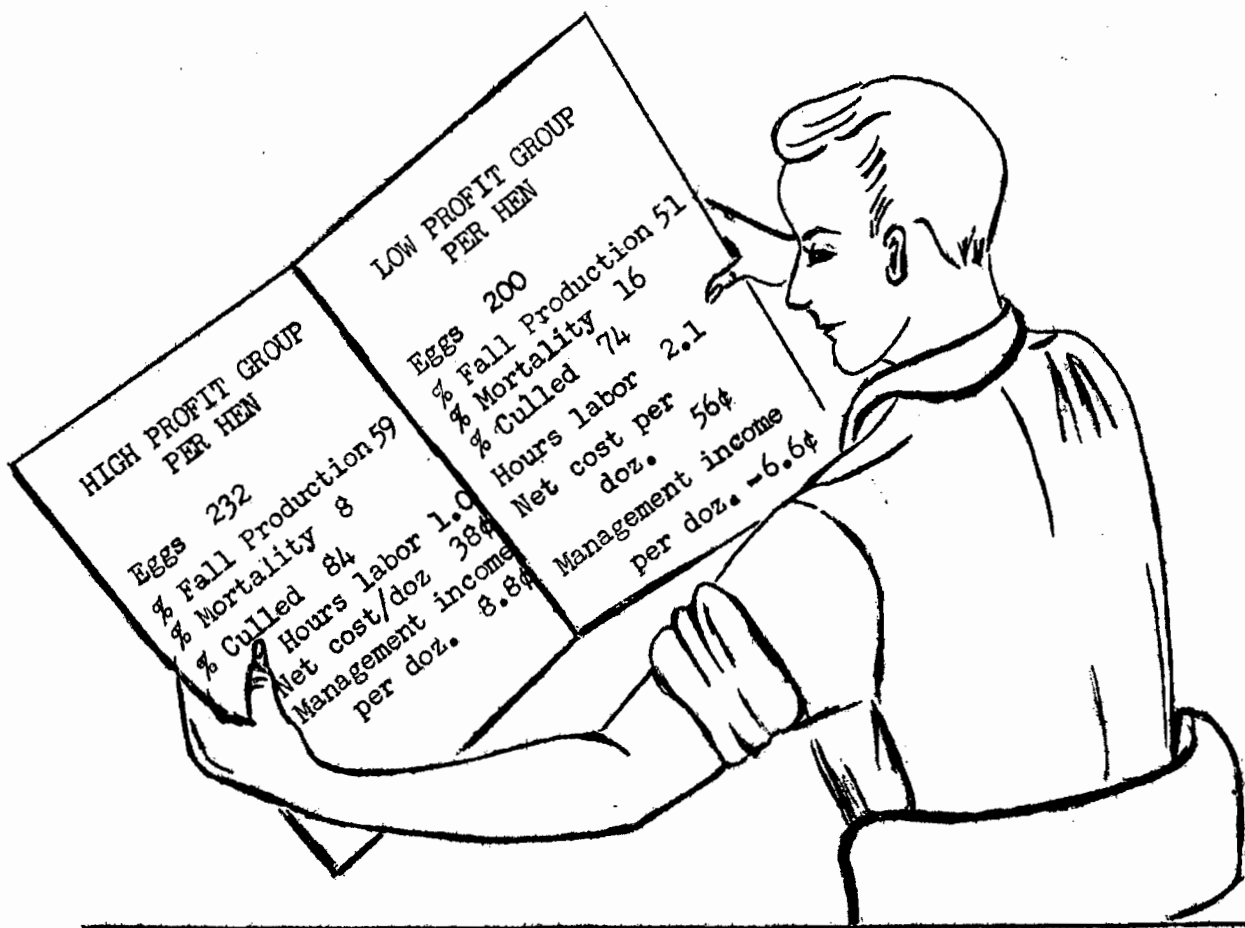


1952 EFFICIENCY OF FOURTEEN LOS ANGELES COUNTY POULTRYMEN

PY-SC-52-1

INCLUDES VARIOUS MANAGEMENT COMPARISONS
FOR THE PAST 24 YEARS



EFFICIENCY OF MANAGEMENT PRACTICES USED
DETERMINES QUALITY OF FAMILY LIVING

University of California
Agricultural Extension Service
Los Angeles County

THESE STUDIES HELP POULTRYMEN IMPROVE MANAGEMENT SKILLS

Poultrymen Provide Data

These studies are made possible because a varying number of Los Angeles County poultrymen have each month since August 1928 supplied the University of California local Farm Advisor's Office with production and management results. Those cooperating are furnished simple monthly bookkeeping forms (no cost) on which to record the income, cost and management procedures of their egg production business. During the past 24 years about 600 poultrymen in Los Angeles County have participated in this educational program now being conducted in 18 California counties.

New Poultrymen

Most of the cooperators in this county at present are relatively new in the poultry business. Some have had less than a year's experience before joining the study. Our office has urged them to use this opportunity to compare management practices with

others. Through the years the writer has watched many beginners who take part in these studies greatly improve their management efficiency. After cooperating for several years they can provide excellent incomes for themselves and family. You poultrymen, older in years of poultry experience, but having a difficult time, could profit from several years' cooperation while studying your efficiency of operation.

