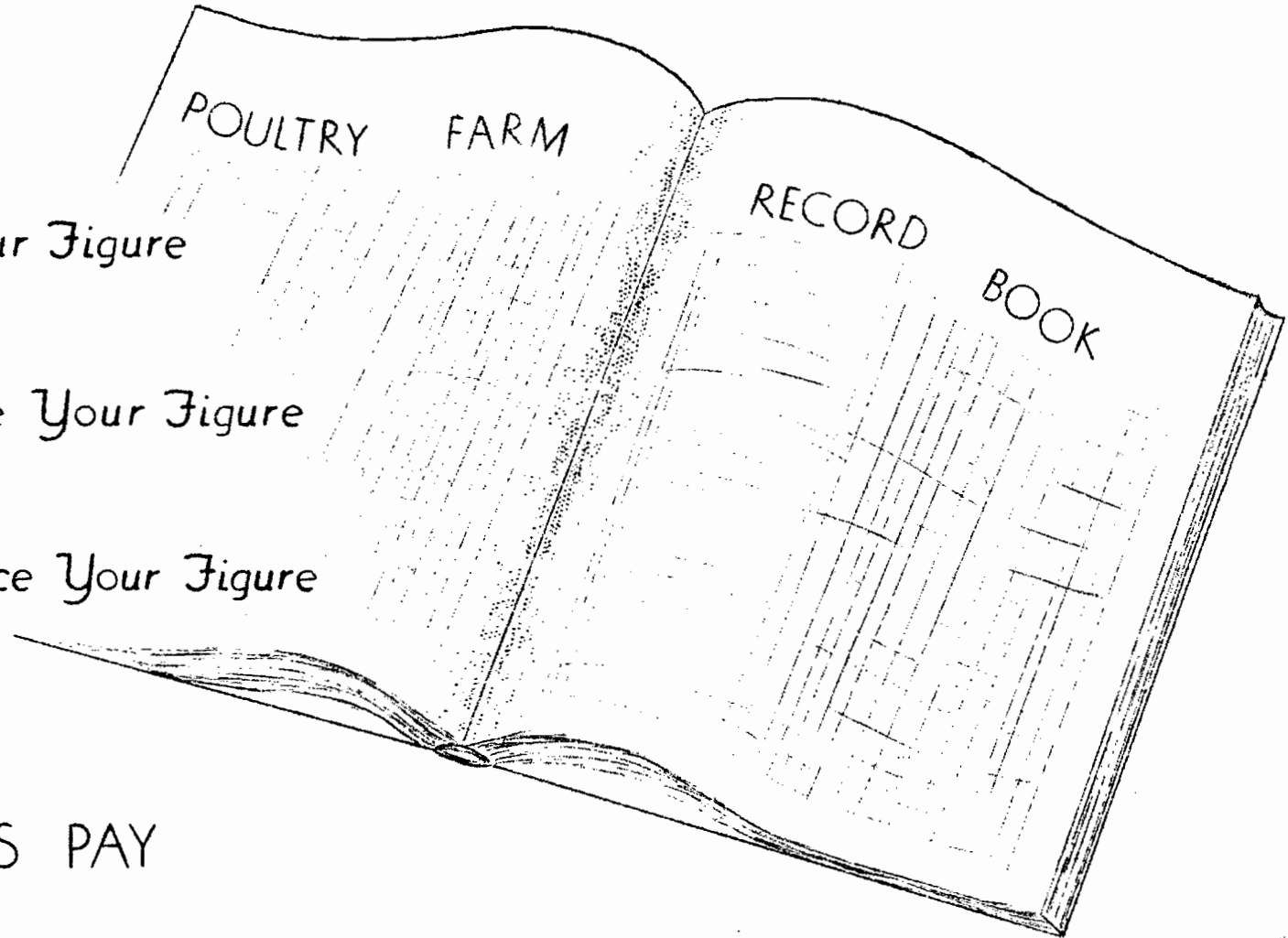


Poultry Management Study - 1959

Watch Your Figure

Compare Your Figure

Reduce Your Figure



GOOD FIGURES PAY

Prepared by Edwin J. Hauser, Los Angeles County Farm Advisor
Statistics compiled by Mrs. Clemence Temm

4/60/350

INTRODUCTION

The data presented in this study was obtained from 7 ranches in Los Angeles County for the year 1959. It must be remembered that these figures do not represent anything but these 7 cooperators.

Poultry cost study results have been used for over 30 years to help cooperators improve their business by keeping and using accurate records. The poultry industry today is in a fast changing period. Technological changes and financing have brought many new and larger operators into the business. They have new plants built for labor efficiency and in most cases are very good record keepers. For this reason, cost study management for those who have not considered it seriously is now one of the most important tools a poultryman must have in order to stay in business.

