

**1962
POULTRY MANAGEMENT
STUDY
IN ORANGE COUNTY**

UNIVERSITY OF CALIFORNIA AGRICULTURAL EXTENSION SERVICE IN ORANGE COUNTY

INTRODUCTION

This study is conducted each year so that participating ranches can gain knowledge concerning many facets of their operation. Through the use of a uniform method of bookkeeping these ranches can compare their results with others in the study as well as their own from year to year. The Agricultural Extension Service welcomes any poultry rancher into this study if he is willing to put a little time and effort into his records so that they mean something at the end of the year.

All records are calculated on a hen-day basis and results are accumulated each month. As monthly records are completed, a report is mailed to the cooperating poultrymen.

This summary represents the average results obtained in the 1962 Poultry Management Study in Orange County, California. Averages were calculated by taking the individual ranch results and dividing by the number of ranches involved.

This year the report contains information derived from two separate studies. The first of these was the complete cost study in which ten ranches averaging 10,874 laying hens participated. A new approach was started in 1959 whereby ranchers could enter the study on a management basis without having to enter their cost and income figures. Seven ranches completed on this basis with an average of 33,371 hens each. The total number of hens for the entire study was 342,345.

GENERAL INFORMATION

<u>Ranch Sizes</u>	<u>Complete Cost Study</u>	<u>Combined Studies</u>
A less than 3,000 hens	Smallest ranch - 3,209	Smallest ranch - 3,209
B 3,000 - 5,000	LARGEST RANCH - 24,450	LARGEST RANCH - 52,151
C 5,000 - 10,000	Average ranch - 10,874	Average ranch - 20,138
D 10,000 - 20,000		
E over 20,000		

DISCUSSION

This year we have shown the results from 1959 to 1962 for Orange County egg producers. The reason for doing this is to illustrate the wide differences which occur from one year to the next.

The poultry ranches participating in this study may or may not be typical of the industry in this county. Their interest in keeping records of this type and making necessary changes based on their records will allow these poultrymen to compete successfully in years to come.

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EGG PRODUCTION AND SIZES

Serial No. And Size	Eggs Per Hen	Per Cent Production	Per Cent Large	Per Cent Medium	Per Cent Small	Per Cent Commercial (1)	Per Cent Retail	No. Months In-plant Egg Processing
1D	246.9	67.6	67.2	21.5	4.3	7.0	4.2	9
2B	260.2	71.3	68.1	25.3	4.9	1.7	2.5	12
3C	243.3	66.7	80.8	15.9	2.0	1.3	2.7	12
4D	246.2	67.5	81.1	15.9	1.9	1.1	.6	12
5D	241.2	66.1	65.4	25.7	4.1	4.8	0	12
6B	265.5	72.7	75.0	18.1	3.4	3.5	9.0	12
7C	239.6	65.6	68.5	23.2	4.2	4.1	1.0	12
8D	221.1	60.6	64.8	25.3	7.0	2.9	1.2	3
9E	223.3	61.2	70.4	23.4	4.2	2.0	12.1	0
10D	227.4	62.3	67.7	24.6	5.1	2.6	4.8	12
AVERAGE	241.5	66.2	70.9	21.9	4.1	3.1	3.8	
11E	254.8	69.8	1961 70.4	21.4	5.7	2.5	3.9	
12E	242.0	66.3	1960 70.8	20.2	6.0	3.0	3.6	
13D	238.2	65.3	1959 73.9	18.8	4.0	3.3	2.6	
14E	236.0	64.7						
15E	235.2	64.4						
16E	233.1	63.9						
17E	213.9	58.6						
AVERAGE	235.9	64.6						
OVER-ALL AVERAGE	239.3	65.6						
1961	244.0	66.8						
1960	242.7	66.3						
1959	247.3	67.7						

Average hen-day production in 1962 is the lowest since 1958. This is undoubtedly due to the large number of ranches force molting a portion of their laying flock and keeping their hens for a second year of lay. Along with this, the last two months of 1962 were extremely colder than in previous years. Only two ranches were able to maintain production above 70% for the entire year.

