

1972 POULTRY EGG COST STUDY
San Diego County, California

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In Cooperation with San Diego County Poultry Egg Industry

This study includes production of 1,342,746 average laying hens
on 21 ranches in San Diego County

This study in San Diego County is conducted by the Agricultural Extension Service, University of California. The results of this study cannot be considered as representative of this area.

The results are from a group of specialized egg producing ranches with flock sizes varying from 10,000 layers per ranch to 150,000 layers with an average of 63,940 laying hens over 6 months of age.

The 21 cooperators in this study supplied monthly reports of their results for the year of 1972 for the purpose of comparing and evaluating their results. The overall results are published so that former cooperators and others in San Diego County may compare and evaluate their own records with that of the study results.

Housing - Mostly open type, truss construction, metal roof, with curtains or lath siding. During winter, most houses have an added plastic cover over lath to retain warmth in poultry housing. Most ranches had standard type cages, 16" to 18" deep, with 2 birds in 8 inch, 3 in 12 inch, 4 inch, 16 inch, and 6 in 24-inch wide cages. Feed located on front of back-to-back cages, and water located in center.

Electric cart feeding and mechanical feeders are generally used. Several of the ranches had fully enclosed, forced ventilation housing. Data available was not sufficient to make an economic analysis of advantages of enclosed housing. Less feed was used per average layer this year than in previous years.

It may be considered that this lower amount is the result of closing of houses during winter months to save on energy requirements.

Replacements - Pullets were added to the flock at six months of age. Number of times varied, usually three or four times during the year. Due to unprofitable situation in egg business replacement additions to flock was the lowest in all the years of this study. Hens were kept over and force molted, resulting in a 64% rate of lay average and a 32% decrease in inventory value of stock on hand from the beginning to end of study year. Forty-nine percent of the pullets added were purchased started pullets.

Management as a cost of production - Management is considered here as a cost of production. It is to cover the owner's time and effort in operating the poultry farm. Only home chore labor involved in feeding, egg gathering was included in home labor at \$2.00 per hour. However, there were no returns to pay for management and some other costs due to low egg prices.

Total costs per dozen eggs produced in 1972 averaged at 29.1 cents per dozen. Income for eggs sold wholesale "nest run" dealer graded, averaged 24.5 cents per dozen for 1972.

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SUMMARY

Results of the 1972 study, with comparisons to 1971 and 1970, are presented as follows:

Results per dozen eggs produced
Results per average layer 366 hen days - 1972
Laying flock, feed and other data
Summary of costs of production
Mortality, cull, added, feed and feed ratios
Tables A and B provide a 20-year summary of study results

Feed cost and replacement cost averaged 23.1 cents per dozen eggs produced. These two cost items tend to vary inversely. Replacement costs are dependent on number of dozens of eggs produced. When hens are kept for two years of lay, replacement costs are lowered because of more eggs being produced per replacement. Hens in their second year of lay produce at a lower rate, so feed required per dozen eggs increases. In a profitable egg price relationship with costs, there is usually an advantage to first year performance because production rate is generally considered to be 20% better than second year performance. These two cost items which averaged 23.1 cents per dozen comprise 79% of the total net cost of 29.1 cents per dozen.

The results of the 1972 cost study may be used to evaluate present costs of production. A major increase in feed costs has occurred, which now brings the cost of feed per 100 pounds about \$1.00 higher than the \$3.89 average cost for the 1972 study. The total feed required per dozen eggs, including feed used by replacements, was 5.2 pounds of feed per dozen eggs. At one cent a pound greater cost, the total cost would be raised 5.2 cents a dozen. The 29.1 cost average becomes 34.3 cents with the higher priced feed.

Total net costs of production varied among the 21 flocks in the study from a low of 26.2 to 32.4¢ per dozen. Adding the 5.2 cents to this range would be 31.4 to 37.6¢. Continued increase in feed cost will add costs at the same rate.

It is hoped that this study may be used to encourage individual operators to determine their costs of production, then to make a proper evaluation of what course of action should be taken. It is considered that the averages of this study present an attainable goal in this area. The averages should not be considered as an average of results for this county or area of the state.

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