Information Kept Confidential

Cooperators mail each completed monthly report to our office. This information is held in strict confidence. No one has access to it except our office. Each cooperator for identification purposes is assigned a separate number. This number is used in all comparisons instead of the name so as to protect the identity of each participant.

Monthly and Yearly Comparisons

This is a sample of the comparisons made each month.

MONTHLY PROGRESS SUMMARY--LOS ANGELES COUNTY POULTRY MANAGEMENT STUDY

June, 1952

Your Ser. No.	% Prod.	Eggs Per Hen To Date	% of Flock To Date			Eggs Wholesale Av. Mo. Price			%Eggs Other than Whlsl.	Cost Cwt. Lay Rat- ion	Hrs. Labor per hen To Date	Chick Price	
			Died	Culled	Added	Lg.	Med.	Sml.				St. R.	Pullets

Types of Comparisons Made by Farm Advisor for Cooperators

1. Monthly summary--(See type of data compared).
2. Yearly summary
 - a. Four page complete analysis of yearly income, costs, and management.
 - b. This information supplies needed data for income tax reporting.
3. Yearly summary and comparisons similar to the report you are reading. (This report is available to anyone interested).

Appreciation

1. For assistance by Extension Farm Management Specialist, A. D. Reed.
2. Office personnel.

Lynn D. Sanborn
 University of California
 Farm Advisor
 808 North Spring Street
 Los Angeles 12, Calif.

EACH POULTRY RANCH OPERATOR DETERMINES THE QUALITY OF HIS MANAGEMENT

Efficiency of operation is affected by many management practices. Some of the important ones are:

Operator's Ability To

1. Select potentially high-producing low-mortality, high egg-quality stock.
2. Successfully rear this stock at a low replacement pullet cost,
3. Find and remove potentially unprofitable and low-profit birds at an early age (from day-old on).
4. Find and remove layers consistently producing at the rate of less than 70% of the flock average.
5. Keep housing facilities occupied by high-producing layers at near 100% capacity.
6. Reduce the amount and cost of high-quality feed needed to produce a dozen eggs.
7. Prevent and reduce disease losses.
8. Reduce the amount of labor to produce a dozen eggs.
9. Keep accurate records of costs, income, routine management practices and special stock, feed and management comparative tests.
10. Fill to bulging all laying equipment and growing equipment that can be adapted or is usable for layers, with top-quality pullets coming into production during June, July, and August.

Information Available

The reader will find on the following pages an analysis of income, expense, and profit for 14 Los Angeles County poultrymen during 1952. Various results for the past 24 years or shorter periods are included to point out long and short time changes in management and profit. Management practices such as per cent laying capacity used, culling, price of feed, rate of production, and per cent production by months, are of interest. Reasons why some show an excellent profit and others a loss are emphasized.

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1952 COOPERATORS VARIED GREATLY IN MANAGEMENT ABILITY

Note the difference between the high and low profit groups and the range between all cooperators.

Table 1

	High Profit Group	Low Profit Group	- Range -
Average number of layers	2651	720	184 - 4433
Eggs per hen	232.2	200.1	169.7 - 244.5
Per cent production during fall	58.5	51.2	37.3 - 65.2
Per cent fall eggs of total	34.3	34.8	28.4 - 46.1
Per cent fall layers of average	111.8	111.0	101.3 - 132.2
Per cent pullets	84.1	81.8	46.7 - 100
Per cent mortality	7.9	15.9	4.6 - 27.9
Per cent culled	84.2	74.0	49.6 - 128.2
Per cent added	109.9	106.6	54.5 - 153.2
Price cull layers	\$.67	\$.84	\$.37 - \$ 1.38
Price per cwt. mash and grain	\$ 4.49	\$ 4.93	\$ 4.30 - \$ 5.16
Hours labor per layer	1.0	2.1	.7 - 3.2
Value operators and family labor per hen	\$.87	\$ 2.11	\$.09 - \$ 3.16
Hired labor cost per hen	\$.06	\$.02	\$ 0 - \$ 1.01
Net cost of eggs - per dozen	37.9¢	56.2¢	36.3¢ - 62.1¢
*Egg income per dozen	46.7¢	49.6¢	43.8¢ - 56.4¢
Management income per dozen	8.8¢	- 6.6¢	11.3¢ - -14.6¢
Labor income per hour operator and family worked	\$ 2.98	\$.51	\$ 6.60 - \$.17

*More retail sales

Take another look at value of operator's labor and hired labor. Perhaps the low profit groups who did practically all their own work were so busy doing the routine chores that they had no time to plan or make improvements. It looks like it pays to hire labor so that the operator has time to

spend on the important job of improving efficiency. The writer knows of many poultrymen who have markedly improved their income after hiring part-time help to do the non skilled jobs such as gathering, cleaning and casing eggs and cleaning buildings and equipment.

