

*Poultry*

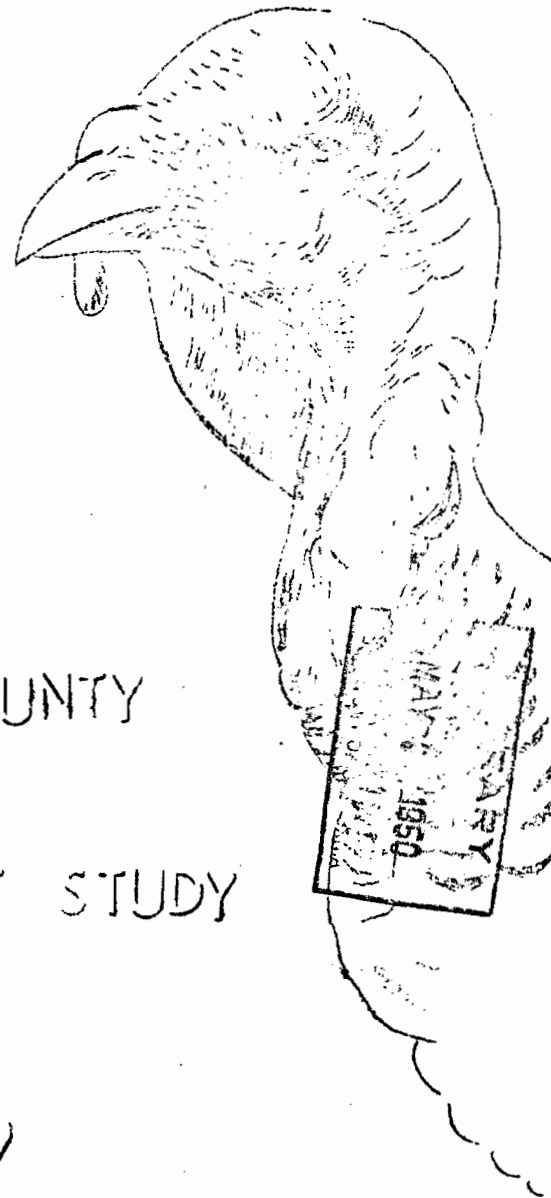


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MAY 1950  
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FRESNO COUNTY  
TURKEY MEAT STUDY

1949

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## FRESNO COUNTY TURKEY MEAT STUDY - 1949

### Explanation of Terms

Records in this study are all computed on a comparable basis so comparisons will disclose strong or weak spots in the management of the enterprise. To understand methods of computation and the terms used it would be well to keep in mind the following definitions:

Income in this study is the value of the birds raised, whether sold or transferred to an egg enterprise. The price or income per bird is the weight times the price per pound. Weights and prices are on a live weight basis. Any miscellaneous income from sacks, etc., is deducted from total expense to get the net cost per bird.

Total expense is made up of all costs of feed, hired labor and other cash expenses, the value of home-grown feeds or pasture, the value of the operator's own labor, depreciation on buildings and equipment used, interest on the average investment and the cost of poults or eggs and hatching.

Net Cost is total expense less miscellaneous income.

Investment and depreciation were estimated from an inventory on the basis of the proportionate use of each facility for this enterprise. Where a building or piece of equipment is also used by the turkey egg enterprise, only a portion of it has been charged to the meat enterprise. Investment in feed and poults is included in the investment on which interest is computed.

Depreciation is that part of the original cost of buildings and equipment which should be charged to each year of business in order to absorb the cost of such facilities during their useful life.

Interest on investment is computed at 5 per cent and included as a proper part of the cost of production from an economic standpoint. The investment used for purposes of computing interest is the estimated average investment converted for simplicity to an annual basis. For example, an investment of \$2,000 in feed for 6 months was computed as \$1,000 for a year. Interest paid for financing by some growers is covered by the computed interest charge. Therefore, a part of the interest cost shown in the tables is an actual cash cost for some records in the study.

Net income or profit may be figured in a number of ways with different cost groupings. In these studies the following two earning figures are shown:

Management income is total income less total expense as explained above. It is the amount available to reimburse the operator for his management after all other costs of production have been met.

Farm Income is the management income plus the value of the operator's labor and the computed interest charge included in total expense. It represents net cash income less depreciation costs, except for any interest paid for financing.

## INTRODUCTION

This is the annual report on the 1949 Fresno County Turkey Meat Management Study. The study was conducted by the Agricultural Extension Service in cooperation with a group of seven local turkey growers. Approximately 70,000 turkeys were covered by the study. The gross income from these birds amounted to 423 thousand dollars.

