

1971 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 841,757 average laying hens
on 18 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 46,764 laying hens over 6 months of age.

The 16 cooperators operating the 18 ranches in the study supplied monthly reports of their results for the year of 1971 for the purpose of comparing and evaluating their results on the same record basis of 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 plastic curtain siding or lath. Except for two ranches which had multiple wire pens, laying hens were housed in standard 8, 12, 16, or 24 inch wide cages mostly at the rate of 4 inches frontage per bird. Electrical carts for feeding were used. A few ranches used mechanical feeders. None of the ranches had fully enclosed forced ventilation housing.

Replacements: Pullets were added to the laying flock at six months age. Number of times varied usually three to four times during the year. Using the average size flock as a base, there was a 20% mortality, 79% culled, and 81% added.

Average rate of production was 67%. Based upon this cull, mortality and replacement rate, the average time laying hens were kept was 18 months of lay for a total of 25.2 dozen eggs per pullet added to the laying flock.

Management as a cost of production:

Management charge is ordinarily considered as a cost return to the producer for decisions in managing and taking risks of maintaining a poultry flock. This cost would be aside from that part which could be considered as a profit or loss. In this year's study with below cost egg income, there was no return to the producer for his management efforts.

Total cost per dozen eggs produced in 1971 was the same as 1970. Costs per hen for feed and replacements were higher. A higher rate of production reduced feed required per dozen eggs. The cost of feed was 17¢ more per 100 pounds in 1971. Other costs were slightly less resulting in the same total costs per dozen eggs for both years and a higher cost of production per average hen.



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SUMMARY

A complete breakdown on costs for the average of the study for 1971, with comparisons for 1970 and 1969, is presented under the following sections:

1. Results Per Dozen Eggs Produced.
2. Results Per Average Layer (365 days).
3. Laying Flock, Feed, And Other Data.

Table A and Table B provide a 20 - Year Summary of the results from this study.

During 1971, feed was the major variable cost. During the first half of 1971, total costs were estimated as high as 31¢ per dozen eggs produced. With the new grain crop harvest, lower prices prevailed until the latter part of the year when grain prices tended to show an increased cost.

A comparison of the 11 cooperators (12 flocks) growing their own replacements was compared to the 5 cooperators (6 flocks) as to their relative efficiency of cost of production. No great differences were noted in the comparison. The poultrymen growing their own replacements had a net cash operating cost of (includes feed, replacements, miscellaneous cash costs, all labor less cull income) 24.1¢ per dozen compared to 24.2¢ for the 5 records from poultrymen using started pullets. The started pullet purchase operators had less depreciation and interest cost so that the total of all costs, excluding management, was 26.0¢ per dozen for started pullet purchasers compared to 26.4¢ for growing their own pullet replacement growers.

The small difference between "started pullet" and "grow their own pullet replacement" operators was very small compared to the wide differences in costs among all of the study participants.

The highest net cash cost was 28¢ per dozen compared to the lowest of 21.3¢, or a 6.7¢ per dozen range. This wide variation in costs was evident for feed, replacements, labor, and all other miscellaneous costs.

The average results of this study may be considered as an attainable goal for comparison of your own poultry operation.

COMPARE YOUR RESULTS WITH SAN DIEGO EGG COST STUDY COOPERATORS, 1969, 1970, and 1971

1. RESULTS PER DOZEN EGGS PRODUCED

	1969 Average All Cents	1970 Average All Cents	1971 Average All Cents	Compare Your Results
Feed Layers Only	14.4¢	15.7¢	15.4¢	
Feed Cost Replacements	2.7	3.0	3.2	
Replacement Chicks & Started Pullets	1.9	2.6	2.7	
Supplies, Taxes, Utilities, Misc.	1.7	1.7	1.4	
Hired Labor Costs	1.8	2.0	1.9	
Home Chore Labor	.2	.1	.1	
Stock Inventory Value + Charge - Credit	-.1	-.4	-.2	
Cull Sales - Credit	-.7	-.6	-.4	
Net Cash and Labor Cost	21.9¢	24.1¢	24.1¢	
Depreciation 10% Average Value of Buildings and Equipment	.7	.9	.8	
Interest 8% on Land Stock and Average Value of Buildings and Equipment	1.1	1.3	1.4	
Management Charge Per Dozen	1.8	1.8	1.8	
Net Cost of Production Per Doz. Eggs	25.5¢	28.1¢	28.1¢	