Only one cooperator (No. 9) is currently processing eggs on the ranch. He is also candling and cartoning. The swing away from on-ranch egg processing has resulted in much greater labor efficiency as measured by the number of hens one man can handle.

(1) Includes cracks, pee wees and frozen eggs.

INCOME AND COSTS PER HEN

(ranked according to management income per hen)

Serial No. And Size	INCOME					CASH COSTS					NON-CASH COSTS			Total Costs
	Egg Sales	Cull Hens	Change of Stock Inventory (1)	Misc.	Total	Feed	Replacements	Hired Labor	Misc. (2)	Total	Depreciation	Family Labor (3)	Int. on Investment (4)	
1D	\$ 5.99	\$.26	\$.05	\$.01	\$ 6.31	\$ 3.61	\$.31	\$.01	\$.20	\$ 4.13	\$.19	\$.48	\$.16	\$ 4.96
2B	6.14	.18	-.47	0	5.85	3.24	.17	0	.19	3.60	.13	.66	.16	4.55
3C	5.85	.07	-.02	0	5.90	3.17	.44	.26	.23	4.10	.23	.29	.20	4.82
4D	5.88	.17	.09	0	6.14	3.35	.41	.15	.52	4.43	.30	.33	.19	5.25
5D	5.70	.15	.24	0	6.09	3.33	.40	.39	.36	4.48	.34	.20	.24	5.26
6B	6.39	.21	-.17	0	6.43	4.03	.21	0	.36	4.60	.16	.77	.20	5.73
7C	5.24	.14	.27	0	5.65	3.31	.87	.11	.27	4.56	.15	.36	.16	5.23
8D	5.45	.17	-.21	.02	5.43	3.38	.12	.42	.36	4.28	.18	.50	.17	5.13
9E	5.78	.13	.51	0	6.42	3.18	1.53	.33	.43	5.47	.23	.22	.21	6.13
10D	5.44	.17	-.21	0	5.40	2.94	.87	.48	.35	4.64	.22	.30	.19	5.35
AVERAGE	5.79	.17	.01	0	5.97	3.35	.53	.22	.33	4.43	.21	.41	.19	5.24
1961	6.46	.24	.11	0	6.81	3.56	.31	.31	.40	4.58	.24	.47	.21	5.50
1960	6.77	.24	.24	.01	7.26	3.64	.37	.34	.43	4.78	.27	.58	.24	5.87
1959	6.25	.25	.02	.02	6.54	4.04	.37	.31	.33	5.05	.27	.83	.21	6.36

(1) Increased or decreased flock evaluation

(3) \$1.50 per hour

(2) Vaccines, medication, repairs, taxes, utilities, etc.

(4) 6% of average investment

SUMMARY OF INCOME PER HEN

(ranked according to management income per hen)

Serial No. And Size	Total Income	minus Cash Costs	equals Cash Income	minus Depre- ciation	equals Net Farm Income	minus Non-Cash Costs	equals Management Income
1D	\$ 6.31	\$ 4.13	\$ 2.18	\$.19	\$ 1.99	\$.64	\$ 1.35
2B	5.85	3.60	2.25	.13	2.12	.82	1.30
3C	5.90	4.10	1.80	.23	1.57	.49	1.08
4D	6.14	4.43	1.71	.30	1.41	.52	.89
5D	6.09	4.48	1.61	.34	1.27	.44	.83
6B	6.43	4.60	1.83	.16	1.67	.97	.70
7C	5.65	4.56	1.09	.15	.94	.52	.42
8B	5.43	4.28	1.15	.18	.97	.67	.30
9E	6.42	5.47	.95	.23	.72	.43	.29
10D	5.40	4.64	.76	.22	.54	.49	.05
AVERAGE	5.97	4.43	1.54	.21	1.33	.60	.73
1961	6.81	4.58	2.23	.24	1.99	.68	1.31
1960	7.26	4.78	2.48	.27	2.21	.82	1.39
1959	6.54	5.05	1.49	.27	1.22	1.04	.18

Even though egg prices were the lowest in over 20 years, 1962 still proved to be a fair year for local producers. This was due mainly to greater labor efficiency. In fact, total labor use per hen was almost one half of that required in 1959.