1952 INCOME, EXPENSE AND PROFIT

KEEP EXPENSES LOW
INCOME HIGH

Table 2

Ser. No.			INCOME PER LAYER		
	Egg Sales	Poultry Sales	Manure & Sacks Sales	Change in Stock Inventory	Total Income
206	\$9.43	\$.71	\$.20	\$.81	\$11.15
268	8.50	.67	.04	.46	9.67
275	9.29	.80	.16	.68	10.93
167	8.72	1.27	.07	.92	10.98
267	8.98	.61	.02	.53	10.14
96	8.66	.57	.04	-.34	8.93
262	8.89	1.53	.17	1.27	11.86
215	7.94	6.82	.13	-.24	14.65
251	8.59	.70	.29	.28	9.86
256	7.05	.41	.04	.86	8.36
239	9.17	.87	.26	-	10.30
260	9.34	3.53	.27	-.57	12.57
177	7.41	1.08	.11	-.99	7.61
87	6.70	.18	.14	-.01	7.01
High 5	8.98	.81	.10	.68	10.57
Next 4	8.52	2.41	.16	.24	11.33
Low 5	7.94	1.21	.16	-.14	9.17
Simple Aver.	8.47	1.41	.14	.26	10.28

In all tables, unless otherwise indicated, the cooperators are arranged in order of the management income obtained (management income is the total income less total expense. In total expense, value of operators and family labor and 5% interest on capital are included).

Note the comparisons of the most profitable and least profitable cooperators at the bottom of most of the tables.

Income Per Layer

Table 2 shows the amount received from the different sources of income -- such as eggs, poultry, manure and sacks and gain or loss due to change in stock income. (A Net Stock Income results if poultry sold and eaten in the home,

plus any inventory value increase, exceeds poultry stock purchases plus any decrease in inventory value. If the latter items exceed the former, there is a Net Stock Cost).

Income from eggs was \$2.73 more per layer for cooperator #206 than for #87. Poultry sales varied from 18¢ to \$6.82. Some had a plus and others a minus stock income. These items, including miscellaneous income can greatly affect the total income as you can see. Cooperator #215 obtained the highest income due to the considerably above average returns from poultry sales. Number 260 also had high poultry sales. High total income is very important to a profitable egg production ranch but the costs of obtaining this income must also be considered.

CASH EXPENSE PER LAYER

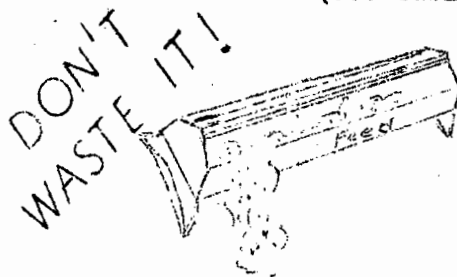
Table 3

Ser. No.	CASH EXPENSE PER LAYER				Depreciation	Total Costs
	Total Feed Costs	Hired labor	Chicks and stock Bought	Misc. Costs		
206	\$6.08	\$ -	\$.60	\$.99	\$.22	\$ 7.89
268	5.28	.25	.72	.53	.19	6.97
275	5.98	.07	.68	.31	.67	7.71
167	7.20	-	.72	.20	.09	8.21
267	6.16	-	.57	.84	.33	7.90
96	5.95	1.01	.46	.55	.12	8.09
262	7.60	-	.83	.50	.41	9.34
215	9.67	.69	1.52	.63	.23	12.74
251	6.31	.13	.46	1.05	.36	8.31
256	6.21	-	.53	.80	.12	7.66
239	5.33	-	.31	.90	1.01	7.55
260	8.75	.10	.21	.43	.37	9.86
177	5.86	-	.48	.52	.23	7.09
87	5.44	-	.24	.27	.11	6.06
High 5	6.14	.06	.66	.57	.30	7.73
Next 4	7.38	.46	.82	.68	.28	9.62
Low 5	6.32	.02	.35	.58	.37	7.64
Simp. Average	6.56	.16	.59	.61	.32	8.24

Poultrymen should make every effort to keep costs as low as possible as long as low cost practices do not reduce income.

Most of the out-of-pocket costs are due to feed. Miscellaneous costs have

been on the increase during the past ten years. Much of this increase is due to greater purchases of vaccine, drugs, and fly spray. Notice that cooperators #215, #260, and #262 have the highest costs. This is largely due to the increased amount of poultry raised. (See Table 2)