2. RESULTS PER AVERAGE LAYER (365 hen days)

Feed Layers Only	\$2.78	\$3.01	\$3.15	
Feed for Replacements	.52	.57	.65	
Replacement Chicks, Started Pullets	.36	.50	.54	
Supplies, Taxes, Utilities, Misc.	.32	.32	.29	
Hired Labor	.36	.39	.38	
Home Chore Labor	.03	.02	.03	
Stock Inventory Value + Charge - Credit	-.02	-.07	-.03	
Cull Sales - Credit	-.13	-.12	-.08	
Net Cash Cost Incl. Home Chore Labor	4.22	4.62	4.93	
Depreciation 10% Average Value of Buildings and Equipment	.14	.17	.16	
Interest 8% On Land, Stock and Average Value of Buildings and Equipment	.22	.26	.28	
Management Charge Per Hen	.34	.35	.37	
Total Cost Per Hen	\$4.92	\$5.40	\$5.74	

COMPARE YOUR RESULTS WITH SAN DIEGO EGG COST STUDY COOPERATORS, 1969, 1970, and 1971

3. LAYING FLOCK, FEED AND OTHER DATA	1969 Average All	1970 Average All	1971 Average All	Compare Your Results
Died (% layers during year)	23	22	20	_____
Culled (% layers during year)	36	50	59	_____
Total % to Replace During Year	59	72	79	_____
% Added of Av. Number Layers During Year	66	70	81	_____
Net Replacement Rate Total of Replaced and Added Divided by 2	63%	71%	80%	_____
Loss of Chicks to 6 months of Age	20	19	10	_____
Cull Income Each	\$.34	\$.25	\$.14	_____
Average Number Birds Per Flock	45,636	46,508	46,764	_____
Dozen Eggs Produced Per Hen	19.3	19.2	20.4	_____
All Eggs Produced Per 365 Hen Days Including Eggs Produced by Pullets Before Being Added to Flock At 6 months of Age	232	230	245	_____
Average Rate of Production (including eggs laid by hens under 6 mos. of age)	64%	63%	67%	_____
Eggs Sold Wholesale: A, AA, Lrg. & XLrg.	69	69	68	_____
Pounds of Feed For Layers Only	89	89	88	_____
Feed Ratio For Layers Only	4.6	4.6	4.3	_____
Feed Cost Per Dozen, Layers Only	14.4¢	15.7¢	15.4¢	_____
All Feed Used, Replacements & Layers	105	105	106	_____
Feed Ratio, Replacements & Layers	5.4	5.5	5.2	_____
Cost of Feed Per 100 Pounds	\$3.15	\$3.43	\$3.60	_____
Feed Cost, Layers Only Per Hen-Year	\$2.78	\$3.01	\$3.15	_____
Replacements As Started Pullets	21%	26%	26%	_____
Average Cost of Day-old Pullets	\$.30	\$.29	\$.29	_____
Average Price Received Per Dozen	31.7¢	29.7¢	21.3¢	_____

TABLE A - POULTRY EGG COST STUDY, SAN DIEGO COUNTY - 20 - YEAR SUMMARY 1952 - 1971 INCLUSIVE
 Agricultural Extension Service, University of California - San Diego County

Year	Eggs per Hen	% Lrg	% Died	% Culls	% Added	% Increase	Cull Income Each	Lbs. Feed per Layer Only	Feed Ratio Layers Only*	Feed Cost		Hired Labor Cost per Doz.	Pullet Chick Cost Each
										per cwt.	per Doz. **		
1971	245	68	20	59	81	+2	\$.14	88	4.3	\$3.60	18.6¢	15.4¢	\$.29
1970	230	69	22	50	70	-2	.25	89	4.6	3.43	18.7	15.7	.29
1969	232	69	23	36	66	7	.34	89	4.6	3.15	17.1	14.4	.30
1968	246	70	20	58	85	7	.20	91	4.5	3.07	16.8	13.2	.30
1967	243	69	18	65	86	3	.20	87	4.3	3.24	17.7	13.5	.31
1966	247	70	15	66	96	15	.31	90	4.4	3.17	17.6	13.4	.31
1965	246	70	16	68	95	11	.18	89	4.4	3.12	17.1	13.1	.31
1964	242	72	15	76	98	7	.21	89	4.4	3.10	17.6	13.5	.32
1963	243	69	14	63	94	17	.25	88	4.3	3.12	17.2	13.1	.33
1962	245	72	13	68	106	15	.23	90	4.4	3.08	17.4	13.1	.35
1961	246	71	13	75	105	17	.29	91	4.4	3.02	16.9	12.9	.36
1960	241	70	13	71	96	12	.27	89	4.5	2.90	16.6	12.5	.39
1959	243	68	14	82	107	11	.30	90	4.5	3.23	18.5	14.1	.43
1958	239	68	14	79	105	12	.46	91	4.6	3.31	19.3	14.8	.40
1957	235	70	14	68	100	18	.40	91	4.6	3.45	20.2	16.0	.40
1956	236	69	14	88	102	14	.52	93	4.8	3.63	21.8	16.9	.40
1955	234	66	17	70	103	16	.56	92	4.8	3.84	24.4	18.0	.40
1954	235	61	14	86	114	14	.52	94	4.9	3.95	25.2	18.9	N.A.
1953	228	60	15	76	107	16	.75	95	5.1	4.06	26.5	20.2	N.A.
1952	231	61	14	82	118	22	.61	96	5.1	4.53	29.7	22.2	N.A.