Average replacement costs were higher because of the increased use of started pullets. Five of the ranches in the complete study purchased some started pullets in 1962. This results in less feed used on the ranch and should also reduce labor needs. Because of transportation costs and grower profits the use of started pullets will increase per hen and per dozen costs over that of the ranches which raise their own pullets.

INCOME AND COSTS PER DOZEN EGGS SOLD IN CENTS

(ranked according to management income per hen)

Serial No. And Size	INCOME			CASH COSTS					Cash Income	Depreciation	Net Farm Income	NON-CASH COSTS		Management Income
	Eggs	Other (1)	Total	Feed	Replacements	Hired Labor	Misc. (2)	Total				Family Labor (3)	Int. on Investment (4)	
1D	29.0¢	1.5¢	30.5¢	17.4¢	1.5¢	.1¢	1.0¢	20.0¢	10.5¢	.9¢	9.6¢	2.3¢	.8¢	6.5¢
2B	28.3	-1.3	27.0	15.0	.8	0	.8	16.6	10.4	.6	9.8	3.1	.7	6.0
3C	29.4	.3	29.7	15.9	2.2	1.3	1.2	20.6	9.1	1.2	7.9	1.4	1.0	5.5
4D	28.8	1.3	30.1	16.9	2.0	.7	2.6	22.2	7.9	1.5	6.4	1.6	.9	3.9
5D	28.5	2.0	30.5	16.7	2.0	1.9	1.8	22.4	8.1	1.7	6.4	1.0	1.2	4.2
6B	29.0	.2	29.2	18.3	1.0	0	1.6	20.9	8.3	.7	7.6	3.5	.9	3.2
7C	28.6	2.3	30.9	18.1	4.7	.6	1.5	24.9	6.0	.8	5.2	2.0	.9	2.3
8B	28.0	-.1	27.9	17.4	.6	2.1	1.8	21.9	6.0	.9	5.1	2.6	.9	1.6
9E	32.1	3.5	35.6	17.6	8.5	1.9	2.4	30.4	5.2	1.3	3.9	1.2	1.1	1.6
10D	29.0	-.2	28.8	15.7	4.6	2.5	1.9	24.7	4.1	1.2	2.9	1.6	1.0	.3
AVERAGE	29.1	1.0	30.1	16.9	2.8	1.1	1.7	22.5	7.6	1.1	6.5	2.0	.9	3.6
1961	31.7	1.7	33.4	17.5	1.5	1.6	2.0	22.6	10.8	1.2	9.6	2.2	1.1	6.3
1960	33.5	2.4	35.9	18.1	1.8	1.6	2.3	23.8	12.1	1.4	10.7	2.9	1.1	6.7
1959	30.0	1.4	31.4	19.4	1.8	1.6	1.6	24.4	7.0	1.3	5.7	4.0	1.0	.7

(1) Includes change of stock inventory, cull hens and fertilizer income

(2) Includes vaccines, medication, repairs, taxes, utilities, etc.

(3) \$1.50 per hour

(4) 6% on average investment

This page of "Income and Costs Per Dozen Eggs Sold" enables poultrymen not keeping records on a hen-day basis to compare directly with those ranches in this study. The only figures needed for this comparison are the total dozens of eggs sold during the year and the total cost of the item for which you wish to make comparisons.

