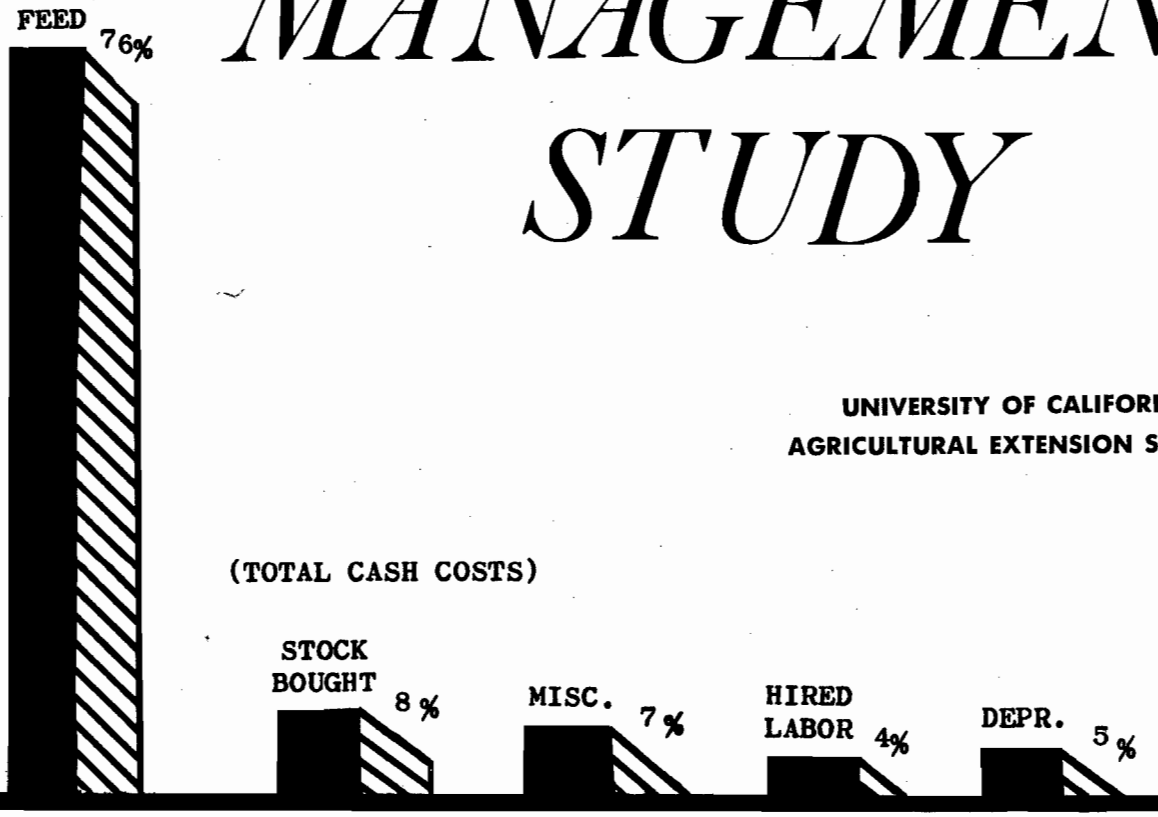
SONOMA COUNTY

1964

POULTRY EGG PRODUCTION and MANAGEMENT STUDY



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INTRODUCTION

This is the sixteenth annual summary of the current Sonoma County Poultry Egg Production and Management Study. This study is conducted by the Agricultural Extension Service in cooperation with local poultrymen for the purpose of disclosing important management, cost, income, and profit information to aid the entire local poultry industry in obtaining maximum earnings. The number of records is small and the averages in this report are not considered as averages for the county but apply only to the thirteen flocks covered. They may or may not be typical of the county, but they do show much useful information on current local production, costs, profits, etc., for all poultrymen and those interested in the business.

In order to realize the greatest value from a management study of this kind, it is necessary to carefully analyze and weigh all management factors which contribute to the success or failure of a poultry enterprise.

Cooperators are receiving a monthly summary and comparison of flock performance and mortality. At the end of each year, a detailed analysis of the year's records with comments and suggestions is available. This report represents a part of the information available for public use.

OUTLOOK

Poultrymen will not have as good a year as they had in 1964. The price received per dozen in 1965 may be as low as 1962.