The purpose of the study was:

1. To assist the grower in analyzing his turkey business. That is:
  - A. To determine where his money goes and why
  - B. To compare his operations with other growers
  - C. To check on the efficiency of his management
  - D. To point out unprofitable practices.
2. To obtain information on the most profitable methods and practices now being used in turkey production.

The records in this meat study cover the raising of poults to be sold for meat or for transfer to the breeding flock. The records start with the purchase of poults and continue until the birds are sold or transferred in the fall. All records were closed in December. Birds transferred to the breeding flock were handled as though they had been sold as meat birds.

Things that may be found in this report:

- |                                      |                    |
|--------------------------------------|--------------------|
| 1. Farm income per bird              | 7. Mortality       |
| 2. Farm cost per bird                | 8. Price per pound |
| 3. Pounds of feed per bird           | 9. Feed costs      |
| 4. Per cent of feed fed as mash      | 10. Poultry Cost   |
| 5. Hours of labor per bird           | 11. Brooding dates |
| 6. Costs per hour of labor           | 12. Dates of sales |
| 13. Pounds of feed per pound of gain |                    |

In the following five tables, records are arranged in order of decreasing management income per pound of turkey produced. Averages are listed for all cooperators in 1949 as well as averages for all records in 1947 and 1948.

TABLE 1 - Important Profit-Determining Factors in Individual Turkey Meat Records - 1949

Serial Number	% of poults raised	Size of flock raised*	Av. price per lb.	Av. weight per bird	Av. price per bird	Net cost per bird	Mgt. income per bird	Farm income per bird	Toms Sold		Hens Sold				
									Av. weight	Av. price	Av. price per lb.	Av. weight	Av. price	Av. price per lb.	
All birds raised															
7	90.5	medium	30.7	20.9	6.40	5.37	1.03	1.30	27.4	7.12	26.0	14.9	5.85	39.2	
3	88.0	medium	31.0	18.1	5.59		.56	.72	22.5	6.30	28.0	13.0	4.79	36.9	
11	90.8	large	31.1	21.3	6.63	6.23	.40	.54	28.2	7.60	27.0	14.1	5.62	39.9	
2	92.1	medium	31.3	20.9	6.59	6.24	.35	.53	27.1	7.25	26.7	14.8	5.91	39.9	
6	88.5	medium	30.2	20.0	6.04	5.82	.22	.61	26.6	6.89	25.9	13.7	5.36	39.0	
9	85.4	small	31.4	19.1	6.00	6.43	-.43	-.20	24.4	6.86	28.1	13.6	5.12	37.7	
4	73.8	large	26.6	19.3	5.14	6.65	-1.51	-1.41	27.7	6.60	23.5	15.4	5.82	37.8	
Av. 1949	85.8	69,638	30.1	20.1	6.05	6.04	.01	.20	26.6	7.01	26.3	14.2	5.52	38.9	
Av. 1948	85.8	79,103	47.0	19.6	9.21	6.05	3.16	3.40	25.2	11.15	44.3	14.4	7.58	52.6	
Av. 1947	82.8	64,262	35.6	19.1	6.80	5.85	.95	1.17	24.4	8.11	33.3	14.1	5.48	39.0	

\* Number of birds sold: Large: 10,000 and over; Medium: 6,000 to 10,000; Small: Under 6,000

A comparison of some of the more important profit-determining factors is shown in Table 1 for cooperators in the 1949 study. Records are arranged downward in order of decreasing management income per pound of live turkey produced, as shown in the next to the last column in Table 4. The records are arranged in the same order in all tables.

Averages for all records are shown at the bottom of the table, as well as averages for all records in 1948 and 1947.

Average selling prices in 1949, varied, ranging from 26.6 cents for #4 up to 31.4 cents for #9. Some clue to these differences in selling prices may be found in Table 5.

The loss shown by cooperators number 9 and 4 can be partially explained as follows: Number 9 fed all feed as mash throughout the season. His feed cost \$5.39 a hundred pounds as compared to an average cost of \$4.26 a hundred-- a difference of \$1.18. Table 3 Number 4 had an exceptionally heavy mortality when the birds were several weeks old.

