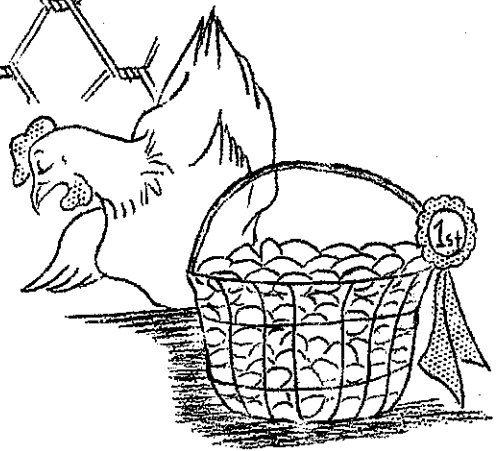


# 1955 EGG STUDY



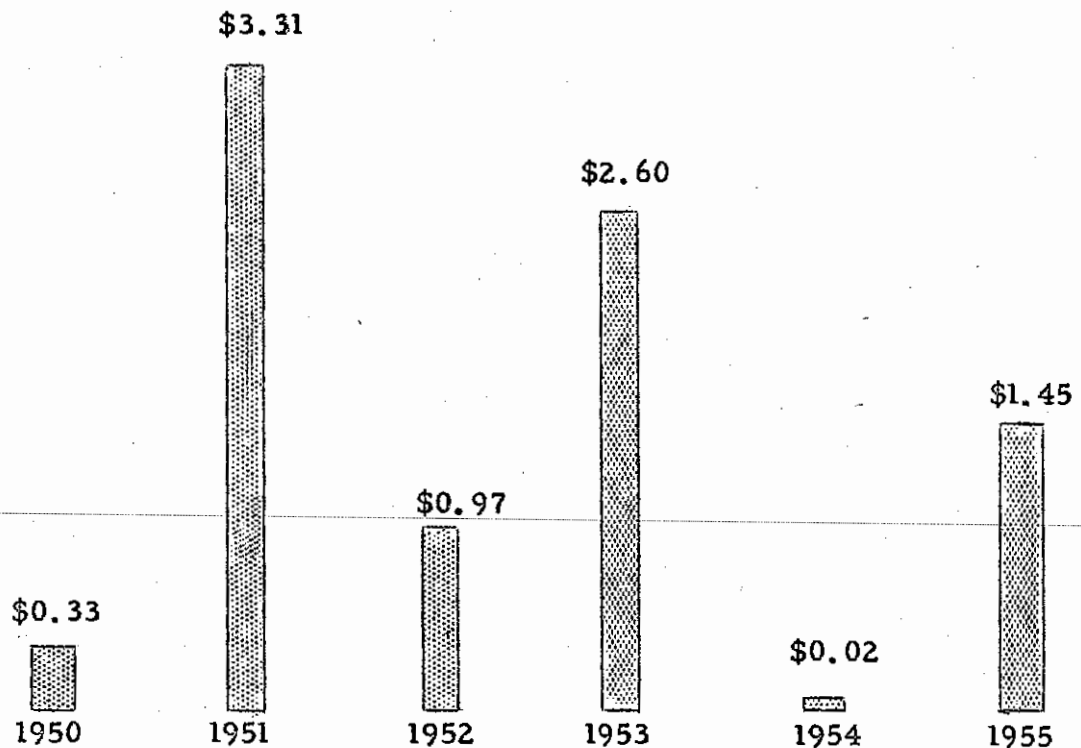
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University of California  
Agricultural Extension Service  
Los Angeles County

1955 Egg

Los Angeles

# THE "UPS" AND "DOWNS" OF OUR INDUSTRY MANAGEMENT INCOME PER HEN



Los Angeles County Averages  
(Weighted)

CO-OPERATIVE EXTENSION WORK  
IN  
AGRICULTURE AND HOME ECONOMICS  
State of California

University of California  
United States Department  
of Agriculture and County  
of Los Angeles, cooperating

University of California  
Agricultural Extension Service

808 North Spring Street  
Los Angeles 12, California  
Telephone Mutual 3383

May 1, 1956

Dear Reader,

Management is the one item of a business which governs the amount of profit or loss. This fact was shown again last year in the analysis of ten Los Angeles County egg producers' records.

Consider the total income per hen for the top and bottom records of the study. Producer A (top man) made \$9.96, while B (low man) received \$9.52, a difference of only 44¢. However, A had a total cost of \$6.32 while B had \$8.53. Here the difference was \$2.21.

A and B are real individuals, but more real is the difference between the two. B paid 89¢ more per hundred-weight and each of his birds consumed 18 pounds more feed last year than A's did. The net result was \$2.04 more per hen for feed. Historically, feed costs average two-thirds of the total cost of egg production. Compare your feed costs, production and egg prices with those on the following pages.

For a more detailed analysis, consult the Farm Advisors Office.