FEED CONSUMPTION AND FEED CONVERSION

MANAGEMENT FACTORS

Serial No. And Size	Pounds Feed Per Hen		Pounds Feed Per Doz. Eggs	
	All Feed	Estimate for Layers	All Feed	Estimate for Layers
1D	114.0	90.0	5.56	4.38
2B	105.5	90.3	4.87	4.17
3C	-	94.7	-	4.67
4D	117.1	94.6	5.73	4.63
5D	-	93.1	-	4.63
6B	133.3	116.6	6.00	5.27
7C	-	95.8	-	4.80
8D	115.1	95.9	6.25	5.20
9E	-	94.1	-	5.08
10D	-	90.2	-	4.76
AVERAGE	117.0	95.5	5.68	4.76
11E	116.1	94.8	5.47	4.46
12E	110.3	91.4	5.47	4.53
13D	-	99.2	-	4.99
14E	101.1	85.9	5.14	4.37
15E	125.2	100.6	6.39	5.13
16E	115.2	95.2	5.93	4.90
17E	-	89.5	-	5.02
AVERAGE	113.6	93.8	5.68	4.77
OVER-ALL AVERAGE	115.3	94.8	5.68	4.76
1961	116.2	93.3	5.73	4.61
1960	117.2	93.3	5.81	4.62
1959	120.0	95.1	5.82	4.62

Serial No. And Size	Per Cent Mortality 1 Day to 24 Weeks	Per Cent of Average Laying Flock			Increase or Decrease
		Died	Culled	Added	
1D	5.8	9.6	91.0	92.8	- 7.8
2B	5.5	9.3	84.2	76.5	-17.0
3C	2.6	9.2	32.8	75.2	+33.2
4D	11.8	11.2	74.7	83.2	- 2.7
5D	8.0	11.9	61.2	87.4	+14.3
6B	4.8	9.5	89.0	98.2	- .3
7C	11.6	12.3	53.5	95.4	+29.6
8D	4.7	9.7	64.1	102.7	+28.9
9E	16.1	15.2	53.1	116.8	+48.5
10D	-	11.3	82.2	91.7	- 1.8
AVERAGE	7.9	10.9	68.6	92.0	+12.5
11E	5.7	11.2	87.9	88.1	-11.0
12E	7.1	19.1	69.4	86.1	- 2.4
13D	-	16.0	60.5	104.8	+28.3
14E	6.2	15.7	63.8	84.7	+ 5.2
15E	5.2	10.9	96.7	112.8	+ 5.2
16E	-	15.3	60.8	82.4	+ 6.3
17E	-	10.9	77.6	100.6	+12.1
AVERAGE	6.1	14.2	73.8	94.2	+ 6.2
OVER-ALL AVERAGE	7.3	12.3	70.7	92.9	+ 9.9
1961	7.2	11.2	78.2	98.9	+ 9.5
1960	9.8	12.1	75.5	95.7	+ 8.1
1959	10.5	11.5	82.1	100.2	+ 6.6

Feed consumption and conversion are two of the most important figures a poultryman has with which to analyze his business. Feed accounts for 65% of the costs of the typical egg ranch or almost 1.2 million dollars for those ranches participating in this study. A comparison of the ranches with the best and poorest feed efficiency reveals a three cents difference in feed costs per dozen eggs produced. This is almost as much as the total management income this year.

This chart illustrates the great improvement local poultrymen have made during the past two years in raising pullets. Pullet mortality has declined 3% from what it was in 1959.

This chart also indicates the rather steady increase in flock sizes. Most of this has been brought about by crowding more birds into a cage and by converting growing houses into laying houses.

MISCELLANEOUS DATA

HOUSING INFORMATION

(ranked according to management income per hen)