TABLE 2 - Costs and Net Cost per Bird Raised - 1949

Serial Number	Hours labor per bird	Pounds feed per bird	Av. feed cost per cwt.	Total feed cost per bird	Hired labor per bird	Value operat- or's labor	Miscel. fuel taxes etc.	Depreci- ation per bird	Interest on in- vestment	Poult cost per bird	Total cost per bird	Less miscel- laneous income	Net cost per bird
7	.3	94	4.10	3.99	.04	.19	.12	.03	.08	.97	5.42	.05	5.37
3	.3	90	3.90	3.68	.19	.08	.19	.17	.03	.78	5.07	.04	5.03
11	.3	95	4.67	4.42	.24	.03	.38	.16	.11	.91	6.25	.02	6.23
2	.6	105	4.23	4.55	.32	.07	.14	.20	.11	.88	6.27	.03	6.24
6.	.8	95	3.85	3.86	.33	.27	.21	.20	.12	.87	5.86	.04	5.82
9	.3	91	5.39	4.92	.13	.13	.16	.08	.10	.94	6.46	.03	6.43
4	.9	113	3.70	4.20	.94	--	.24	.13	.10	.104	6.65	--	6.65
Av.1949	.5	99	4.26	4.22	.36	.09	.24	.14	.10	.92	6.07	.03	6.04
Av1948	.5	96	4.55	4.44	.30	.14	.23	.08	.10	.85	6.14	.09	6.05
Av1947	.4	99	4.57	4.55	.18	.18	.22	.06	.04	.72	5.95	.10	5.85

An analysis of costs per bird raised is given in Table 2 for records in the 1949 study. In making comparisons between individual flocks it should be remembered that cost per bird would tend to vary according to the size and age to which the birds were raised. For that reason, flocks where the birds were raised to heavier weights tend to show higher costs of production per bird.

Feed is by far the most important cost item in turkey production. It accounted for 70 per cent of the net cost of production for records in the 1949 study, thus it is obvious that the greatest opportunity for improving profits through lower costs is in connection with this phase of the business. A more detailed analysis of feed costs and practices will be found in Table 3.

The miscellaneous income shown in the next to the last column is from sacks and manure. This income is deducted from total cost to obtain the net cost figure shown in the last column.

TABLE 3 - Poultry Costs, Feed Prices, and Costs per Bird Raised - 1949

Serial Number	Price Cost		Mash, Etc.		Grain		Percent Aver. of fed price		Feed Costs per Bird Raised			
	per poult started	per hr. of labor	Lbs. per bird	Cost per cwt.	Lbs. per bird	Cost per cwt.	fed as mash	M.&Gr. per cwt.	Mash and pellet	Grain	Other feeds	Total feed cost
7	.88	.84	60	4.66	34	3.09	64.3	4.10	2.81	1.04	.14	3.99
3	.69	.82	73	3.11	17	3.02	80.4	3.90	2.98	.54	.16	3.68
11	.83	.85	60	5.40	35	3.40	63.4	4.67	3.24	1.18	-	4.42
2	.81	.72	74	4.82	31	2.81	70.6	4.23	3.59	.87	.09	4.55
6	.77	.79	66	4.35	29	2.75	68.9	3.85	2.86	.81	.19	3.86
9	.80	.84	91	-	-	-	100.0	5.39	4.91	-	.01	4.92
4	.77	.99	74	4.13	39	2.88	65.4	3.70	3.06	1.13	.01	4.20
Av. 1949	.79	.87	69	4.71	30	3.05	70.1	4.26	3.25	1.09	.07	4.22
Av. 1948	.73	.86	62	5.19	34	3.37	64.5	4.55	3.21	1.14	.09	4.44
Av. 1947	.59	.90	65	4.90	34	3.91	66.1	4.57	3.20	1.30	.05	4.55

The above table gives an analysis of feed costs for the flocks in this year's study. Since feed costs represent nearly 3/4 of the net cost of production, this table provides some of the most important information from the standpoint of efficient turkey production.

It will be noted that there was a wide variation in the proportion of mash to the total feed, as well as average prices paid for the feed. Mash cost per hundredweight ranged from \$4.11 up to \$5.40, while prices paid for grain ranged from \$2.81 to \$3.40.

Poult costs varied considerably in 1949, as was the case in 1947. On the average, however, they were 6 cents higher than in the previous year. Poultry cost, for growers that bought eggs and had them hatched, ran from 5¢ to 15¢ a bird less than those that bought poults outright.