The chick hatch for 1965 is expected to be below 1964. A larger supply of eggs is in prospect during the year.

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Here is a chart on chicks hatched, average number of layers on farms, egg production and egg prices for years 1958 through 1965*.

Year	Egg-type chicks hatched (million)	Layers on farms (million)	Egg Prod. Cases (million)	U. S. Egg Price per doz. (average)	Sonoma County Cost Study egg price doz. (average)
1958	596	326	168.7	38.3	38.4
1959	541	306	175.8	31.1	30.7
1960	481	295	170.4	35.7	35.1
1961	529	290	170.2	35.2	33.0
1962	502	297	175.4	33.7	28.7
1963	515	296	175.6	34.4	30.7
1964	529	297	179.0	33.4	30.9
1965**	510	298	181.0	31.4	28.7

* Figures taken from Poultry Survey Committee Report
** 1965 figures estimated by Virgil Stratton

GENERAL INFORMATION

All records are kept on a "hen-day" basis. In other words, a daily inventory of all chickens is maintained throughout the year.

TERMS

1. Hens - All chickens 6 months of age and older.

2. % Culled
   % Died
   % Added
   Total Number of birds in each category divided by average number of hens.

3. Commercial Eggs - Small, cracks, pee wees, B grade and other eggs.

4. Change of Stock Inventory -- Increased or decreased flock evaluation.

5. Miscellaneous Costs -- Vaccines, Medication, Repairs, Taxes, Utilities.

6. Depreciation -- From Building and Equipment Investment Inventory.

7. Family Labor -- Estimated hours @ $1.50 per hour.

8. Interest on Investment -- Average value of stock, building and equipment, and land @ 5%.

9. Costs and Income per Dozen -- Costs or income divided by dozens of eggs sold.

10. Feed Consumption and Conversion -- Feed used divided by dozens of eggs produced or pounds per average hen.

11. Cost per CWT. of Feed -- Value of <u>All</u> feed purchased divided by the total weight.

12. Chick Cost -- Total cost of day old chicks divided by total number of chicks.

13. Management Income -- Amount remaining after all costs are deducted including depreciation.

14. Net Farm Income -- The sum of Management Income plus the Value of the Farmer's Labor plus Interest on Investment.

TABLE I: PROFIT equals INCOME (eggs, stock, misc.) less EXPENSE (feed, labor, other)

Ser. No.	Income per Hen					Cash & Depreciation Costs per Hen						Net Farm Inc.	Non-Cash Costs per Hen		Mgt. Income per Hen
	Egg Sales	Poultry Sales	Misc. Income	Chng. in Stock Inventory	Total Income	Feed	Stock Bght.	Misc. Costs	Depr.	Hired Labor	Total Expense		Fam. Labor	Int. on Invest.	
10L	6.90	---	---	-1.11	5.79	3.23	--	.35	.07	.11	3.76	2.03	.56	.10	1.37
16L	5.45	---	---	-1.19	4.26	2.38	--	.23	.11	.13	2.85	1.41	.23	.09	1.09
13L	6.30	.15	---	.65	7.10	3.94	.46	.30	.18	.35	5.23	1.87	.20	.16	1.51
6M	5.43	[illegible]	---	.11	5.68	3.39	.19	.23	.23	.10	4.14	1.54	.42	.14	.98
8M	6.26	.26	---	.02	6.54	4.00	.35	.24	.19	.48	5.26	1.28	.14	.17	.97
2L	5.77	.17	.01	.59	6.54	4.10	.45	.40	.18	.37	5.50	1.04	.09	.16	.79
1M	6.06	.05	.18	.27	6.56	3.81	.26	.29	.27	.04	4.67	1.89	1.01	.20	.68
3M	6.11	.19	---	.45	6.75	4.22	.32	.29	.29	.04	5.16	1.59	.75	.21	.63
4L	5.49	.11	---	.06	5.66	3.38	.92	.28	.20	.16	4.94	.73	.15	.14	.44
12L	5.95	.15	.04	-.22	5.92	3.66	.38	.29	.09	.33	4.75	1.17	.17	.11	.89
11L	5.90	.17	.04	.32	6.43	3.87	.58	.44	.26	.08	5.23	1.20	.32	.16	.72
7L	4.58	.23	---	.12	4.93	3.69	.22	.31	.20	.54	4.96	- .03	---	.15	- .18
18M	4.94	.15	.05	.13	5.27	3.67	.59	.30	.27	.09	4.92	.36	.68	.16	- .48
2	6.02	---	---	-1.16	4.86	2.72	---	.28	.09	.12	3.21	1.65	.36	.09	1.20
7	5.97	.15	.02	.39	6.53	3.85	.46	.30	.21	.27	5.09	1.44	.30	.17	.97
4**	5.39	.18	.03	.10	5.70	3.74	.42	.34	.20	.28	4.98	.72	.24	.15	.33
Avg.	5.79	.14	.02	.03	5.98	3.62	.37	.31	.19	.25	4.74	1.24	.29	.15	.80