* Pounds Feed To One Dozen Eggs.

** Includes Feed Used For Replacement and Layers.

N.A. Not Available.

TABLE B - POULTRY EGG COST STUDY, SAN DIEGO COUNTY - 20 - YEAR SUMMARY 1952 - 1971 INCLUSIVE
 Agricultural Extension Service, University of California - San Diego County

Year	Av. Flock Size (1000)	Egg Income Per Doz.	Per Doz. Net* Cost Eggs	+Profit -Loss Per Doz.	Egg Income Per Hen	Net Cost Eggs Per Hen	+Profit -Loss Per Hen	Costs		Int. on Invest-ment	Per Deprec. Allow.	Average Misc. Cash Costs	Hen All Feed Cost
								Labor Per Hen	Hired Home				
1971	47	21.3¢	28.1¢	- 6.8¢	\$4.35	\$5.74	-\$1.39	\$.38	\$.03	\$1.28	\$.16	\$.29	\$3.80
1970	47	29.7	28.1	+ 1.6	5.70	5.40	+ .30	.39	.02	.26	.17	.32	3.58
1969	46	31.7	25.5	+ 6.2	6.13	4.92	+1.21	.36	.03	.22	.14	.32	3.30
1968	43	24.7	24.8	- 0.1	5.07	5.09	- .02	.36	.01	.21	.14	.23	3.45
1967	44	24.5	26.2	- 1.7	5.00	5.29	- .30	.39	.02	.19	.16	.31	3.57
1966	42	33.2	25.4	+ 7.8	6.84	5.22	+1.62	.40	.02	.20	.15	.30	3.62
1965	29	26.9	25.6	+ 1.3	5.52	5.26	+ .26	.34	.06	.20	.20	.33	3.52
1964	25	27.9	26.2	+ 1.7	5.62	5.26	+ .36	.37	.08	.21	.19	.30	3.55
1963	21	28.4	26.4	+ 2.0	5.73	5.33	+ .40	.36	.07	.23	.23	.34	3.47
1962	16	28.9	27.8	+ 1.1	5.90	5.66	+ .24	.35	.23	.23	.23	.44	3.55
1961	13	31.5	27.5	+ 4.0	6.45	5.65	+ .80	.45	.21	.21	.25	.38	3.47
1960	9	33.3	28.7	+ 4.6	6.61	5.72	+ .89	.42	.31	.27	.30	.43	3.30
1959	7	29.8	30.9	- 1.1	5.97	6.20	- .23	.38	.44	.26	.29	.42	3.72
1958	6	37.0	31.1	+ 5.9	7.32	6.15	+1.17	.48	.38	.25	.29	.52	3.80
1957	6	36.3	30.8	+ 5.5	7.00	5.95	+1.05	.47	.60	.26	.34	.45	3.91
1956	5	38.4	32.1	+ 6.3	7.45	6.23	+1.22	.49	.64	.26	.35	.43	4.22
1955	4	41.3	32.1	+ 9.3	8.00	6.15	+1.85	.43	.59	.20	.33	.41	4.52
1954	4	36.8	34.1	+ 2.7	7.12	6.59	+ .53	.40	.54	.20	.34	.40	4.86
1953	4	51.5	36.3	+15.2	9.64	6.80	+2.84	.46	.85	.21	.37	.41	4.96
1952	3	46.0	40.8	+ 5.2	8.74	7.75	+ .99	.47	1.04	.24	.38	.35	5.71

*Total net cost of eggs per dozen and per hen includes all costs: feed, replacement stock, all labor, misc. cash cost of supplies, taxes, and utilities, interest at prevailing rates, depreciation at 10% of average bldgs. & equip't. Cull income is subtracted from costs to give net cost of egg production. There were no management charges included up to 1960. Management charges of about two cents per dozen are included after 1960.