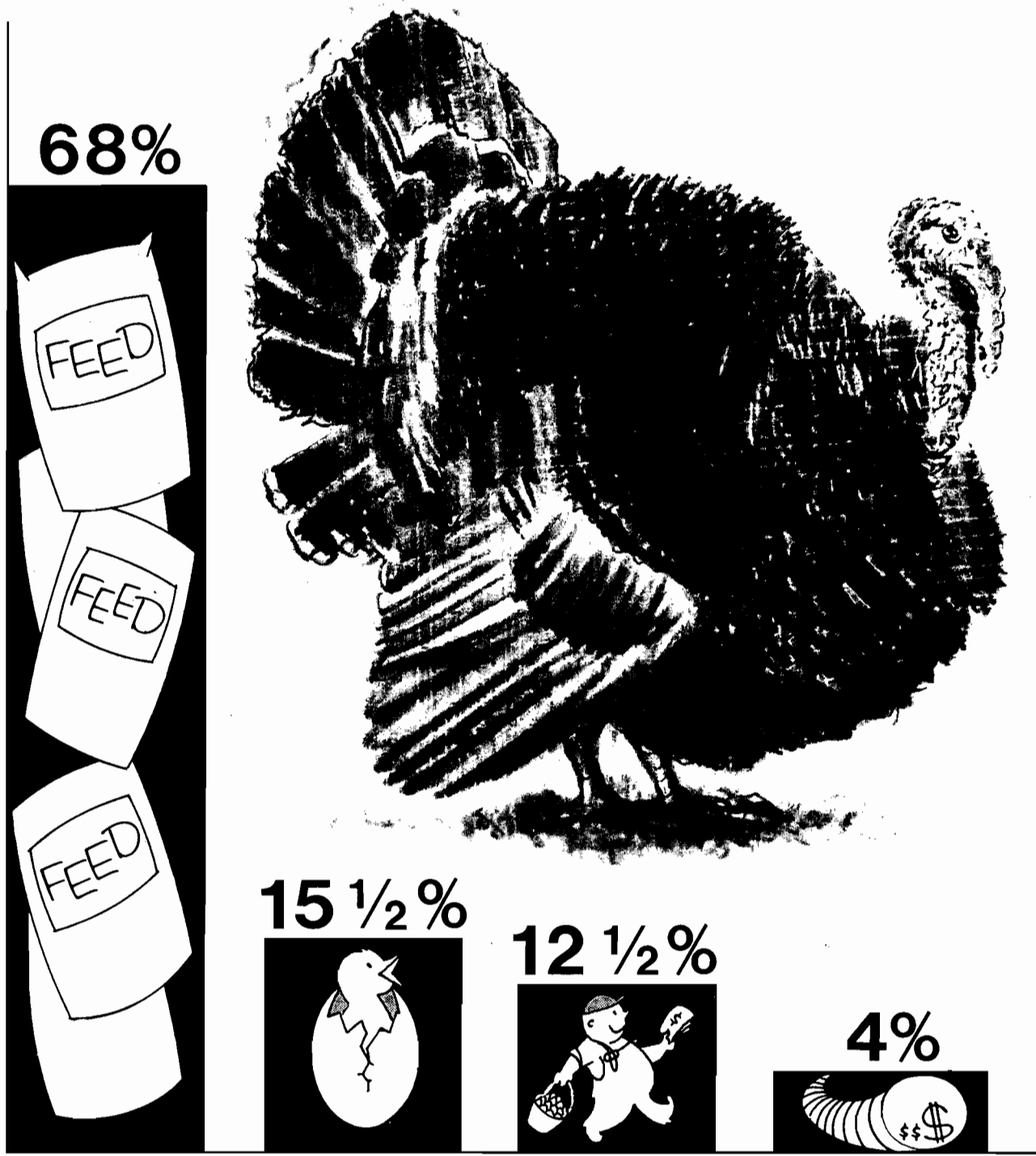


1972

TURKEY MEAT PRODUCTION COSTS



FEED

POULTS

LABOR

OTHER

Agricultural Extension Service

University of California

An Area Publication

UC Cooperative Extension

TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Percent of Total Cost	2
Comments on the Four Cost Items	2-3
Average Cost Data - 1970-71-72	4
Comparison of Costs 1964-68 and 1972	5
Comparison of Other Data	6
Supplemental Guide	7
Cash Flo Guide - Meat Flocks	8
Cash Flo Guide - Breeder Flocks	9-10
California Turkey Production by counties	11

