P.H.-EGG PROD.-
Econ.-costs
CP232-750 rev.
6/73

PY-SC-73-2

Agricultural Extension Service
University of California
Bldg. 4, 5555 Overland Avenue
San Diego, California 92123

COMPARE COSTS OF PRODUCING EGGS - 1973

Prepared by Robert H. Adolph, Farm Advisor

Rising Feed Costs Increase Costs of Production

This report is a comparison of cost of production developed from San Diego County egg cost studies and other studies on costs conducted by Agricultural Extension Service. Increases in feed costs since the 1972 study is the major cost factor involved. An evaluation of higher feed cost affect on the relative costs of production between pullet year performance and a second year force molt cycle is presented.

Higher Feed Costs Should Not Affect a Difference In Costs Per Dozen Eggs Between First and Second Year Production Cycles

Basically the relative costs of production between first and second year production should tend to remain constant (even though feed cost continues higher). This is because feed required per dozen eggs produced is about the same for the force molt second year cycle as the first year pullet performance when the feed required for growing pullets is included as a part of the feed requirement for the pullet year performance.

1972 Egg Cost Figures May Be Useful In Estimating 1973 Costs of Production

In the 1972 egg cost study, the average cost of production was 29.1 cents per dozen. The feed used per dozen eggs including feed used by replacement pullets was 5.2 pounds per dozen eggs produced. Cost of feed is still going up, but at the present time average cost of poultry egg mash is considered here at $5.50 per 100 pounds or $1.60 higher than 1972 costs. Multiplying the 5.2 pounds by 1.6 cents per pound would make costs of egg production 8.3 cents over the 29.1 cents or 37.4 cents per dozen. A two dollars per 100 pounds higher than 1972 costs by the same method of calculation would net a cost of 10.4 cents plus 29.1 cents or a 39.5 cents per dozen total cost.

Differences Between First and Second Year Feed Costs Cited for the Pullet Year

Feed cost has been calculated on the basis of $5.60 per cwt. and $5.40 for the second year force molt cycle. Second year hens have a lower protein requirement due to lower rate of production and do not have an increase in body weight during the second year of production. Feed used was estimated at .24 pound per hen day for pullet year compared to .22 pound per hen day during the force molt cycle for the above same reasons. (Tests by Agricultural Extension Service in Riverside County have demonstrated this difference in feed requirements.) The extra $1\frac{1}{2}$ pounds of feed between the two pullet and force molt comparisons is based on cost study data indicating that $1\frac{1}{2}$ pounds of feed is required for each additional dozen eggs produced. The total feed estimated and all other costs are based on San Diego County egg cost study results of 1972.

Differences In First and Second Year Costs Tend to Offset Each Other

The total of all costs is as expected, about the same per dozen eggs produced for pullet year and force molt cycle, even though feed cost is considered at 40 percent higher than 1972 costs. The average results of 37.7 cents to 38.7 cents per dozen compares favorably with 37.4 cents calculated from the average of the San Diego 1972 egg cost study.

Eight to Eleven Percent Better Production Saved Two to Three Cents Per Dozen In Costs

A lower cost of 35.6 to 35.7 cents per dozen occurred when production was increased 8 to 11 percent. The higher production rate netted a savings of two to three cents per dozen. The basic difference in total costs per dozen is more related to total eggs produced.

Pullets Lay 70 Percent Compared to Old Hens 50 Percent Rate of Lay

Under favorable egg income-cost situations, the pullet year performance would be favored because production rate is about 20 percent more. The lower stock investment advantage of continuing hens into a second year without a change in cost of production per dozen is a favorable factor for second year production. Poultrymen using force molting for second year performance are cautioned to be aware of the need and importance of proper molting procedures.

Poultrymen Have to Work Out Their Own Program

The analysis of this data indicates that poultrymen still have valid options of using different combinations of replacement, production, and marketing. This also means that there is no one best method of achieving success in the poultry egg production enterprise.

Robert H. Adolph

Robert H. Adolph
Farm Advisor

RHA:ap-m

COMPARISON OF COSTS - 1973
PULLET VS. FORCE MOLT

	Pullets-12 Months 6-18 Months - 365 Days		Old Hen Cycle Force Molt-8 Months	
Feed Cost Basis	$5.60/cwt.		$5.40/cwt.	
Hen Housed Mortality	15% - 12 Months		10% - 8 Months	
Feed Rate Basis	.24 lbs./H.D.		.22 lbs./H.D.	
	Average	Above Average	Average	Above Average
Lbs. Feed H. Day Basis	87.6	90.	53.5	55.1
Lbs. Feed/H. Housed	81.0	83.25	50.8	52.3
Egg Prod. H. Day Basis	256	277	115	128
Egg Prod./H. Housed	237	256	109	122
Doz. Eggs H. Day Basis	21.3	23.1	9.6	10.7
Doz. Eggs/H. Housed	19.8	21.3	9.1	10.1
% Rate Lay H. Day Basis	70	76	47	53
% Rate Lay/H. Housed	65	70	45	50

COSTS PER HEN HOUSED

	Pullets-12 Months 6-18 Months - 365 Days		Force Molt Cycle-8 Months 243 Days	
Feed	$4.54	$4.66	$2.74	$2.82
Labor	.36	.36	.20	.20
Miscellaneous Cash	.20	.20	.12	.12
Net Replacement*	1.70	1.70	.10	.10
Depreciation	.21	.21	.14	.14
Interest	.25	.25	.13	.13
Management	.20	.21	.09	.10
Total Costs Per Hen Housed	$7.46	$7.59	$3.52	$3.61
Cost Per Dozen	Pullet Year 37.7¢	35.6¢	F.M.Cycle 38.7¢	35.7¢

*Net replacement pullets-6 month pullet cost less cull value of 85% of hen housed.

Net replacement force molt-mortality loss and moving of birds housed cost estimate.

UC Cooperative Extension

RHA:ap-m