◆ **March 24 — Miles City, Montana**
Phone 800-311-0995 (PCC office)
- ◆ **April 1 — Gladwin, Michigan**
Phone 989-426-7741 (ask for Kable)

**You can no longer afford
to feed elephants!**



\$smaller Cows = Bigger Profit\$

Cow Efficiency...

Ever since I got into ranching on my own in 1985, I have been extremely concerned about cow efficiency. Why? Because I know it plays a major role in ranch profitability.

Twenty-six years ago, I noticed that everyone had cows that were at least 200 pounds bigger than they were when I was growing up. This was the result of performance testing and selecting for more and more frame and growth. Selecting for performance isn't a bad thing — as long as your increase in expenses doesn't eat up your increase in production. Remember, though, there are NO free lunches in this business. Every increase in production will be accompanied by an increase in expenses.

It quickly became obvious that ranchers who once were able to run 100 head of 1000-pound cows were trying to run 100 head of 1200-pound cows — on the same forage resources. This was not working. Why? Because, with their 1200-pound cows, they now had the equivalent of 120 head of 1000-pound cows. These ranchers were, therefore, forced to destock and/or to increase supplemental feeding. Very few ranchers did any destocking.

The bigger cows usually (but not always) produced bigger calves — but at a cost. Ranchers no longer had cows that could survive strictly on what their ranch was producing. From my limited perspective, their increased labor, feed and fuel costs were eating up most of their profits. To add insult to injury, bigger calves were worth less per pound than smaller calves.

Folks, that was twenty-six years ago. It has only gotten worse. Those same ranchers (and/or their sons) now have cows that weigh 1400 pounds (or more). They have totally forgotten what it was like to let the cow do all of her own work — with very few inputs. Instead of having cows that work for the ranch, most ranchers are now working for their cows.

When you consider cow efficiency, the smaller cow will always have an advantage over the bigger cow. Smaller cows can do more for less. This is a no-brainer — but it goes against what all of the so-called experts in the status-quo beef industry have been saying for the past 50 years. All things being equal, smaller cows can produce MORE TOTAL POUNDS — with the exact SAME INPUTS! Not only can smaller cows produce MORE TOTAL POUNDS, their calves are WORTH MORE PER POUND! Several research studies have since confirmed what we have always believed about cow size and cow efficiency.

Twenty-six years later... cow efficiency continues to be extremely important to us. While other seedstock producers are just now starting to talk about the advantages of efficient 1100-pound cows, Pharo Cattle Company continues to be your source for bulls that can truly produce efficient, easy-fleshing, 1100-pound cows. Like begets like.

Our Spring Bull Sale will be on Monday, April 18th. This sale will feature 400 bulls that have been developed *without* grain. They were produced by efficient, easy-fleshing, moderate-sized cows that have NEVER been pampered. We will only be mailing catalogs to recent PCC customers and to those who have requested a catalog. If you are not yet a PCC customer and if you would like to receive a catalog, call us toll-free at **1-800-311-0995**.

Information You Can Use...

In addition to the usual EPDs, weights and ratios, we evaluate and score all of our bulls for disposition, muscling, masculinity, fleshing ability, thickness, calving ease, longevity and low maintenance. 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 in this business provides you with as much useful information as we do. To help you utilize 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 would be glad to do the sorting for you.

NOTE: Even if you have a computer, we would like to help you get started using our Quick Sort program.

Worth the Wait...

Our Spring Bull Sale will be one of the last bull sales of the season — but we think it will be well worth the wait.

Where else can you find such a large selection of bulls that were developed without grain? Where else can you find bulls that were produced by efficient, easy-fleshing, moderate-sized 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 bred and developed with *your* long-term profits in mind?

Helping you is our business — and we take it very seriously. Call or email to request a catalog for our Spring Bull Sale.

"All of the bulls I have bought from you are still going strong. The oldest two are nine years old."

Eddie Abraham — Texas

You Must Call...

We will be selling 400 bulls in our upcoming spring bull sale — mostly Angus and Red Angus, with a few Hereford and Composite bulls.

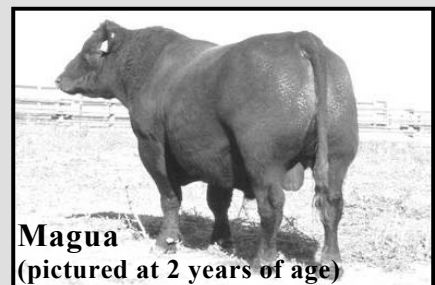


We will only be mailing catalogs to recent PCC customers and to those who have requested one. If you are not a PCC customer and if you would like to receive a sale catalog, you **MUST** call us at **1-800-311-0995**.

Taller is NOT Always Better



Our 3 and 4 frame cows weigh 1100 to 1200 pounds. That's big enough!