PROFIT PER LAYER

MANAGEMENT
DETERMINES
LOCATION
ON PROFIT
LADDER

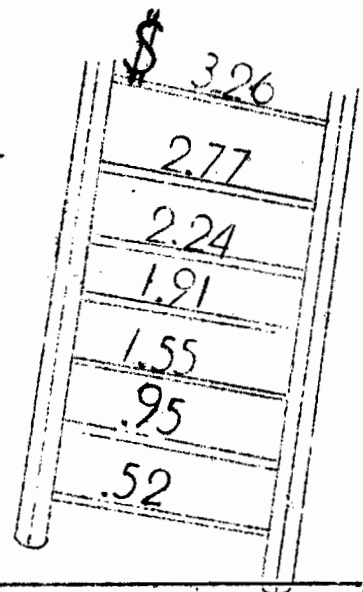


Table 4

Serial Number	Profit Per Layer					Equals Mgmt. Income
	Total Income	Minus Total Cash Expense	Equals Farm Income	Minus Operator Family Labor	Minus Interest On Investment	
206	\$ 11.15	\$ 7.89	\$ 3.26	\$.76	\$.26	\$ 2.24
268	9.67	6.97	2.70	.65	.20	1.85
275	10.93	7.71	3.22	1.03	.36	1.83
167	10.98	8.21	2.77	1.26	.17	1.34
267	10.14	7.90	2.24	.65	.35	1.24
96	8.93	8.09	.84	.09	.18	.57
262	11.86	9.34	2.52	1.63	.42	.47
215	14.65	12.74	1.91	1.05	.42	.44
251	9.86	8.31	1.55	1.06	.29	.20
256	8.36	7.66	.70	.81	.18	-.29
239	10.30	7.55	2.75	2.28	1.16	-.69
260	12.57	9.86	2.71	3.16	.35	-.80
177	7.61	7.09	.52	1.49	.27	-1.24
87	7.01	6.06	.95	2.83	.18	-2.06
High 5	10.57	7.73	2.84	.87	.27	1.70
Next 4	11.33	9.62	1.71	.96	.33	.42
Low 5	9.17	7.64	1.53	2.11	.43	-1.01
Simple Av.	10.28	8.24	2.04	1.33	.34	.37

Table 4 is important because it shows the difference between cost and income. The low five had a minus management income of \$1.01 per layer. They were not as efficient operators as the high five because their costs were too high, their income too low, or a combination of both.

ANALYSIS OF EGG PRODUCTION AND SALES

Table 5

Serial Number	Eggs Per Hen	Percent Sold		Percent of Eggs			% Fall Eggs	% Fall Produc-	% Fall Layers	% Added July-Oct.	%* Pullets	Value per Dozen		
		Whole-sale	Re-tail	Lge.	Med.	Small						Ave. Price	Net Cost	Management Income
206	244.5	97	3	65	27	8	36.0	62.9	114.7	48.3	87.5	47.6¢	36.3¢	11.3¢
268	214.8	98	2	65	29	6	3.5	52.0	113.5	51.0	74.3	47.1	36.9	10.2
275	242.8	98	2	69	25	6	32.4	58.0	111.4	46.0	100.0	46.6	37.4	9.2
167	217.8	97#	0	79	18	3	34.1	54.2	112.2	53.3	77.5	48.3#	40.9	7.4
267	241.1	100	0	**	**	**	35.4	65.2	107.2	39.7	81.4	43.8	37.8	6.0
96	223.9	100	0	61	26	13	37.5	62.0	111.0	58.6	75.5	45.7	42.7	3.0
262	232.2	98	2	68	26	6	37.6	62.9	113.9	53.7	89.7	46.0	43.6	2.4
215	200.8	98	2	73	22	5	36.3	51.7	115.4	58.2	89.0	47.7	45.0	2.7
251	226.8	93	7	58	33	9	42.7	63.1	125.8	65.3	84.3	47.9	46.8	1.1
256	193.1	95	5	62	30	8	46.1	55.2	132.2	56.3	83.4	46.2	48.1	- 1.9
239	221.2	64	36	64	31	5	31.9	57.0	101.3	53.8	100.0	51.4	55.3	- 3.9
260	205.8	24	76	85	12	3	29.7	46.9	106.6	36.0	99.0	56.4	61.2	- 4.8
177	210.5	93	7	58	34	8	37.7	59.8	108.8	28.3	80.0	46.4	54.1	- 7.7
87	169.7	70	30	72	25	3	28.4	37.3	106.1	100.0	46.7	47.5	62.1	-14.6
High 5	232.2	98	2	70	25	5	34.3	58.5	111.8	47.7	84.1	46.7	37.9	8.8
Next 4	220.9	97	3	65	27	8	38.5	59.9	116.5	59.0	84.6	46.8	44.5	2.3
Low 5	200.1	69	31	68	26	6	34.8	51.2	111.0	54.9	81.8	49.6	56.2	- 6.6
Simple Averag.	217.5	88	12	68	26	6	35.7	56.3	112.9	53.5	83.5	47.8	46.3	1.5

*Six to eighteen months old. **Information not given. #Used some hatching eggs at home.

With the sale of eggs amounting to 86% of the total income, it is very important to see how the cooperators operated to increase their egg income. Cooperator #206 who returned the most management income obtained the most eggs, had high production during the fall when egg prices were highest, and had the lowest net cost of production (36.3 cents). Number 87 on the other hand had low production during the year and during the fall. His net cost to produce a dozen eggs was considerably more (62.1 cents).

In the comparison at the bottom of the table, notice the correlation between high egg production and net cost and management income per dozen eggs. The low management income group sold an average of 30% of their eggs to consumers. Perhaps the selling time could have been more profitably spent improving egg production and reducing labor cost.

The major difference between cooperators 206 and 268 is the number of eggs per hen per year. Look at numbers 275 and 167. Note the difference in yearly egg production and fall production and average egg price. See the feed cost per dozen eggs in Table 6.