The author is:

J. Price Schroeder
Area Farm Advisor - Turkey
San Joaquin Valley Agriculture Research & Extension Center
Parlier, California 93648

July 1972

Co-operative Extension work in Agriculture and Home Economics, College of Agriculture
University of California, and United States Department of Agriculture co-operating.

Distributed in furtherance of the Acts of Congress of May 8 and June 30, 1914.

George B. Alcorn, Director, California Agricultural Extension Service

CALIFORNIA TURKEY MEAT PRODUCTION COSTS

1972

This publication is the continuation of a program to indicate the cost of producing turkeys in California and published as a guide and service to its growers. All costs are based on birds sold and live weight paid for.

Mortality includes death from day old to slaughter, dead on arrival and condemnation at the processing plants.

The 1972 costs shown here are for the contractor. Contractors numbers submitted in this cost study vary from 100,000 to 2,000,000 birds grown annually.

The contractee furnishes - land, labor, buildings and in most cases equipment and is then paid a grower payments for this and his management responsibilities. He may also furnish some gasoline, electricity and other small costs that are used in the care and feeding of his turkeys.

THE SUPPLEMENTAL GUIDE data is included elsewhere in this publication as a guide for loaning agencies to show some pattern of needed cash as the meat birds advance in age.

This cash flow cost is also shown for turkey breeder flocks.

Both systems must be used as a guide, keeping in mind they are hypothetical cases based on estimated costs that occur regularly in a grower and breeder season. It is meant in no way to suggest charges that should be made for testing, vaccination, artificial insemination, etc.

Percent of Total Cash Cost to Produce Turkeys in California

	<u>1964</u>	<u>1965</u>	<u>1966-67</u>	<u>1968</u>	<u>1971-72</u>
Feed	71%	69%	71%	68%	68%
Poults	16	15	15	15	15 1/2
Labor	6 1/2	8 1/2	9	13	12 1/2
Other	6 1/2	7 1/2	5	4	4

FEED - 68%

Much of the feed used in California is pelleted. Milo, corn, wheat and some barley is used, interchangeably in the ration depending upon the current costs and availability. Fat is also added to most growing rations.

The indicated price of feed per 100 lbs. has from \$8.00 to \$12.00 per ton, mark up over and above ingredient cost to cover mixing, grinding, pelleting, delivery and profit mark up. All contractors have at their disposal the same source of ingredients and cost variations will depend upon quality, service rendered, ability to buy or use and store at lower prices fat added etc., etc. The 1972 range was from \$4.16 per 100 to \$4.81 per 100 lbs.

POULTS - 15 1/2%

The poult cost may be the cost of turkey hatching eggs, plus hatching costs or direct purchasing of day old poults. The poult cost range was from 54¢ per poult to 69¢ per poult, after mortality. It is for large white breeds.

LABOR - 12 1/2%

Grower payment is the term commonly used by contractors in expressing their labor cost. This is usually a base payment plus incentives for low mortality, low feed conversion, percent of profit, etc. No one contractor used the same method for determining grower payment and these are usually confidential. On a total contract basis, it had an average range from 44¢ per bird to 55¢ per bird for the season.

This is not all profit for his labor. If there is a contractee involved, he will have some cash cost that he must absorb and deduct from this grower payment. This could be telephone, electricity, gasoline, repairs, taxes, etc., etc.

ALL OTHER CASH COSTS

These costs will include brooding costs, medication and sanitation expense, taxes, insurance, interest, etc. It will vary from 15¢ to 20¢ per bird or 3/4 to 1¢ per pound live weight.

