

BEEF PRODUCTION

The beef industry contributes about 95 percent of the livestock production of Modoc County and nearly 40 percent of the total agricultural production.

AGRICULTURAL PRODUCTION - 1970

All Beef Cattle	\$ 9,610,000
Total Livestock	10,225,700
Total Agricultural Income	25,474,000

The income and costs presented in this study are based on production obtainable by good management. Prices used in the income are lower than early 1972 prices, but may be more realistic for a period of years. Investments are based on current prices. Costs are based on 1972 prices.

Comparisons are made on herds of 100, 200, 500 and 1,000 cows. The continued increase in farm size as a result of economic pressures makes the comparison by size increasingly important.

The costs in this study include the value of all inputs. In addition to cash costs, the value of family labor, depreciation on the replacement value of equipment and improvements, and interest on the current value of the investment are included.

The interest may be a cash or non-cash in individual situations depending on how much borrowed capital is being used.

All herd sizes show a net loss but ranchers can stay in operation if they cover their cash and depreciation costs. The losses indicate that the rancher is not receiving \$6,000 per year or a 7 percent return on the value of his investment. The income of the small herds is not covering the cash and depreciation costs.

INCOME AND EXPENSE FOR BEEF PRODUCTION

Based on an 80% calf crop, 2% mortality rate, 20% replacement, and selling weaners. Labor: part time, \$385 per month, full time, \$5,500 per year including Social Security and Compensation insurance.

	100 Cows		200 Cows		500 Cows		1,000 Cows	
	No.	Value	No.	Value	No.	Value	No.	Value
<u>Income</u>								
Steers @ 375# 36¢	40	\$ 5,400	80	\$10,800	200	\$27,000	400	\$ 54,000
Heifers @ 350# 33¢	20	2,310	40	4,620	100	11,550	200	23,100
Cows @ 900# 20¢	18	3,240	36	6,480	90	16,200	180	32,400
Bulls @ 1,400# 26¢	1	364	2	728	5	1,820	10	3,640
	79	\$11,314	158	\$22,628	395	\$56,570	790	\$ 113,140
<u>Expense</u>								
Range fees		\$ 395		\$ 790		\$ 1,975		\$ 3,950
Salt		50		100		250		500
Labor - hired								
Part time		385		1,155		1,540		5,775
Full time						5,500		22,000
Bull replacement		500		1,000		2,500		5,000
Veterinary		100		200		500		1,000
Taxes		1,729		2,914		7,420		13,725
Misc.		500		950		2,300		4,000
Repairs:								
Equipment 7½%		2,794		2,962		6,920		14,000
Buildings 3%		645		900		2,820		5,580
Gasoline		500		1,000		2,500		5,000
Insurance		400		800		2,000		4,000
Power for irrigation		400		800		2,000		4,000
Int. operating capital								
8% for 6 months		336		543		1,529		3,541
Total cash		\$ 8,734		\$14,114		\$39,754		\$ 92,071
Family labor		6,000		6,000		6,000		6,000
Depreciation								
Buildings		1,075		1,500		4,700		9,300
Machinery		3,725		3,950		9,300		18,650
Interest on investment 7%		7,513		8,834		33,245		62,640
TOTAL COST		\$27,047		\$34,398		\$92,999		\$ 188,661
NET INCOME		-\$15,733		-\$11,770		-\$36,429		-\$ 75,521

NET INCOME/AT VARIOUS STEER PRICES - HEIFERS 3¢ LESS

Price steers

32	-\$16,613	-\$13,530	-\$40,829	-\$84,321
36	- 15,733	- 11,770	- 36,429	- 75,521
40	- 14,853	- 10,010	- 32,029	- 66,721
44	- 13,973	- 8,250	- 27,629	- 57,921

