

⑧  
□ Fixed Linear Effect Model also known as  
"Regression on dummy variables"

□ Solution to problem with Breeds as a Factor

⇒ Not just use one predictor per factor,  
but use as many predictors as there are  
levels in the factor.

□ Eg. : Factor : Breed

Levels : Angus, Limousin, Simmental

$$E(y_i) = b_0 + \cancel{b_1} b_{\text{Angus}} \cdot x_{\text{Angus}} + b_{\text{Limousin}} \cdot x_{\text{Limousin}} \\ + b_{\text{Simmental}} \cdot x_{\text{Simmental}}.$$