A non-cash cost not shown anywhere in this publication is interest on investments and depreciation of equipment. If you are to be realistic and include this cost, it will average about 1¢ per pound or 20¢ per bird, which will fit into a suggested 10-year depreciation schedule.

Growers feel sure that with today's costs, for \$2.00 per bird, on the average, excluding land, they can set-up a turkey ranch with brooding and growing facilities. These will fluctuate above and below this depending upon how automatic they equip the ranch or the extent of confinement growing required.

CALIFORNIA TURKEY MEAT PRODUCTION COSTS

	<u>Per Bird</u>	<u>Per Lb. Live Weight</u>
Feed	\$2.79	14.14¢
Poult	.64	3.25¢
Grower Payment (Labor)	.52	2.64¢
All Other Cash Costs	<u>.17</u>	<u>.85¢</u>
TOTAL	\$4.12	20.88¢

Turkeys Started	9,059,394
Turkey Sold	7,967,910
Mortality	8.8%
Pounds Live Weight Sold	157,190,850 lbs.
Average Weight Per Bird	19.73 lbs.
Feed Consumed	478,856,437 lbs.
Feed Per Bird Sold	60.1 lbs.
Feed Cost Per 100 lbs.	\$4.64
Feed Conversion	3.05

All the data above is based on birds sold and meat paid for.

Poult mortality, dead on arrival and condemnation are all part of the total mortality. Feed used and costs encountered in this mortality is included in total costs, feed conversion, etc.

COMPARISON OF TURKEY MEAT PRODUCT COSTS

Per Pound of Live Weight Sold

	<u>1964</u>	<u>1965</u>	<u>1967</u>	<u>1968</u>	<u>1972</u>
Feed	14.81¢	14.25¢	14.62¢	13.68¢	14.14¢
Poult	3.34	3.17	3.17	2.83	3.25
Labor	1.30	1.76	1.88	2.39	2.64
Other	<u>1.35</u>	<u>1.51</u>	<u>.95</u>	<u>.80</u>	<u>.85</u>
TOTAL	20.80¢	20.69¢	20.62¢	19.70¢	20.88¢

Grower payment is labor cost. There is considerable flexibility in this cost, depending upon the contract and the growers ability to practice good management and take advantage of bonus payments.

Per Bird Sold

	<u>1964</u>	<u>1965</u>	<u>1967</u>	<u>1968</u>	<u>1972</u>
Feed	\$2.90	\$2.83	\$2.86	\$2.70	\$2.79
Poult	.65	.63	.62	.56	.64
Labor	.27	.35	.37	.47	.52
Other	<u>.26</u>	<u>.30</u>	<u>.17</u>	<u>.16</u>	<u>.17</u>
TOTAL	\$4.08	\$4.11	\$4.02	\$3.89	\$4.12

COMPARISON OF OTHER FACTORS

Feed Conversion

<u>1964</u>	<u>1965</u>	<u>1967</u>	<u>1968</u>	<u>1972</u>
3.85	3.80	3.59	3.36	3.05

Pounds of Feed Per Bird

75.5	75.7	70.2	66.3	60.1
------	------	------	------	------

Average Live Weight Per Bird

19.6	19.9	19.5	19.7	19.73
------	------	------	------	-------

Feed Cost Per 100 Pounds

\$3.79	\$3.75	\$4.07	\$4.07	\$4.12
--------	--------	--------	--------	--------

Mortality

11.23%	9.09%	8.56%	10.72%	8.8%
--------	-------	-------	--------	------

S U P P L E M E N T A L G U I D E

The following information is a cash flow guide for those desiring to know the cash cost weekly and accumulative in estimating the amount of money he must borrow to totally finance his turkey operation.

This is shown for turkey meat and breeder hens.

As stated elsewhere in this publication, there are other costs in connection with growing and breeding turkeys. These would include interest on loan, interest on investment, depreciation of building and equipment, taxes, management, labor, family help and farmstead maintenance.

Hatching egg income from breeder hens begins after production gets under way. Using this schedule, estimate this income at the 38th week.