PRODUCTION FACTORS PER DOZEN EGGS

Table 6

Serial Number	Per Dozen Eggs						Per Dozen Eggs				Labor Inc. per Hr. Operator & Family Worked
	Feed Cost	Labor Cost	Other Costs	Total Costs	Minus Misc. and Net Stock Income	Equals Net Cost	Price	Mgmt. Income	Farm Income	Labor Income	
206	30.7¢	3.8¢	7.4¢	41.9¢	5.6¢	36.3¢	47.6¢	11.3¢	16.4¢	15.1¢	\$ 3.75
268	29.3	5.1	5.0	39.4	2.5	36.9	47.1	10.2	14.9	13.8	3.57
275	29.9	5.6	6.7	42.2	4.8	37.4	46.6	9.2	16.2	14.4	2.86
167	39.8	7.0	2.6	49.4	8.5	40.9	48.3	7.4	15.4	14.4	2.00
267	30.1	3.2	7.4	40.7	2.9	37.8	43.8	6.0	10.9	9.2	2.70
96	31.4	5.8	5.7	42.9	.2	42.7	45.7	3.0	4.4	3.5	6.60
262	39.3	8.4	7.0	54.7	11.1	43.6	46.0	2.4	13.0	10.8	1.31
215	58.0	10.4	7.7	76.1	31.1	45.0	47.7	2.7	11.5	9.0	1.49
251	35.2	6.6	9.5	51.3	4.5	46.8	47.9	1.1	8.6	7.0	1.15
256	40.8	5.4	7.1	53.3	5.2	48.1	46.2	- 1.9	4.6	3.5	.65
239	29.9	12.8	17.2	59.9	4.6	55.3	51.4	- 3.9	15.4	8.9	.69
260	52.8	19.7	6.9	79.4	18.2	61.2	56.4	- 4.8	16.4	14.3	.76
177	36.7	9.4	8.7	54.8	.7	54.1	46.4	- 7.7	3.4	1.7	.17
87	38.5	20.1	4.5	63.1	1.0	62.1	47.5	-14.6	6.8	5.5	.28
High 5	32.0	4.9	5.8	42.7	4.9	37.8	46.6	8.8	14.8	13.4	2.98
Next 4	41.0	7.8	7.5	56.3	11.8	44.5	46.8	2.3	9.4	7.6	2.64
Low 5	39.7	13.5	8.9	62.1	5.9	56.2	49.6	- 6.6	9.3	6.8	.51
Simple Aver.	37.3	8.8	7.4	53.5	7.2	46.3	47.8	1.5	11.3	9.4	2.00

This table is based on per dozen eggs produced rather than eggs per layer. It may be easier to compare costs per dozen eggs with price per dozen eggs. When the price received per dozen averages 47¢ and the cost to produce the eggs is 50¢, one can quickly see one must either reduce the cost of production or increase the income, or both, to get on a profitable basis.

Cooperator 215 with a very high feed cost due to the large number of meat birds raised, had a high net stock income which reduced his net cost below the price received for eggs. Number 260 however, with high feed and labor costs, didn't get his costs low enough to return a management income.

Of particular interest is the last column on the right headed "Labor income per hour operator and family worked". Some earned excellent wages and others could have earned a better living by working for wages, unless they could improve their efficiency. Because of substantial retail egg sales, the low income group obtained a higher average egg price.

FLOCK STATISTICS AND PRODUCTION FACTORS

Table 7

Serial Number	Aver. No. Layers	% Died	Laying Flock		Price Cull Layers	Hours Labor per Layer	% Sexed Pullets	Lbs. Feed Per Bird**		% Mash	Av. Cost Feed Per Cwt	% Mortality Chicks	Cost Per Chick Bought	Egg Feed Ratio**	Management Income Per Layer
			% Culled	% Added				For Young Pullets, Broilers & Fryers	For Layers Only						
206	3584	5.3	76.5	126.5	\$.77	.8	100	31	110	100	\$4.30	4	\$.41	11.1	\$ 2.24
2268	4433	9.8	96.6	100.8	.76	1.0	99	25	95	94	4.40	19	.42	10.7	1.85
275	1867	8.2	89.3	120.7	.83	1.1	99	30	109	100	4.30	9	.41	10.8	1.83
167	2361	11.7	77.7	126.4	.41	1.3	13	39	107	65	4.82	16	.27	10.0	1.34
267	1008	4.6	80.9	75.0	.58	.7	100	18	116	100	4.65	*	.41	9.4	1.24
96	2616	7.6	102.1	112.8	.55	1.3	100	28	104	79	4.46	15	.42	10.2	.57
262	1248	7.4	84.0	136.7	1.03	1.6	28	49	98	98	5.16	8	.26	8.9	.47
215	1924	9.6	128.2	153.2	.86	1.8	0	128	88	100	4.47	2	.16	10.7	.44
251	1154	15.3	82.5	110.9	.50	1.2	36	28	102	99	4.85	0	.29	9.9	.20
256	824	7.2	59.3	121.7	.59	.8	100	30	127	100	4.87	11	.45	9.5	-.29
239	184	16.3	53.8	108.1	1.38	2.3	100	20	78	100	5.10	*	.54	10.1	-.69
260	246	22.8	100.8	130.9	1.17	3.2	100	56	114	94	5.12	3	.44	11.0	-.80
177	1497	27.9	106.3	117.7	.69	1.5	79	30	96	87	4.60	20	.37	10.1	-1.24
87	847	5.5	49.6	54.5	.37	2.8	100	14	94	67	4.88	19	.39	9.5	-2.06
High 5	2651	7.9	84.2	109.9	.67	1.0	82.2	29	107	92	4.49	12	.38	10.4	1.70
Next 4	1736	10.0	99.2	128.4	.74	1.5	41.0	58	98	94	4.74	6	.28	9.9	.42
Low 5	720	15.9	74.0	106.6	.84	2.1	95.8	31	102	90	4.93	13	.44	10.0	-1.02
Simple Aver.	1700	11.4	84.8	114.0	.75	1.5	75.3	38	103	92	4.72	11	.37	10.1	.36