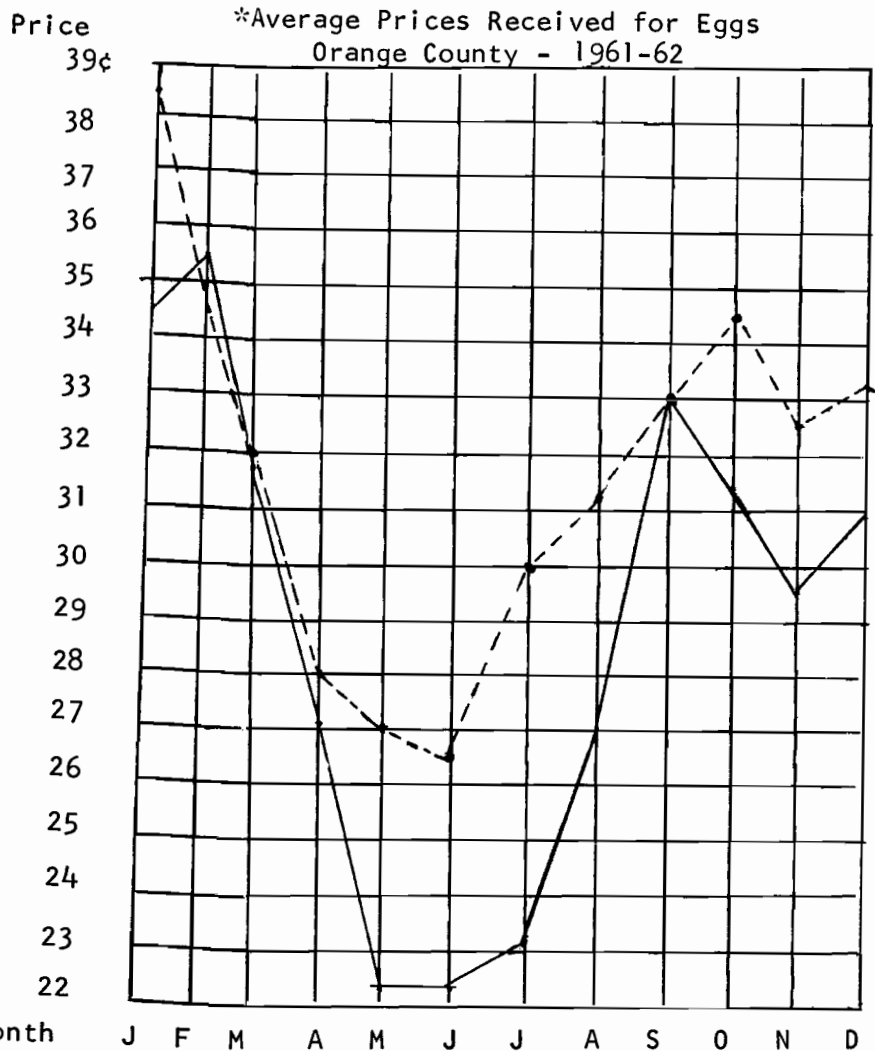
Serial No. And Size	Cost Per Cwt. Feed (1)	Hours Labor Per Hen	Per Cent Labor Hired	Price Rec'd Per Cull	Chick Cost (2)	Started Pullet Costs	
						16 Wk.	Other
1D	\$3.15	.33	4%	28.2¢	27.4¢	\$	\$
2B	3.08	.44	0	20.9	34.6		
3C	3.02	.37	49	22.6	29.1		1.65
4D	2.94	.32	31	22.7	33.0		
5D	2.94	.33	61	25.2	29.4	1.40	
6B	3.03	.51	0	24.8	31.3		
7C	2.98	.32	25	26.9	31.6	1.22	
8D	2.94	.60	44	25.8	26.7		
9E	2.97	.35	59	24.2	33.1	1.33	1.41
10D	2.92	.49	59	20.6	33.1	1.33	
AVERAGE	3.00	.41	33	24.2	30.7	1.32	1.53
1961	3.00	.51	36	30.8	29.2		
1960	3.05	.63	37	31.7	30.2		
1959	3.31	.77	30	28.3	31.7		

Serial No. And Size	Number of Hens Per Pen and Per Cent of Each			
	1	2-6	7-40	over 40
1D	%	%	100%	%
2B	47	53		
3C		90	10	
4D	50	50		
5D	30	70		
6B	80	20		
7C		97		3
8D				100
9E		100		
10D		100		
11E	47	39		14
12E		23		77
13D		75	25	
14E	20	80		
15E	32	68		
16E			100	
17E		100		

(1) Average price of all feed used on ranch minus discounts and rebates.