Turkey meat income is estimated at about the 20th week for hens and about the 24th week for toms.

This Supplement Information
Prepared December 1970

A G U I D E T O T U R K E Y M E A T P R O D U C T I O N C O S T S

Cash Costs Per 1,000 Birds, Costs Per Week and Accumulated Total

by Price Schroeder, Area Farm Advisor (Turkeys); and Ed Yeary, Farm Advisor - Statewide (Farm Management)
San Joaquin Valley Agricultural Research and Extension Center

Week	Poults \$600 Litter \$ 20 Butane \$ 50	Feed Used			Acc. Feed Sub Total	Hired Labor	Elec.	Equip. Exp. - Gas & Oil	Suppl. and Rep.	Medic. Sanit. Vacc.	Weekly Total	Acc. Total All Costs	Ave.
		% Pro- tein	Price Per 100 Lbs.	Weekly Feed									Wt. - Toms & Hens, Lbs.
1	\$670.00	28	\$5.15	\$ 9.78	\$ 9.78	\$9.09	\$.45	\$1.36	\$1.36	\$2.27	\$694.31	\$ 694.31	.27
2				19.06	28.84	9.09	.45	1.36	1.36	2.27	33.59	727.90	.54
3				30.38	59.22	9.09	.45	1.36	1.36	2.27	44.91	772.81	.90
4				38.62	97.84	9.09	.45	1.36	1.36	2.27	53.15	825.96	1.30
5		26	4.95	59.40	157.24	9.09	.45	1.36	1.36	2.27	73.93	899.89	1.80
6				64.35	221.59	9.09	.45	1.36	1.36	2.27	78.88	978.77	2.30
7				89.10	310.69	9.09	.45	1.36	1.36	2.27	103.63	1082.40	3.00
8				99.00	409.69	9.09	.45	1.36	1.36	2.27	113.53	1195.93	3.80
9		24	4.75	142.50	552.19	9.09	.45	1.36	1.36	2.27	157.03	1352.96	4.60
10				161.50	713.69	9.09	.45	1.36	1.36	2.27	176.03	1528.99	5.60
11		22	4.65	176.70	890.39	9.09	.45	1.36	1.36	2.27	191.23	1720.22	6.60
12				181.35	1071.74	9.09	.45	1.36	1.36	2.27	195.88	1916.10	7.60
13				190.65	1262.39	9.09	.45	1.36	1.36	2.27	205.18	2121.28	8.80
14				199.95	1462.34	9.09	.45	1.36	1.36	2.27	214.48	2335.76	10.00
15		20	4.50	189.00	1651.34	9.09	.45	1.36	1.36	2.27	203.53	2539.29	11.30
16				198.00	1849.34	9.09	.45	1.36	1.36	2.27	212.53	2751.82	12.60
17				193.50	2042.84	9.09	.45	1.36	1.36	2.27	208.03	2959.85	13.80
18				193.50	2236.34	9.09	.45	1.36	1.36	2.27	208.03	3167.88	15.00
19		18	4.40	189.20	2425.54	9.09	.45	1.36	1.36	2.27	203.73	3371.61	16.10
20				198.00	2623.54	9.09	.45	1.36	1.36	2.27	212.53	3584.14	17.30
21		16	4.30	193.50	2817.04	9.09	.45	1.36	1.36	2.27	208.03	3792.17	18.40
22				202.10	3019.14	9.09	.45	1.36	1.36	2.27	216.63	4008.80	19.40

1. Feed consumed and weekly weight gains taken from Dr. M. L. Scott's table.
2. Feed fed beyond nine weeks is high energy - high fat level - 5 percent average.
3. Crumbles or pelleted fed - September, 1970, prices.