Magua
(pictured at 2 years of age)

This thick, easy-fleshing, 3-frame bull was developed 100% on grass. He weighed a ton at 4 years of age.

NOTE: Ten top-sort ET sons out of the cow above will sell in our upcoming Spring Bull Sale. Nine top-sort sons of Magua will also be selling in our upcoming Spring Bull Sale.

Record High Cattle Prices...

Several times in the last two months, we have seen new record high prices for all classes of cattle. These truly are the best of times for cow-calf producers — especially for low-input producers. The fundamentals within the beef industry suggest that we will continue to see high prices for at least the next three to five years.

However, even with record-high prices, status quo producers are struggling to have enough income to cover their ever-increasing expenses. When cattle prices go down (and they will) many will go belly-up. Status quo producers need to make some major changes in their programs while they have the opportunity. Time is of the essence!

Bull sale averages are running \$500 to \$1000 higher than last year. Buying bulls, especially in a year like this, is a BIG investment that should never be taken lightly. The bulls you purchase this spring will have a long-term effect on your cowherd, as well as your profits. If you have not already done so, I suggest you make time to decide what you really *need* in a bull to move your program and your cowherd in the right direction. **Think profit!** The bulls you purchase this spring need to have the genetic ability to keep your ranch Profita-BULL — in bad times, as well as in good times.

No Excuses...

When we combined our 3 Stay-At-Home options with our FREE and very Afforda-BULL delivery, we pretty much eliminated all of the excuses people gave for not being able to own a no-nonsense bull from Pharo Cattle Company.

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.

Nearly half the bulls we sell end up being purchased through one of our Stay-At-Home options. They are delivered from coast to coast and from border to border. Call or email for more information and/or to request a sale catalog.

Developed on Fescue...

Pharo Cattle Company currently has over 130 fall-born Angus and Red Angus bulls being developed on fescue and other forages in Missouri. Most of these bulls were born and raised on fescue. They are being managed by Weston Walker who has a farm northwest of Springfield, Missouri.

These bulls will be shipped to Colorado after the first of April — to be sold in our Spring Bull Sale on April 18th. Most will be sold and delivered back to customers in Missouri and other parts of Fescue Country. If you live within driving distance, we invite you to take a look at these bulls *before* they get shipped to Colorado.

To make an appointment to see these bulls, call Weston at **1-800-735-7790** or send an email to **Weston@PharoCattle.com**. If you need help sorting and selecting bulls that meet your specific needs, Weston would be glad to help you.

"We put our new PCC bull in with our heifers, and he bred 47 head in 21 days — by himself!"

Kathy Kissack — Wyoming

AI Sire Directory...

There are **over 50 bulls** to choose from in this year's lineup. Most of our bulls are very competitively priced — with Quantity Discounts available.

If you are still trying to increase frame and cow size, then you won't be interested in any of the bulls we have to offer. However, if you are serious about reducing frame and cow size, 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-input, grass-based genetics in North America.

Call us at 1-800-311-0995 to request our **2011 AI Sire Directory**.

PHARO CATTLE CO.
44017 County Road Z
CHEYENNE WELLS, CO. 80810

PHONE 1-800-311-0995
E-MAIL Kit@PharoCattle.com
Deanna@PharoCattle.com
Tyson@PharoCattle.com
WEBSITE www.PharoCattle.com

PRSRT STD
US POSTAGE PAID
PERMIT NO. 28
Grand Island, NE

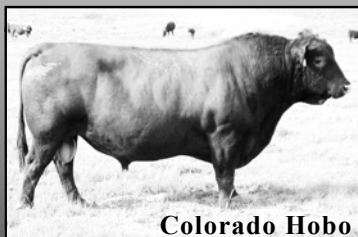
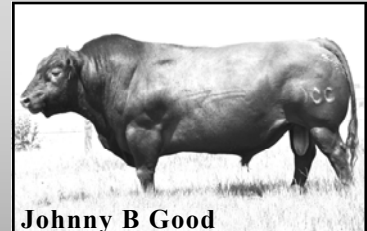
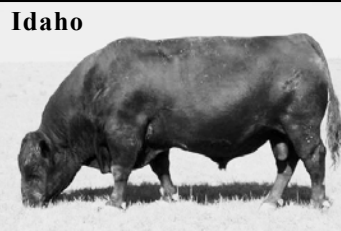
◆ ADDRESS SERVICE REQUESTED ◆



*Cowboy Logic: "Half the people you know
are below average."*

PHARO CATTLE COMPANY

Your source for efficient,
easy-fleshing, moderate-
sized, low-input genetics
— with calving ease —



*Call or Email to receive our AI Sire Directory
and/or a Catalog for our Spring Bull Sale*

1-800-311-0995

Bulls@PharoCattle.com