UC Cooperative Extension

INVESTMENT FOR BEEF PRODUCTION
on 100, 200, 500, and 1,000 Cow Ranches

	100 Cows		200 Cows		500 Cows		1000 Cows	
	<u>Acres</u>	<u>Value</u>	<u>Acres</u>	<u>Value</u>	<u>Acres</u>	<u>Value</u>	<u>Acres</u>	<u>Value</u>
<u>Land</u>								
Irrigated								
Alfalfa @ \$300	30	\$ 9,000	60	\$ 18,000	150	\$ 45,000	300	\$ 90,000
Meadow @ \$200	70	14,000	140	28,000	350	70,000	700	140,000
Range @ \$ 25	700	17,500	1,400	35,000	3,500	87,500	5,000	125,000
Farmstead, roads, @ \$325	10	3,250	10	3,250	25	8,125	40	13,000
Total	810	\$ 43,750	1,610	\$ 84,250	4,025	\$ 210,625	6,040	\$ 368,000
<u>Buildings</u>	<u>No.</u>		<u>No.</u>		<u>No.</u>		<u>No.</u>	
Homes, hired help					1	\$ 10,000	3	\$ 30,000
Barn	1	\$ 2,500	1	\$ 2,500	2	5,000	2	6,000
Machine shed	1	2,500	1	2,500	1	3,000	1	4,000
Well	1	5,000	1	5,000	1	5,000	2	10,000
Corrals	1	3,000	1	3,000	2	6,000	2	6,000
Fences	10 mi	8,000	20 mi	16,000	50 mi	40,000	100 mi	80,000
Ditches	770 ft	500	1,540 ft	1,000	3,850 ft	25,000	7,700 ft	50,000
Total		\$ 21,500		\$ 30,000		\$ 94,000		\$ 186,000
<u>Machinery</u>								
Tractors								
Wheel 35 HP	2	\$ 12,000	2	\$ 12,000	3	\$ 18,000	.5	\$ 30,000
Track 40 HP					1	18,600		
60 HP							1	32,000
Plows								
2 - 16"	1	500	1	500				
3 - 16"					1	800		
4 - 16"							2	2,000
Disk 6'	1	1,000	1	1,000	1	1,000	2	2,000
Harrow, spike 16'	1	550	1	550	1	550	2	1,100
Drill 8'	1	1,800	1	1,800				
10'					1	2,000	2	4,000
Sprayer	1	900	1	900	1	900	1	900

Baler - PTO 14" x 18" 16" x 18"	1	\$ 3,400	1	\$ 3,400	1	\$ 3,800	2	\$ 20,000
SP								
Mower 7'	1	500	1	500				
Swather 12'					1	9,000	2	18,000
Rake 7'	1	750	1	750				
Squeezer - Cow	1	500	1	500	1	500	2	1,000
Calf	1	250	1	250	1	250	2	500
Wagon	1	700	1	700	2	1,400	8	5,600
Bale Loader	1	450	1	450	1	450	2	900
Pump	1	4,000	1	4,000	1	6,000	2	12,000
Sprinklers	30 A	2,250	60 A	4,500	150 A	11,250	300 A	22,500
Trucks 1 1/2 Ton					1	6,000	2	12,000
Pickup 3/4 Ton	1	4,000	1	4,000	2	8,000	4	16,000
Shop tools		1,200		1,200		3,000		3,500
Auto	$\frac{1}{2}$	2,500	$\frac{1}{2}$	2,500	$\frac{1}{2}$	2,500	$\frac{1}{2}$	2,500
Total		\$ 37,250		\$39,500		\$ 94,000		\$ 186,500
<u>Horses</u>	1	400	2	800	6	2,400	12	4,800
<u>Cattle</u>								
Cows @ \$250	100	\$ 25,000	200	\$50,000	500	\$ 125,000	1,000	\$ 250,000
Heifers								
Yearlings @ \$200	20	4,000	40	8,000	100	20,000	200	40,000
Calves @ \$150	20	3,000	40	6,000	100	15,000	200	30,000
Bulls @ \$500	4	2,000	8	4,000	20	10,000	40	20,000
Total	144	\$ 34,000	288	\$68,000	720	\$ 170,000	1,440	\$ 340,000
Total Investment		\$136,900		\$222,550		\$ 571,025		\$1,085,300