A GUIDE TO TURKEY BREEDER HEN COST FOR 1,000 HENS AND 100 TOMS

by Price Schroeder, Area Farm Advisor (Turkeys); and Ed Yeary, Farm Advisor - Statewide (Farm Management)
San Joaquin Valley Agricultural Research and Extension Center

Age in Weeks	Cost of Breeder ^{1/}	Vacc. & Testing	FEED			LABOR ^{2/}	
			Holding Feed \$3.75/100 lbs 4,000 lbs/wk	Breeder Feed \$4.25/100 lbs 5,000 lbs/wk	Acc. Feed Costs	Feed & Care for birds: 2,000 hens/man Econ. Unit	Acc. Labor Cost
0-20	\$4200.00						
21-28		\$350.00	\$1200.00		\$1200.00	\$800.00	\$800.00
29-31				\$637.50	1837.50	150.00	950.00
32				212.50	2050.00	75.00	1025.00
33				212.50	2262.50	75.00	1100.00
35				425.00	2687.50	150.00	1250.00
37				425.00	3112.50	150.00	1400.00
39				425.00	3537.50	150.00	1550.00
41				425.00	3962.50	150.00	1700.00
43				425.00	4387.50	150.00	1850.00
45				425.00	4812.50	150.00	2000.00
47				425.00	5237.50	150.00	2150.00
49				425.00	5662.50	150.00	2300.00
51				425.00	6087.50	150.00	2450.00
53				425.00	6512.50	150.00	2600.00
55				425.00	6937.50	150.00	2750.00
57				425.00	7362.50	150.00	2900.00
59				425.00	7787.50	150.00	3050.00
61				425.00	8212.50	150.00	3200.00
63				425.00	8637.50	150.00	3350.00

1. The cost of breeders--1,000 hens and 100 toms--includes a \$1.00 per poult premium for hens and \$1.40 premium for toms (\$1.60 and \$2.00 total poult cost).
2. Labor cost based on the ability of one man to take care of at least 2,000 hens and do everything (egg gathering, fumigation, feeding) except artificial insemination.
3. At the conclusion of the season, salvage value of birds for meat is estimated at -- Hens - 18,000 lbs @15¢ per lb = \$2700.00; Toms - 4,000 lbs @10¢ per lb = \$400.00. The difference between the salvage value and beginning cost of \$4200.00 is commonly called the stock depreciation.
4. These costs should be used as a guide only; every ranch may be different depending upon time of year, location, health of birds, family labor available, etc.

A. I. 8 1/2¢/hen	A. I. Acc. Total 5/	Other Cash Costs 6/	Acc. Total Other Cash Costs	Production Bi-weekly % Proj. 7/	Fertility Bi-weekly Est. %	Acc. Total Cash Costs	Age in Weeks
						\$ 4200.00	0-20
		\$350.00	\$ 350.00			6900.00	21-28
\$ 85.00	\$ 85.00	180.00	530.00			7952.50	29-31
170.00	255.00	10.00	540.00	10	75	8420.00	32
85.00	340.00	10.00	550.00	50	80	8802.50	33
85.00	425.00	160.00	710.00	65	85	9622.50	35
85.00	510.00	20.00	730.00	65	85	10302.50	37
85.00	595.00	160.00	890.00	65	85	11122.50	39
85.00	680.00	20.00	910.00	60	85	11802.50	41
85.00	765.00	160.00	1070.00	60	80	12622.50	43
170.00	935.00	20.00	1090.00	60	80	13387.50	45
85.00	1020.00	160.00	1250.00	55	80	14207.50	47
170.00	1190.00	20.00	1270.00	55	80	14972.50	49
85.00	1275.00	160.00	1430.00	55	75	15792.50	51
170.00	1445.00	20.00	1450.00	50	75	16557.50	53
170.00	1615.00	160.00	1610.00	50	75	17462.50	55
170.00	1785.00	20.00	1630.00	50	75	18227.50	57
170.00	1955.00	160.00	1790.00	45	70	19132.50	59
170.00	2125.00	20.00	1810.00	45	70	19897.50	61
170.00	2295.00	160.00	1970.00	45	70	20802.50	63

- Hens are artificially inseminated at frequent intervals when first production starts, then bi-weekly, every ten days to 44 weeks, and weekly after 54 weeks.
- Other cash costs are for medication, sanitation, veterinary supplies, gas and oil, electricity, water and miscellaneous supplies.
- Fertility and production is based on an average. Many hen lines will do better than the percent shown.