TABEL 4 - Inputs, Costs and Net Income per pound of Live Turkey Produced - 1949

Serial Number	Pounds mash & grain per lb.	Hours labor per lb.	Feed cost per lb.	Hired and own labor	Miscellaneous	Depreciation	Interest on investment	Poult cost	Total cost per lb.	Less miscellaneous income	Net cost per lb.	Average price per lb.	Management income per lb.	Farm income per lb.
7	4.5	.01	19.1	1.1	.6	.1	.4	4.7	26.0	.2	25.8	30.7	4.9	6.2
3	5.0	.02	20.4	1.6	1.0	.4	.4	4.3	28.1	.2	27.9	31.0	3.1	4.0
11	4.5	.02	20.8	1.3	1.8	.7	.5	4.3	29.4	.1	29.3	31.1	1.8	2.5
2	5.0	.03	21.6	1.8	.7	1.0	.5	4.2	29.8	.2	29.6	31.3	1.7	2.5
6	4.8	.04	19.3	3.0	1.1	1.0	.6	4.3	29.3	.2	29.1	30.2	1.1	3.0
9	4.8	.02	25.8	1.4	.9	.4	.5	4.9	33.9	.2	33.7	31.4	-2.3	-1.1
4	5.8	.05	21.7	4.9	1.3	.6	.5	5.4	34.4	---	34.4	26.6	-7.8	-7.3
Av. 1949	4.9	.03	21.0	2.3	1.1	.7	.5	4.6	30.2	.1	30.1	30.1	---	1.0
Av. 1948	4.9	.03	22.7	2.3	1.2	.4	.5	4.3	31.4	.5	30.9	47.0	16.1	17.3
Av. 1947	5.2	.02	23.8	1.9	1.2	.3	.2	3.7	31.1	.5	30.6	35.6	5.0	6.2

Table 4 presents an analysis of quantities, costs and income per pound of live turkey produced. In studying the relative efficiency of the various flocks this table is more significant than a comparison of the same factors on a per-bird-raised basis, because of the difference in weights and ages at which birds are sold. Efficiency in production is measured in a large part by the pounds of feed required per pound of turkey produced. All feed used by the cooperators was purchased from four of the commercial feed companies.

Net cost of production per pound in 1949 was eight tenths of a cent less than in 1948 -- but, the average selling price was 16.9 cents less per pound.

TABLE 5 - Time of Purchases and Sales of Turkeys in Relation to Weights and Prices - 1949

Serial Number	Dates started brooding	Dates sold or transferred to breeding flock		Approximate number of days raised		Average weight		Average weight all birds	Average price per pound	Average price per pound	
		Hens	Toms	Hens	Toms	Hens	Toms	Hens	Toms	Hens	Toms
7	Apr. 2, June 4	Oct. 4, Dec. 7	Nov. 2, Jan. 3	186 & 187	215 & 214	14.9	27.4	20.9	39.2	26.0	30.7
3	Feb. 15	Aug. 17	Sept. 14	184	212	13.0	22.5	18.1	36.9	28.0	31.0
11	Apr. 18, 21, 25	Octo. 19, 20, 24	Nov. 19, 29, & Dec. 6, 15	183	218 & 229	14.1	28.2	21.3	39.9	26.7	31.1
2	Mar. 31, Apr. 8	Oct. 28	Nov. 14 & 15	212 & 203	230 & 221	14.8	27.1	20.9	39.9	26.7	31.3
6	Apr. 4, 14, 18, & 25	Sept. 29, Oct. 5, 24 & Nov. 5	Nov. 18, 23, 28	176, 183 & 210	223, 228 & 233	13.7	26.6	20.0	39.0	25.9	30.2
9	Feb. 7, Apr. 11	Aug. 11, Oct. 25	Aug. 29, Sept. 15 & Nov. 14	185 & 197	203, 220 & 218	13.6	24.4	19.1	37.7	28.1	31.4
4	Apr. 14, 19, 23, & May 14	Dec. 9, 15, 18	Dec. 19, Jan. 4	203 & 237	227 & 251	15.4	27.7	19.3	37.8	23.5	26.6
Av. 1949	****	-----	-----	196	223	14.2	26.6	20.1	38.9	26.3	30.1
Av. 1948	-----	-----	-----	206	212	14.4	25.2	19.6	52.6	44.3	47.0

The above table has been prepared to try and indicate why some producers received higher average selling prices than others for their turkeys, and also to show some relationship between the length of the growing season and the weights of the birds raised. Where growers had several broods of poults and also spread their selling over an extended period. It was rather difficult to get averages which were comparable with others. In general, it will be noted that the average number of days raised was related to the average weights of the birds.

As compared to 1948, the hens were sold 10 days younger and the toms 9 days older. The birds averaged one half pound more in 1949 than in 1948. The average price for all birds was 16.9¢ a pound less in 1949 than in 1948.