** Complex Diseases

S = Below 5,000; M = 5,000 - 10,000; L = 10,000 and up

For the cooperators' identification, each flock is assigned a ranch number. Letters of the alphabet indicate flock size. Individual records are listed in each group in order of management income per hen, which appears in the last column. For the first time since we have been running theses studies, we have divided the poultrymen into three groups. Two groups according to disease problems, plus one group with "all in and all out" operations. The last group had the complex diseases, which included coryza; the first group had some disease, but coryza was not diagnosed. If we could take the effect that complex diseases had on results, and everything was equal, there would be .72 cents more made per hen in the group that did not have this trouble or half as much or .93 cents per hen less income than the "all in and all out" group. However, in the lower group, there were other factors that influenced this difference, but we believe that the disease problems made the big difference. Notice no poultry sales and decrease in stock inventory value in the "all in and all out" group.

TABLE II: DISEASES ARE IMPORTANT -- SEE RELATED FACTORS HERE

Ser. No.	Eggs Laid per Hen	Fall Eggs per Fall Hen	% Pullets	% Added July-Oct.	% Mortality	% Chicks Lost	Culled		% Feed Mash	Flock Size	Hours Labor per Hen	Diseases, Problems, etc.
							Per Cent	Months 1%				
10L	259	74	100	---	12	---	0	0	100	L	.5	Cann.,Synovitis,Mites,Worms
16L	221	48	100	---	18	---	0	0	99	L	.2	Cynovitis,Blue comb, Worms, Cann.
13L	241	78	86	53	13	1	55	5	96	L	.4	Cocci, C.R.D.
6M	208	68	47	49	15	10	50	10	100	M	.4	none reported
8M	235	74	99	20	13	2	89	6	54	M	.5	Leucosis, mites
2L	228	76	86	20	18	7	65	4	100	L	.3	CRD, Leucosis, Cann., mites
1M	231	78	73	20	13	11	50	8	51	M	.7	CRD, Cann., Heat, Leucosis
3M	235	83	97	25	20	4	81	8	68	M	.5	CRD, Air Sac Inf., Hemoragic Dis.
4L	214	70	93	--	12	1	57	8	100	L	.2	Cann., Leucosis, Mites
12L	230	72	93	30	13	29	92	10	57	L	.4	Coryza,Cocci, L.T.,Mites,Worms,Past.
11L	222	77	70	29	19	2	72	3	99	L	.3	Coryza,CRD,Cann.,Leu.,Mites, Worms
7L	204	64	69	20	17	2	74	4	58	L	.3	Coryza, Cann., Leucosis, Past., Mites
18M	197	65	83	21	21	8	71	12	51	M	.5	Coryza,Air Sac, Cann, Leu.,Mites,Past.
2	236	59	100	--	16	--	--	--	99		.3	Diseases reported by cooperators and
7	230	76	87	40	14	4	62	7	86		.4	history of disease diagnosed on
4**	215	70	76	25	17	10	77	29	70		.3	each ranch.
Avg.	226	71	78	32	16	7	56	6	82		.36	

** Complex diseases S = Below 5,000: M = 5,000 - 10,000; L = 10,000 and up

The mortality is still too high. Heat did not play a role in mortality as it has in other years. The eggs per hen were still low. This was due mainly to three factors: (1) Diseases, (2) a large number of old hens were kept, and (3) the fact that flock sizes are getting larger.

The type of housing is not as significant as disease problems and the management of the operation. Let me repeat this statement: "It is possible to have good management and production in any of the main types of housing. This is my conclusion after all these years running cost studies in Sonoma County."