CALIFORNIA TURKEY MEAT PRODUCTION*

	1964	1965	1966	1967	1968	1969	1970	1971	1972
No. California	Glenn	40,000	30,400	41,736	51,200	33,000	27,000	30,000	30,000
	Napa	150,000	100,000	157,650	89,000	134,150	60,000	75,000	60,000
	San Benito	196,000	198,000	198,000	210,000	200,000	214,000	196,000	164,000
	San Luis Obispo	290,000	261,000	450,000	425,000	488,000	329,000	377,000	346,000
	Santa Cruz	62,000	50,000	69,100	74,700	76,800	70,500	86,900	85,000
	Sonoma	634,000	634,000	556,000	478,000	173,000	166,000	359,000	244,000
	Subtotal	1,372,000	1,273,400	1,472,486	1,327,900	1,104,950	866,500	1,123,900	929,000
Central California	Calaveras	78,000	60,000	68,800	50,000	45,000	55,000	60,000	70,000
	El Dorado	92,900	42,000	92,400	77,700	53,400	68,900	66,250	199,700
	Fresno	2,336,400	2,400,000	2,772,000	3,449,000	3,038,000	2,909,000	3,150,000	3,402,000
	Kern	470,000	766,000	600,000	611,000	544,000	467,000	572,000	670,000
	Kings	425,000	300,000	364,000	863,000	499,000	507,000	450,000	472,000
	Madera	1,272,000	1,411,100	1,246,000	1,396,000	1,030,000	1,222,500	1,314,000	1,462,000
	Mariposa	210,000	200,000	104,500	125,000	200,000	175,000	150,000	180,000
	Merced	1,397,000	1,187,000	2,046,000	1,958,000	1,462,000	1,311,000	2,501,000	1,972,472
	Placer	477,000	400,000	590,000	858,000	683,000	746,000	910,000	917,000
	San Joaquin	101,000	90,000	142,400	150,000	123,600	88,500	122,000	143,700
	Solano	4,200	16,400	89,200	48,000	14,500	22,600	23,000	6,000
	Stanislaus	2,178,000	2,000,000	2,500,000	928,000	753,000	247,000	521,000	318,000
	Tehama	45,000	30,000	34,863	34,300	16,400	15,000	18,000	10,000
Tulare	1,000,000	1,750,000	1,200,000	1,420,000	1,078,000	1,052,000	1,123,000	1,074,000	
Tuolumne	285,000	195,000	240,000	225,000	217,000	170,000	225,000	280,000	
Yolo	33,000	25,000	30,000	30,000	28,000	15,000	10,000	12,000	
Subtotal	10,404,500	10,872,500	12,120,163	12,223,000	9,784,900	9,071,500	11,215,250	11,188,872	
So. California	Los Angeles	2,167,000	2,131,000	1,675,000	3,845,000	2,249,000	1,275,000	1,656,000	1,309,000
	Riverside	1,124,000	1,151,130	1,174,154	602,000	700,000	800,000	800,000	950,000
	San Bernardino	737,000	765,000	1,053,600	1,085,000	1,084,000	1,274,000	1,056,000	1,069,000
	San Diego	209,000	150,000	107,000	182,000	30,500	23,000	37,550	46,500
	Santa Barbara	91,000	108,000	114,000	132,000	90,000	68,000	79,000	70,000
	Ventura	126,000	100,000	56,700	143,000	85,000	20,000	68,000	80,000
Subtotal	4,454,000	4,405,130	4,180,454	5,989,000	4,238,500	3,460,000	2,976,550	3,524,500	
TOTAL	16,230,500	16,551,030	17,773,103	19,539,900	15,128,350	13,398,000	15,315,700	15,642,372	

*Compiled by J. Price Schroeder, Area Farm Advisor, UC Agricultural Extension Service, 9240 So. Riverbend Avenue, Parlier, California 93648. California counties with no sizeable production are omitted.

Source of Information: California Department of Agriculture U. S. Census and J. Price Schroeder.