

PY-SI-59-2

1959

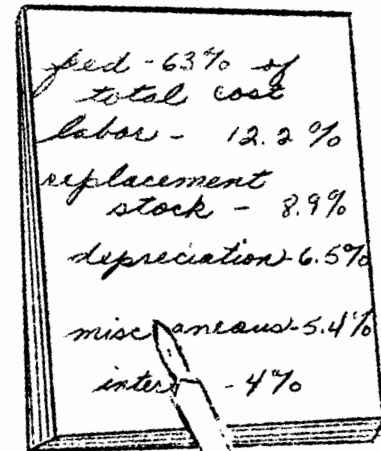
EGG COST STUDY

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SAN BERNARDINO

COUNTY

UNIVERSITY OF CALIFORNIA
AGRICULTURAL EXTENSION SERVICE



Handwritten notes on a notepad, likely detailing the cost breakdown of an egg. A pencil is shown pointing to the notes.

Category	Percentage
feed	63%
labor	12.2%
replacement stock	3.9%
depreciation	6.5%
miscellaneous	5.4%
interest	4%

INTRODUCTION

The data presented in this study was obtained from nine ranches in San Bernardino County for the year 1959. The ranches varied in size from 1,700 to 16,500 laying hens, with an average of 6,900. It was conducted to give cooperating poultrymen a method of keeping production income and cost information so that an evaluation of their ranch operation can be made.

It is not to be implied that the figures given are the average for the county. They should, however, approximate the income and costs you could expect in this area.

In computing an average for all of the data given, a method resulting in a weighted average was used. The weighted average eliminates distortion which is encountered when taking data from different sized flocks.

Most of the terms used are self-explanatory. A few, however, warrant defining, and are given below:

Inventory Change - The difference between the value of the flock at the beginning of the year and the end of the year.

Replacement Stock - The amount spent on chicks and/or started pullets.

Management Income - The difference between total income and total expenses.

The cost of family labor was figured at \$1.25 per hour. Cooperating poultrymen kept as accurate a record of hours as was practical. Depreciation of buildings and equipment was supplied by the cooperators. Interest on investment was computed at five per cent.

In past years, we have always calculated our costs for producing eggs on a per hen basis. The trend nowadays, however, is to talk in terms of costs per dozen. For the benefit of those who prefer the latter breakdown, you will find these figures on Page 4.

Matthew B. Lonsdale
Farm Advisor

INCOME AND EXPENSE PER HEN - 1959

SAN BERNARDINO COUNTY - 1959

Ranch Number	Income Per Hen					Cash and Depreciation Costs Per Hen						Net Farm Income	Non-Cash Costs		Management Income
	Egg Sales	Poultry Sales	Misc. Income	Change Stock Inv.	Total	Feed	Replac. Stock	Misc.	Deprec.	Hired Labor	Total		Family Labor	Int.	
7 L*	5.72	.20	.03	.57	6.52	3.43	.53	.23	.22	.41	4.82	1.69	.17	.23	1.29
11 L	6.11	.25	.16	.70	7.22	3.75	.86	.36	.50	.64	6.11	1.11	.19	.22	.70
13 S	6.38	.26	.14	-.06	6.72	4.19	.33	.29	.25	.00	5.06	1.66	.79	.26	.61
4 M	6.32	.21	.04	.17	6.73	4.19	.38	.33	.40	.28	5.58	1.15	.35	.27	.53
14 M	6.16	.42	.41	-.04	6.95	3.97	.47	.81	.57	.39	6.20	.75	.61	.24	-.10
1 S	5.23	.20	.00	.14	5.57	3.91	.41	.45	.19	.01	4.97	.60	.77	.27	-.44
3 S	5.49	.20	.06	.21	5.96	4.57	.35	.16	.25	.02	5.35	.61	.84	.23	-.46
21 S	6.29	.23	.04	-.13	6.43	4.27	.31	.36	.44	.05	5.42	1.01	1.15	.41	-.55
2 M	5.34	.24	.00	-.10	5.48	4.32	.40	.10	.60	.44	5.86	-.39	.22	.27	-.88
Weighted Average	5.88	.24	.10	.35	6.57	3.88	.55	.33	.40	.39	5.55	1.02	.36	.25	.41

*Letter after ranch number indicates size of flock:

- L = 10,000 - 20,000
- M = 5,000 - 10,000
- S = 1,000 - 5,000

EGG PRODUCTION DATA

SAN BERNARDINO COUNTY - 1959

Ranch Number	Dozen Eggs Sold Per Hen	Percent Sold					Per Dozen Eggs Sold				Feed Cost per 100 lbs.	Egg Feed Ratio
		Large	Medium	Small	Commercial	Retail	Price Rec'd (cents)	Net* Cost (cents)	Feed Cost (cents)	Feed Conversion		
7 L	19.3	63.4	26.1	4.8	5.7	3.0	29.6	22.9	17.6	5.5	3.20	9.3
11 L	20.0	73.3	19.2	2.4	5.1	0.0	30.6	27.1	18.6	6.0	3.13	9.8
13 S	21.5	66.4	26.6	4.0	3.0	4.3	29.7	26.9	19.5	5.5	3.48	8.5
4 M	20.5	78.5	17.1	3.0	1.5	0.8	30.8	28.2	20.4	6.0	3.39	9.1
14 M	20.9	63.4	28.1	5.3	3.2	3.5	29.5	30.0	19.0	5.7	3.36	8.8
1 S	17.8	75.6	17.7	4.4	2.3	2.0	29.4	31.9	22.0	6.5	3.32	8.9
3 S	19.1	64.4	28.5	6.5	0.6	1.6	28.7	31.1	23.9	6.3	3.75	7.6
21 S	21.6	77.0	18.6	3.0	1.7	1.5	29.2	31.7	19.8	5.8	3.41	8.5
2 M	20.2	60.8	24.9	6.3	8.0	0.0	26.4	30.7	21.3	6.2	3.46	7.6
Weighted Average	19.9	68.3	23.0	4.2	4.5	1.6	29.5	27.5	19.5	5.9	3.30	8.9

*The net cost is calculated by deducting from total expenses per dozen that income per dozen realized from change in stock inventory, miscellaneous income, and the sale of poultry.

Feed Conversion is the number of pounds of feed consumed per hen for each dozen eggs sold.

Egg-Feed Ratio is the number of pounds of feed a dozen eggs will buy.

Feed Cost per dozen and per 100 lbs. includes feed for replacement stock.

REPLACEMENT, FEED, AND LABOR DATA

SAN BERNARDINO COUNTY - 1959

Ranch Number	Percent of Laying Flock			Percent of Young Stock to 24 Weeks Died or Culled	Pounds of Feed Consumed Per Hen--Includes Replacements*	Feed Cost Per 100 lbs.	Hours of Labor Per Hen		
	Died	Culled	Added				Total	Hired	Family
7 L	10.3	63.6	125.2	21.9**	107.1	3.20	0.45	0.32	0.13
11 L	9.5	64.5	96.4	26.7**	119.8	3.13	0.55	0.40	0.15
13 S	6.2	79.2	96.7	4.4	119.0	3.48	0.63	0.00	0.63
4 M	7.4	80.6	84.5	6.1	123.4	3.39	0.56	0.28	0.28
14 M	10.1	98.1	95.6	9.0	118.2	3.36	0.79	0.30	0.49
1 S	5.5	55.3	106.7	3.8	115.9	3.32	0.60	0.01	0.59
3 S	8.9	89.0	78.2	4.8	120.4	3.75	0.69	0.02	0.67
21 S	8.9	75.0	81.6	4.2	124.9	3.41	0.98	0.06	0.92
2 M	10.6	91.9	98.7	9.0	124.8	3.46	0.61	0.44	0.17
Weighted Average	9.3	74.1	101.7	17.4	117.2	3.30	0.59	0.30	0.29

*Feed Consumption - is affected by mortality, culling, amount of young stock raised, and the amount wasted.

**The high mortality was due to a serious outbreak of infectious laryngotracheitis on one ranch and Pasteurellosis on the other.

INCOME AND COST DATA PER DOZEN*

SAN BERNARDINO COUNTY - 1959

Ranch Number	Income Per Dozen					Cash and Depreciation Costs Per Dozen						Net Farm Income	Non-Cash Costs		Management Income
	Egg Sales	Poultry Sales	Misc. Income	Change Stock Inv.	Total	Feed	Replac. Stock	Misc.	Deprec.	Hired Labor	Total		Family Labor	Int.	
7 L	29.64	1.02	0.00	2.93	33.72	17.75	2.72	1.21	1.14	2.12	24.95	8.77	0.87	1.21	6.70
11 L	30.56	1.24	0.80	3.52	36.12	18.75	4.29	1.78	2.52	3.21	30.55	5.57	0.94	1.12	3.51
13 S	29.67	1.20	0.66	-0.29	31.24	19.50	1.53	1.34	1.15	0.00	23.52	7.71	3.67	1.22	2.82
4 M	30.81	1.04	0.00	0.08	32.84	20.43	1.85	1.59	1.97	1.36	27.20	5.64	1.70	1.33	2.61
14 M	29.52	2.02	1.95	-0.17	33.32	19.01	2.23	3.87	2.72	1.89	29.73	3.58	2.91	1.13	-0.46
1 S	29.43	1.14	0.00	0.79	31.36	21.98	2.28	2.55	1.09	0.07	27.97	3.39	4.31	1.54	-2.46
3 S	28.68	1.05	0.31	1.11	31.16	23.87	1.83	0.84	1.32	0.09	27.96	3.20	4.39	1.21	-2.40
21 S	29.15	1.08	0.18	-0.61	29.81	19.77	1.42	1.66	2.04	0.24	25.13	4.68	5.31	1.91	-2.53
2 M	26.36	1.18	0.00	-0.51	27.03	21.34	2.00	0.51	2.94	2.19	28.98	-1.96	1.07	1.35	-4.38
Weighted Average	29.53	1.22	0.52	1.73	33.00	19.49	2.77	1.66	2.00	1.98	27.90	5.10	1.80	1.24	2.06

*Cents per dozen