TABLE III: EXPENSE PER HEN IS IMPORTANT TO PROFIT

Ser. No.	Per Cent of Average Number of Hens				Av. Price Cull Hens	Av. Cost per Chick	% Chicks Lost	Average Cost per CWT of Feed			Per Hen			% Mash	Per Dozen	
	Died	Culled	Added	Diff.				Mash	Grain	M & G	Feed Cost	Lbs. Mash Grn.	Grit, Shell Lime-Stone		Grit, Shell, Lime-Stone	Lbs. Feed
10L	12	--	—	—	--	—	--	3.35	—	3.35	3.23	96	2.0	100	0.1	4.5
16L	8	--	—	--	--	—	—	3.20	3.03	3.20	2.38	74	.1	99	--	4.2
13L	13	55	85	16	27.7	34.0	1	3.32	2.88	3.30	3.94	119	.4	96	—	5.9
6M	15	50	58	- 7	27.6	33.5	10	3.31	--	3.31	3.39	102	1.3	100	.1	6.0
8M	13	89	108	4	24.6	32.0	2	3.75	2.84	3.33	4.00	118	4.6	54	.2	5.9
2L	18	65	102	19	26.0	30.1	7	3.30	--	3.30	4.10	124	---	100	—	6.6
1M	13	50	81	18	10.0	32.5	11	3.86	2.31	3.10	3.81	122	4.3	51	.2	6.5
3M	20	81	101	—	23.6	23.5	4	3.50	2.86	3.29	4.22	127	3.0	68	.2	6.5
4L	12	57	71	2	19.7	36.5	1*	3.30	—	3.30	3.38	102	.3	100	--	5.6
12L	13	92	93	12	18.9	31.9	29	3.58	2.85	3.27	3.66	112	---	57	—	5.7
11L	19	72	127	35	23.6	38.5	2*	3.39	3.44	3.39	3.87	114	.7	99	—	6.1
7L	17	74	109	16	30.9	33.0	2	3.79	2.85	3.39	3.69	108	3.4	58	.2	6.6
18M	21	71	102	10	20.2	25.0	8*	3.78	2.85	3.33	3.67	109	2.0	51	.1	6.7
2	16	—	--	-16	--	—	--	3.27	3.03	3.27	2.72	83	.9	99	.1	4.3
7	14	62	87	10	23.8	32.0	4	3.39	2.64	3.28	3.85	117	1.4	86	.1	6.1
4**	17	77	110	14	24.1	32.3	10	3.56	2.85	3.35	3.74	111	1.5	70	.1	6.2
Avg.	16	56	80	7	23.9	32.1	7	3.42	2.76	3.30	3.62	109	1.4	82	.1	5.8

**Complex Diseases

* Cooperator's Number | % Started Pullets | Cost

4	58.6	1.48
11	16.4	1.46
18	20.6	1.40
Avg.	29.5	1.45

S = Below 5,000
M = 5,000 - 10,000
L = 10,000 and up

Birds removed from the flock or birds added to the flock during the year resulted in an increase of only 8%. There was quite a difference in pounds feed per dozen eggs. Many factors bring this about -- number of replacements raised, buying grit or shell separate from feed, calorie content of feed, mortality of young chicks, and feed wasted. Also, the ones who bought started pullets should have less feed used as all the feed is charged against the average hen or dozen eggs sold. The "all in and all out" cooperators did not raise chicks plus the fact that No. 16 force molted most of his birds the last two months which accounts for some of the low feed usage, plus housing and lower egg production.