Sincerely,

*E. E. Shephard*

E. E. Shephard  
Farm Advisor

# 1955 EGG MANAGEMENT STUDY

Los Angeles County

Compiled by E. E. Shephard, Farm Advisor  
B. B. Burlingame, Farm Management Specialist

## DEFINITION OF TERMS USED

Costs and Income - are based on totals for the year divided by the average number of birds over five months of age.

Interest - is based on average investment at 5%.

Management Income - is all income minus all costs.

Weighted Average - is a bird average. The ranch size compensates for the influence the number of birds has on the total income.

Example:

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$$\frac{\$9,000 \text{ (total income from all growers)}}{12,000 \text{ (total number of birds in study)}} = \$ .75 \text{ income/bird}$$

High Record - is the record with the most management income per hen.

Low Record - is the record with the least management income per hen.

# WHAT DOES IT COST TO RAISE A PULLET?

	<u>High Record</u>	<u>Low Record</u>	<u>Average all Records</u>
Number of pullets raised (to five months of age)	5768	1059	2548
% died	5	6	11
% culled	4	1	4
Pounds feed per pullet	35	23	26
% mash	100	100	94
Cost per cwt. of feed	\$ 3.62	\$ 4.83	\$ 3.97
Hours labor per pullet	0.1	0.3	0.2
Price per chick	44.0¢	35.3¢	36.9¢
Cost per pullet			
1. feed	\$ 1.28	\$ 1.10	\$ 1.05
2. chick	0.48	0.65	0.49
3. labor	0.06	0.27	0.25
4. fuel	0.01	0.01	0.02
5. miscellaneous	0.03	0.00	0.04
Total	<u>\$ 1.86</u>	<u>\$ 2.03</u>	<u>\$ 1.85</u>
Income per pullet	0.03	0.01	0.04
Inventory credit	<u>- 0.02</u>	<u>1.21</u>	<u>0.10</u>
Net cost/pullet	\$ 1.85	\$ 0.81	\$ 1.71

# WHAT DOES IT COST TO PRODUCE A DOZEN EGGS?

	<u>High Record</u>	<u>Low Record</u>	<u>Average all Records</u>
Number of eggs per hen	251	224	244
Percent of eggs sold			
a) wholesale	96	93	91
b) retail	4	7	9
Percent of wholesale eggs			
a) large	63	69	65
b) medium	26	19	27
c) small	11	12	8
Average wholesale price			
a) large	44.5¢	42.8¢	44.0¢
b) medium	38.7	38.9	37.7
c) small & pee-wee	28.3	26.8	27.1
Average price all eggs	41.7	42.0	42.4
Cost to produce	<u>27.7</u>	<u>54.3</u>	<u>35.2</u>
Management income	14.0¢	- 12.3¢	7.2¢

# CONTINUATION OF ANALYSIS (SAME RECORDS)

	<u>High Record</u>	<u>Low Record</u>	<u>Average all Records</u>
Average number of hens	4667	1016	2216
Percent of laying flock			
a) died	4	11	11
b) culled	118	167	98
c) added	127	104	115
Price per culled hen	\$ 0.78	\$ 1.01	\$ 0.72
Price per chick bought	44.0¢	35.3¢	36.9¢
Percent sexed pullets	100	100	94
Percent chicks died	6	6	13
Pounds of feed per hen			
a) est. for hens	105	130	106
b) est. for pullets	32	25	29
Total	<u>137</u>	<u>155</u>	<u>135</u>
Percent mash	100	100	95
Price per cwt. feed			
a) mash	\$ 3.51	\$ 4.40	\$ 3.75
b) grain	*	*	\$ 3.09
Average	<u>\$ 3.51</u>	<u>\$ 4.40</u>	<u>\$ 3.72</u>

\* No grain fed

# INCOME AND EXPENSE PER HEN

## (SAME RECORDS)

	<u>High Record</u>	<u>Low Record</u>	<u>Average all Records</u>
Income per hen			
a) egg sales	\$ 8.74	\$ 7.87	\$ 8.52
b) poultry sales	0.95	1.70	0.74
c) manure and sack sales	0.20	0.00	0.08
Total income per hen*	\$ 9.96	\$ 9.52	\$ 9.55
 Cash and non-cash costs per hen			
a) total feed costs	\$ 4.79	\$ 6.83	\$ 5.04
b) chicks bought	0.59	0.68	0.56
c) miscellaneous costs	0.42	0.44	0.52
d) depreciation	0.19	0.58	0.27
e) hired labor	0.33	0.00	0.30
f) family labor	0.47	2.79	1.12
g) interest on investment	0.23	0.52	0.29
Total costs	\$ 7.02	\$11.84	\$ 8.10
 Income minus costs (mgt. income) =	\$ 2.94	- \$ 2.32	\$ 1.45

\*Total income per hen is not a sum of the three individual items, the difference being the change in inventory which is not shown in the table.