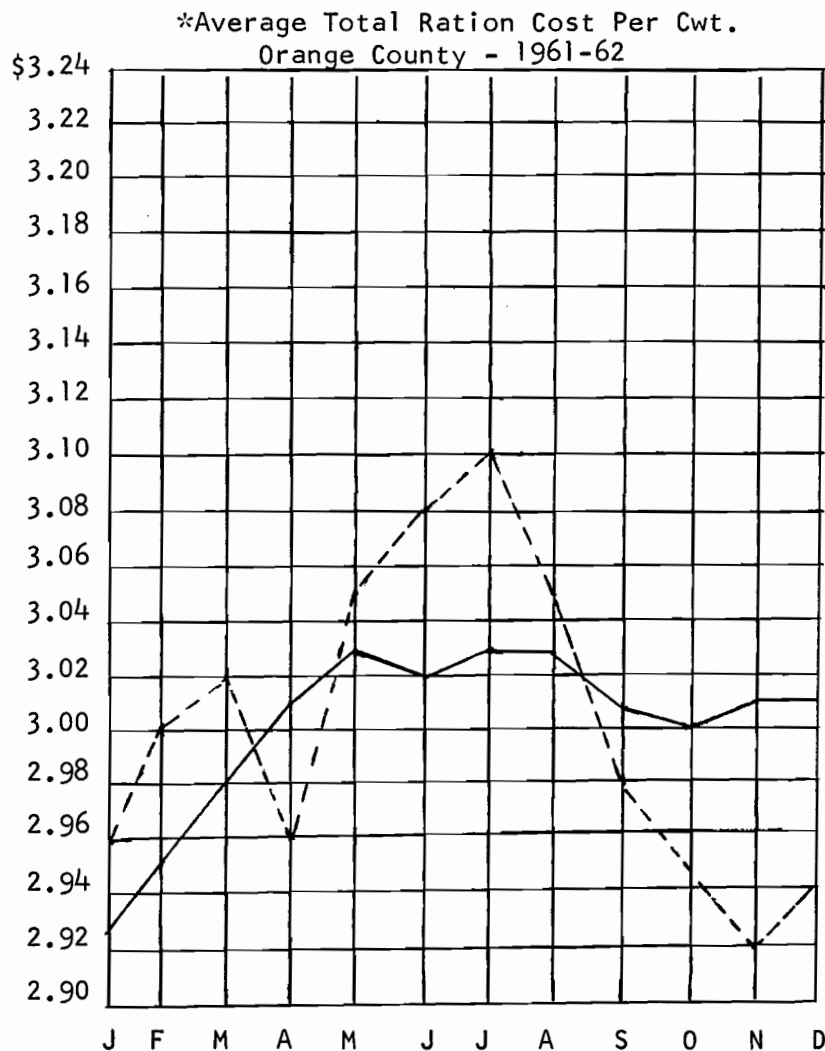
(2) Total cost of chicks divided by total chicks delivered including extras.

All of the chickens in this study are housed in some type of wire-floored pen. These range in size from 8 by 18 inches to 8 by 10 feet. The most consistent type of housing is the single aisle cage house with two or three hens in a 12 by 18 inch cage.



* Includes all sizes of eggs sold and 2-4% retail sales

This graph illustrates the results of over-production in the California egg industry. In 1962 the California poultry industry produced 77 eggs more per capita than were consumed. This resulted in California having a 2.8¢ per dozen lower egg price than the rest of the nation. If this continues for long, it will result in many poultrymen being forced out of the business.



1961 ----
1962 ———

* Includes all feed used on ranch

The egg-feed ratio (the pounds of feed one dozen eggs will buy) was 9.7 as against 9.4 for 1961. This improvement in egg-feed ratio was instrumental in making 1962 as good as it was.

Feed prices in 1962 were extremely stable compared to previous years. In 1962 the feed price range was only 10¢ per hundred pounds, while in 1959 it was 45¢ per hundred pounds.