* Information not given

**Pounds of feed a dozen eggs will purchase

Table seven makes it possible to further analyze management practices such as size of the flock, mortality of layers, culling, labor, feed consumption cost of feed and mortality of growing stock. Some of those in the low group should work on reducing (1) The labor per layer. (2) Mortality. (3) Culling. (4) Cost of feed.

CULLING PRACTICES AND INCOME

CULLING IS IMPORTANT

Table 8

Ser. No.	% Culled	% Added	Eggs per Layer	% Died	% Pullets	Price per Cull Hen	Management Income per hen	Farm Income per hen
215	128.2	153.2	200.8	9.6	89.0	\$.86	\$.44	\$ 1.91
177	106.3	117.7	210.5	27.9	80.0	.69	-1.24	.52
96	102.1	112.8	223.9	7.6	75.5	.55	.57	.84
260	100.8	130.9	205.8	22.8	99.0	1.17	-.80	2.71
268	96.6	100.8	214.8	9.8	74.3	.76	1.85	2.70
275	89.3	120.7	242.8	8.2	100.0	.83	1.83	3.22
262	84.0	136.7	232.2	7.4	89.7	1.03	.47	2.52
251	82.5	110.9	226.8	15.3	84.3	.50	.20	1.55
267	80.9	75.0	241.1	4.6	81.4	.58	1.24	2.24
167	77.7	126.4	217.8	11.7	77.5	.41	1.34	2.77
206	76.5	126.5	244.5	5.3	87.5	.77	2.24	3.26
256	59.3	121.7	193.1	7.2	83.4	.59	-.29	.70
239	53.8	108.1	221.2	16.3	100.0	1.38	-.69	2.75
87	49.6	54.5	169.7	5.5	46.7	.37	-2.06	.95
High 5	106.8	123.1	211.2	15.5	83.6	.81	.16	1.74
Next 4	84.2	110.8	235.7	8.9	88.9	.74	.94	2.38
Low 5	63.4	107.4	209.3	9.2	79.0	.70	.11	2.09
Simple Average	84.8	114.0	217.5	11.4	83.5	.75	.37	2.04

Table 8 is arranged in order of per cent culled. Both management and farm income are higher for the middle group that culled an average of 84.2 per cent. Cooperator 206 with the highest income and egg production culled only

76.5 per cent. Number 177 culled 106.3 per cent, but obtained minus management income. Then on the other hand number 87 culled only 49.6 per cent and had a larger minus management income and lowest egg production per layer.

BETTER STOCK

REQUIRES LESS CULLING

PRICE OF FEED, MANAGEMENT AND INCOME

Table 9

(RECORDS ARRANGED IN ORDER OF PRICE MASH AND GRAIN PER CWT)

Serial Number	Cost Feed per Cwt			% Mash Fed	Eggs Per Hen	Per cent of Flock			Management Income Per Hen	Feed Cost per Doz. Eggs
	Mash & Grain	Mash	Grain			Died	Culled	Pullets		
206	\$ 4.30	\$ 4.30	----	100	244.5	5.3	76.5	87.5	\$ 2.24	30.7¢
275	4.30	4.30	----	100	242.8	8.2	89.3	100.0	1.83	29.9
268	4.40	4.41	\$ 4.20	94	214.8	9.8	96.6	74.3	1.85	29.3
96	4.46	4.56	4.08	79	223.9	7.6	102.1	75.5	.57	31.4
215	4.47	4.47	----	100	200.8	9.6	128.2	89.0	.44	58.0*
177	4.60	4.74	3.72	87	210.5	27.9	106.3	80.1	-1.24	36.7
267	4.65	4.65	----	100	241.1	4.6	80.9	81.4	1.24	30.1
167	4.82	5.23	4.06	65	217.8	11.7	77.7	77.5	1.34	39.8
251	4.85	4.85	4.15	99	226.8	15.3	82.5	84.3	.20	35.2
256	4.87	4.86	----	100	193.1	7.2	59.3	83.4	- .29	40.8
87	4.98	5.24	4.45	67	169.7	5.5	49.6	46.7	-2.06	38.5
239	5.10	5.10	----	100	221.2	16.3	53.8	100.0	- .69	29.9
260	5.12	5.15	4.67	94	205.8	22.8	100.8	99.0	- .80	52.8*
262	5.16	5.16	5.06	98	232.2	7.4	84.0	89.7	.47	39.3
Low 5	4.39	4.41	4.14	94.6	225.4	8.1	98.5	85.3	1.39	35.9
Next 4	4.73	4.87	3.98	87.8	224.1	14.9	86.9	80.8	.39	35.5
High 5	5.05	5.10	4.73	91.8	204.4	11.8	69.5	83.8	- .67	40.3
Simple Average	4.72	4.79	4.30	91.6	217.5	11.4	84.8	83.5	.37	37.3

* High poultry sales require considerably more feed per layer resulting in a higher feed cost per dozen eggs.