TABLE IV: PRODUCTION, MORTALITY, REPLACEMENTS, FEED, AND LABOR USE DETERMINE PROFITS

Ser. No.	Eggs Sold per Hen	Eggs Laid per Hen	Per-cent Prod.	% of All Eggs Sold					% Eggs Sept.-Dec.	Average Price per Dozen			Cents per Dozen						Net Farm Inc.
				Large	Med.	Sm. & Com.	Whl-sale	Re-tail		Whl-sale	Re-tail	All Eggs	Feed Cost	Cash Cost	Net Cost	Mgt. Inc.	Fam-ily Labor	Int. on Inv.	
10L	257	259	70.9	85	10	5	97	3	28	32.1	38.6	32.2	15.0	22.8	25.9	6.4	2.6	.5	9.5
16L	212	221	60.3	82	16	2	99	1	20	30.8	33.4	30.8	13.5	22.8	24.6	6.1	1.3	.5	7.9
13L	241	241	65.8	72	22	6	96	4	38	31.0	40.5	31.4	19.6	22.0	23.8	7.6	1.0	.8	9.4
6M	205	208	56.7	80	18	2	94	6	32	30.9	46.8	31.8	19.8	22.7	26.0	5.8	2.5	.8	9.1
8M	240	235	64.3	68	26	6	95	5	33	31.2	34.5	31.2	19.9	24.9	26.4	4.8	.7	.8	6.3
2L	227	228	62.2	77	17	6	97	3	35	30.3	42.0	30.6	21.7	25.0	26.3	4.2	.5	.8	5.5
1M	227	231	63.2	80	13	7	86	14	37	30.0	45.6	32.0	20.1	22.0	28.4	3.6	5.3	1.1	10.0
3M	235	235	64.1	69	24	7	82	18	32	29.0	40.2	31.1	21.5	23.0	27.9	3.2	3.8	1.1	8.1
4L	221	214	58.3	74	17	9	98	2	31	29.7	37.4	29.9	18.3	25.9	27.4	2.4	.8	.7	3.9
12L	235	230	62.7	74	19	7	100	--	31	30.4	23.8	30.4	18.7	24.4	25.8	4.6	.9	.5	6.0
11L	223	222	60.6	83	12	5	83	17	33	31.0	35.5	31.7	20.7	25.1	27.7	3.9	1.7	.9	6.5
7L	204	204	55.6	58	29	13	99	1	34	28.1	29.9	28.1	22.7	28.3	29.3	-1.1	—	1.0	-.1
18M	196	197	53.4	68	17	5	92	8	33	31.2	37.0	30.4	22.6	28.2	33.4	-2.6	4.2	1.0	2.6
2	229	236	64.4	83	13	4	98	2	24	31.3	37.7	31.4	14.2	22.8	25.3	6.2	1.9	.5	8.6
7	230	230	62.7	74	20	6	94	6	35	30.5	41.2	31.1	20.0	23.6	26.0	5.1	1.6	.8	7.5
4**	214	215	58.7	72	19	9	93	7	33	29.8	35.5	30.2	21.0	26.3	28.4	1.9	1.3	.8	4.0
Avg.	226	226	61.7	75	18	7	95	5	32	30.4	40.4	30.9	19.3	24.2	26.6	4.3	1.6	.8	6.7

** Complex Diseases S = Below 5,000: M = 5,000 - 10,000; L = 10,000 and up

Eggs sold per Hen and eggs laid per hen are shown in the second and third columns of this table. The number of eggs sold per hen should be greater than the number laid per hen because eggs laid by the pullets before they are entered in the record at six months of age have been included in the amount of eggs sold per hen. If there is a loss, the breakage is too high or some eggs were sold and not recorded. The "all in and all out" group should have a loss, but the over-all loss is too high and much greater than it should be.

The way the eggs are graded plus prices received and the percent of large eggs produced had a big influence on the average price per dozen. Another influencing factor is the type of selling arrangement, whereby hardly any eggs are processed on the ranch except the retail eggs which were only 5% of the total.