In table 9 the cooperators are arranged in order of the Cwt. Price of Feed. This table makes it possible to study the relationship of feed price, management income and feed cost per dozen eggs.

EFFECT OF RATE OF EGG PRODUCTION ON MANAGEMENT AND INCOME 1948-1952

With about 90 per cent of total income from the sale of eggs, the ability of the operator to obtain high production per layer greatly affects profit. In table 10 all the records of cooperators for the past five years are arranged in five groups according to egg production per layer per year. Practices used by

the poultrymen making the most profit should be carefully studied.

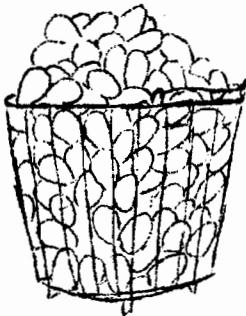
It looks like high egg production per layer is a very important management factor. The importance of having a young flock should also be considered. Relatively high culling seems best. Notice that some make an excellent income per hour worked. Others should work for wages.

Table 10 EFFECT OF RATE OF EGG PRODUCTION ON MANAGEMENT AND INCOME (1948-52)

Number eggs per layer	Number records	% Pullets	% Died	% Culled	Hours family labor	Farm * income per layer	Farm income per hour operator's labor
250-275	12	88	11	93	1.9	\$ 5.65	\$ 2.98
225-250	28	87	13	103	1.6	3.86	2.41
200-225	27	81	16	99	2.0	3.25	1.63
175-200	23	69	19	71	1.7	2.04	1.20
150-175	13	53	17	75	2.2	2.28	1.04

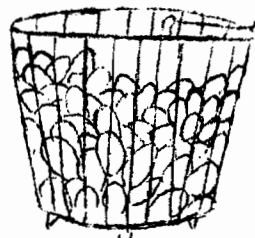
* Amount of money the operator has to spend at the end of the year.

LOW



MEANS

EGG PRODUCTION



LOWER LIVING STANDARDS

WHAT HAPPENED DURING PAST 24 YEARS?

Table 11 presents a long-time look at the egg business in Los Angeles County. The information is divided into four periods to show the effect of depression, pre-war, war, and post-war on conditions, on income and management.

The stock market crashed in 1929, followed by depression; with yearly average farm income per hen dropping as low as 25 cents in 1933. By 1935, income was on the increase and the pre-war period averaged over \$1.00. In World War II, it doubled, and from 1947-52, increased

another one-third. Following World War II, inflation greatly reduced purchasing power, lowered insurance and pension values, and enormously increased each person's portion of the national debt.

MR POULTRYMAN
DON'T USE 1929-46
MANAGEMENT!

TWENTY-FOUR YEARS' PROFIT AND MANAGEMENT HISTORY 1929-1952 Results in Poor, Medium, Good, and Excellent Periods.

Table 11

	Six-year average 1929-34	Six-year average 1935-40	Six-year average 1941-46	Six-year average 1947-52	24-year average 1929-52
<u>Flock Statistics</u>					
Average number flocks	16	25	24	16	20
Average number hens per flock	1540	1309	1430	1288	1392
Eggs laid per hen	136	155	172	214	170
Per cent mortality and lost	37%	26%	22%	14%	25%
Per cent culled	45	55	75	90	66
Per cent pullets in flock	45	50	60	76	94
Dozen eggs sold per hen	11.3	13.2	14.5	18.2	14.3
<u>Feed</u>					
Feed cost per hen	\$1.94	\$1.99	\$3.50	\$6.64	\$3.52
<u>Labor</u>					
Hired labor cost per hen	\$.16	\$.15	\$.42	\$.35	\$.27
Value oper, and family labor	.56	.52	.92	1.44	.86
Total labor cost per hen	.72	.67	1.34	1.79	1.13
Total hours labor per hen	1.8	2.3	2.4	2.2	2.2
<u>Prices</u>					
Average price per cull hen	\$.46	\$.39	\$.71	\$.98	\$.64
Av. price per doz. market eggs	24.1¢	24.0¢	38.3¢	51.0¢	34.4¢
Av. price per cwt. mash & grain	\$1.93	\$1.85	\$2.89	\$4.41	\$2.77
<u>Costs and Income</u>					
Av. price per dozen all eggs sold	25.0¢	24.7¢	40.1¢	51.9¢	35.4¢
Net cost per dozen	25.7 - .7	21.5 3.2	33.4 6.7	43.8 8.1	31.1 4.3
Net stock income per hen	\$.24	\$.18	\$.49	\$ 1.46	\$.59
Miscellaneous income per hen	.11	.11	.17	.20	.15
Egg income per hen	2.84	3.25	5.83	9.40	5.33
Total income per hen	3.19	3.54	6.49	11.06	6.07
Total expense per hen	3.25	3.12	5.52	9.58	5.37
Management income per hen	-.06	.42	.97	1.48	.70
Farm income per hen	.78	1.14	2.09	3.28	1.82

WHAT OF THE FUTURE ?

In looking ahead, experiences of the past years can help guide procedures for the future. Here are a few problems that might be considered:

1. Are periods of unfavorable feed-egg ratios good or bad?
2. Is it better to expand the size of the flock or to increase the efficiency of our present capacity?
3. Should we put money away for the unprofitable periods?
4. Do producers become less efficient following a number of profitable years?
5. Do you have a planned improvement program?

UNFAVORABLE YEARS GOOD OR BAD?

The profit pattern in the egg business usually operates in two to three year cycles. During that time there may be a good, fair, and a poor year. When conditions are good, producers increase the size of their flocks, and many new people go into the business. During low-profit years, the inefficient or improperly financed growers are forced out.

Fortunately for commercial poultrymen, about 80 per cent of the eggs produced in the United States come from flocks averaging 50-200 layers per farm. These farms are largely in the Mississippi and Missouri Valleys, and egg production is a very minor source of income. When unfavorable times come they brood fewer chicks. Because of the large number of these small poultry flocks, the number of potential layers can change in a period of six to eight months from a surplus to a shortage.

Poultrymen who depend upon egg production for their living are benefited because of this situation. They cannot afford to operate below capacity, because it increases cost to produce a dozen eggs when they do. If there were not such a large proportion of

small flocks in the country, competition among commercial poultrymen would be much keener, and profits smaller.

IMPROVED EFFICIENCY BETTER THAN INCREASING SIZE OF FLOCK

Most producers desiring to increase income, think of more buildings and raising a larger flock. If the efficiency of their operations is not at a high level all they would be doing is to multiply unprofitable management practices. Some poultrymen with half the number of layers, make more money than others with twice as many layers. This way you don't have the additional investment and risk, and operate with less labor. When management is at a high level, you have more money to make the increase.

BE PREPARED FOR UNPROFITABLE PERIODS

Because unprofitable periods do come from time to time, plans should be made to set up a reserve. When the ranch is free from debt, you could, as a last resort, borrow from Production Credit Association or from other sources of credit. It is rather difficult for the man already very much in debt to weather an unprofitable year.

MANY PRODUCERS BECOME LESS EFFICIENT DURING FAVORABLE PERIODS

This is only natural but is a poor procedure, particularly when that bad year comes along. The poultryman who hasn't checked his source of stock against another one may not be using the most profitable stock. Sometimes fewer pullets are brooded, which requires less culling and may result in fewer eggs per hen per year. Better check your management practices to see if you are slipping. By joining the cost and management study, you can find out how good or bad a job you do.

WHAT'S YOUR HORSESHOE THROWING EFFICIENCY ?

DOES YOUR MANAGEMENT MAKE IT POSSIBLE TO THROW A RINGER BY:

BETTER PRACTICE THROWING RINGERS BY USING THESE SKILLS



- I
Producing 50% or more of total eggs between July and January.
- Have large % of pullets laying by July, August, September. Obtain strains bred to lay late summer, fall, early winter (no pausing, broodiness, and early molting. Use lights on layers.
-
- II
Keeping each available square foot of floor space occupied 12 months with high producing birds.
- Cull floor birds weekly with hook, or on roost after dark. Cage birds every 7 to 14 days. House birds one age in long units divided about every 20 feet. As culling progresses, confine layers in fewer units. Brood to replace empty units with producing pullets.
-
- III
Producing eggs with less than 5.5 lbs. of feed per dozen eggs obtained.
- Use high producing strains of four to five pound birds. Check equipment for feed wasting.
-
- IV
Keeping mortality to less than 10%.
- Obtain stock with inherited health. Keep comfortable, good environment, cull severely. Keep young flock.
-
- V
Operating using not more than 1.5 hours labor per hen per year.
- Install bulk storage and handling facilities. Save steps, back work, motions, by proper arrangement. Get bulk feed bins and egg room near houses. Carts carry more feed, eggs, cull hens, and litter. Require less steps, time, and energy. Reduce trips through houses. Have small cull coop and repair tools on feed cart. Much time spent on feed and egg work. Hence, better chance to save labor.
-
- VI
Keeping feed cost per dozen eggs produced as low as practical.
- Run frequent comparisons of another ration to test the results and economy of your feed. High producing stock reduces feed cost per dozen eggs.
-
- VII
Averaging not less than 220 eggs per hen per year.
- Use very high producing strains. Maintain large per cent pullets. Cull below average producers.
-
- VIII
Maintaining very few producers laying at the yearly rate of 180 eggs or less.
- Step up your culling. Grade out probable low producing pullets. High producing strains have less layers 180 eggs or below.
-
- IX
Keeping the flock composed of 70% or more pullets (6-18 months.)
- Brood often (at least four times a year). Large amount of intelligent culling.

STEP UP YOUR YEARLY AVERAGE EGG PRODUCTION IN 1953. SOME COOPERATORS HAVE INCREASED 20 EGGS PER HEN IN ONE YEAR. SEE IF YOU CAN DO AS WELL. WAGES EARNED FOR TIME SPENT ON THIS PROBLEM ARE EXCEPTIONALLY HIGH.