TABLE V: HOW WE COMPARE WITH OTHER YEARS

	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
No. of Records	21	24	23	17	24	27	24	24	20	18	18	13	13	13	13	13
Avg. Hens per Flock	1619	1734	1716	1784	1920	2293	2759	2856	3140	2989	3986	4588	6739	8304	10,974	13056
Eggs Laid per Hen	197	210	209	228	218	228	231	232	236	243	243	232	227	226	219	226
HENS: % Mort.	22	16	14	11	15	13	11	12	11	11	12	15	18	17	17	16
% Culled	92	82	104	118	97	96	87	101	84	81	65	60	71	68	62	56
% Added	130	99	121	138	131	129	125	115	108	100	103	95	94	112	81	80
% Inc./Decr.	16	1	3	9	19	20	27	2	13	8	26	18	6	27	2	7
Av. Price M&G (Cwt)	3.93	3.67	4.04	4.42	4.14	3.79	3.60	3.58	3.50	3.47	3.44	3.21	3.26	3.24	3.33	3.30
Lbs. M, G per Hen	141	128	138	146	144	135	135	127	126	123	122	124	116	117	112	109
Percent Mash	64	62	55	57	53	56	49	55	59	61	70	71	81	71	75	82
Hrs. Labor Per Hen	1.8	1.4	1.5	1.2	1.2	1.2	1.0	1.0	1.1	.9	.8	.7	.5	.5	.4	.36
Av. Price Dozen Eggs	49.5	41.9	54.9	48.6	55.0	40.7	42.8	40.1	36.7	38.4	30.7	35.2	33.0	28.7	30.7	30.9
Net Cost Per Dozen	45.1	37.8	42.3	42.3	42.3	38.3	33.3	33.8	32.5	31.4	28.6	30.7	29.5	28.3	26.9	26.6
Mgt. Inc. Per Doz.	4.4	4.1	12.6	6.3	12.7	2.4	9.5	6.3	4.2	7.0	2.1	5.4	3.5	.3	3.8	4.3
INC. PER Egg Sales	8.19	7.36	9.74	9.47	10.37	8.05	8.59	8.11	7.58	8.01	6.49	6.95	6.33	5.58	5.78	5.79
HEN Poultry Sales	.67	.73	1.32	1.01	.95	.57	.56	.56	.40	.42	.26	.21	.19	.17	.17	.14
Misc. Income	.22	.22	.30	.05	.03	.04	.02	.02	.02	.01	--	--	—	.01	.02	.02
Inventory Change	.26	—	-.12	.28	.57	.43	.60	.07	.10	.07	.54	.26	.18	.30	.10	.03
TOTAL INCOME	9.34	8.31	11.24	10.81	11.92	9.09	9.77	8.76	8.10	8.51	7.29	7.42	6.70	6.06	6.07	5.98
CASH & DREPR. Feed	5.68	4.78	5.66	6.51	6.03	5.15	4.91	4.60	4.46	4.32	4.25	3.89	3.80	3.83	3.74	3.62
COSTS Stock Bought	--	.53	.74	.78	.66	.60	.53	.48	.45	.51	.81	.60	.57	.77	.41	.37
Miscellaneous	.68	.45	.53	.48	.57	.62	.47	.49	.46	.42	.32	.34	.38	.30	.26	.31
Depreciation	.23	.21	.30	.32	.26	.27	.25	.26	.27	.27	.30	.28	.23	.22	.19	.19
Hired Labor	.25	.26	.38	.15	.17	.24	.22	.24	.27	.30	.19	.24	.23	.21	.23	.25
TOT. CASH & DEPR. COSTS	6.84	6.23	7.61	8.24	7.69	6.88	6.38	6.07	5.91	5.82	5.87	5.35	5.21	5.33	4.83	4.74
FARM INCOME	2.50	2.08	3.63	2.57	4.23	2.21	3.38	2.69	2.19	2.69	1.42	2.07	1.49	.73	1.24	1.24
Family Labor	1.51	1.12	1.11	1.06	1.55	1.45	1.20	1.16	1.10	1.02	.96	.78	.60	.49	.37	.29
Int. on Investment	.26	.24	.29	.28	.28	.29	.28	.27	.23	.22	.19	.21	.21	.17	.16	.15
MANAGEMENT INCOME	.73	.72	2.23	1.23	2.40	.47	1.90	1.26	.86	1.45	.27	1.08	.68	.07	.71	.80

The above study averages for Sonoma County for the last sixteen years represents a small sample from a large poultry industry and should indicate trends. However, they should not be considered applicable to the entire poultry business in this county. The 1964 records show a decided increase in number of birds per ranch, and the trend toward increasing flock size is continuing. However, this record also indicates good income can be obtained by any flock size. Egg prices and farm income per hen are the second lowest since the beginning of this study, but the same as last year. The 1964 poultrymen received only 0.2 cents more per dozen than in 1963 or 30.9 cents per dozen. In addition, we had a lower cull price in 1964, 4.7 cents per hen less than 1963. Management income was greater than last year but the Farm Income is the same as 1963. The question is: Will the egg prices for 1965 be similar to 1962? The answer will be in the 1965 Poultry Egg Production and Management Study or other market information.