There are many charts in this report, mainly because the same figures have been used to show management profit per hen, profits per dozen eggs, and cash costs and profits, as well as performance charts. One does not need all these charts to analyze his business, but it is important that every poultryman have some figures kept that will measure his progress over a period of time and that enough records are kept so that weaknesses may be found and corrected.

Any poultryman in Los Angeles County wishing further information on this report or about the poultry cost studies may contact the Farm Advisors' Office.

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Key to Ranch Size

C = 0 - 1,500
D = 1,501 - 2,000
E = 2,001 - 5,000
F = 5,001 - 10,000
G = 10,001 & Over

DEFINITION OF TERMS

Costs & Income Per Hen	Total units divided by the average number of hens (hen day record) in flock over 24 weeks old
Interest on Investment	Is the average investment in land, buildings and equipment, stock, and feed at 5%
Net Farm Income (Chart I).	Total income minus cash and depreciation costs
Management Income (Chart I).	Total income minus cash, depreciation, family labor, and interest on investment costs
All Averages	Figured on a weighted basis
Family Labor	\$1.50 per hour
Feed Conversion.	Pounds of feed to produce 1 dozen eggs
Change in Stock Inventory.	Is the value of stock on hand at the end of the year minus the stock on hand at the beginning of the year
Cost Per Dozen Eggs (Chart II).	Total costs divided by total dozen eggs laid
Net Costs Per Dozen Eggs	Total costs minus income not eggs
Cash Costs	All cash expenditures only (interest on money borrowed not considered)
Egg - Feed Ratio	Number of pounds of feed 1 dozen eggs will buy

Chart I- INCOME AND EXPENSE PER HEN (\$ PER HEN)

Serial Number	INCOME					CASH AND DEPRECIATION COSTS						Net Farm Income	NONCASH COSTS		Mgt. Income
	Egg Sales	Culls	Misc. Income	Stock Invent. Change	Total Income	Feed	Chicks	Misc.	Hired Labor	Depre- ciation	Total		Family Labor	Interest on Invest.	
310F	6.18	.22	--	.32	6.72	4.45	.43	.39	.27	.27	5.81	.91	.53	.23	+ .15
289E	6.42	.28	.07	.19	6.96	4.08	.44	.39	.18	.36	5.45	1.54	1.09	.37	+ .05
303E	6.16	.25	.04	.22	6.67	3.76	.42	.50	.17	.71	5.56	1.11	.98	.37	- .24
313F	5.58	.19	.03	-.22	5.58	3.40	.37	.49	.54	.43	5.23	.35	.35	.25	- .25
11D	6.98	.15	--	.22	7.35	4.64	.33	.21	--	.58	5.76	1.59	1.57	.37	- .35
167E	5.40	.16	.59	-.02	6.13	4.52	.12	.19	.48	.08	5.39	.74	1.16	.13	- .55
304E	5.76	.24	--	.50	6.50	4.43	.53	.43	--	.53	5.92	.58	1.54	.27	- 1.23
1959 Avg.	5.94	.22	.09	.10	6.35	4.01	.38	.41	.31	.41	5.52	.83	.83	.27	- .27
1958 Avg.	7.61	.45	.10	.29	8.45	4.06	.62	.43	.50	.43	6.04	2.41	.52	.36	1.53

NOTE: Ranches might have high net farm income, but low management income due to family labor and interest on investment (noncash costs).

Chart II - COST PER DOZEN EGGS (IN CENTS)

Serial Number	CASH AND DEPRECIATION COSTS						NONCASH COSTS			Total Costs	NONEGG INCOME				Net Cost /Doz.	Avg. Egg Price	Mgmt. Income
	Total Feed	Chick Cost	Misc.	Hired Labor	Depreciation	Total C&D	Family Labor	Interest on Invest.	Culls		Misc.	Stock Invent. Change	Total				
310F	19.9	1.9	1.7	1.2	1.2	25.9	2.4	1.0	29.3	1.0	--	1.4	2.4	26.9	27.6	.7	
289E	19.6	2.1	1.8	.9	1.7	26.1	5.2	1.8	33.1	1.4	.3	.9	2.6	30.5	30.8	.3	
303E	18.0	2.0	2.4	.9	3.4	26.7	4.7	1.8	33.2	1.2	.2	1.1	2.5	30.7	29.5	-1.2	
313F	18.5	2.0	2.7	3.0	2.3	28.5	1.9	1.4	31.8	1.1	.1	-1.2	--	31.8	30.4	-1.4	
11D	21.8	1.5	1.0	--	2.7	27.0	7.4	1.8	36.2	.7	--	1.0	1.7	34.5	32.8	-1.7	
167E	25.6	.6	1.1	2.7	.4	30.4	6.6	.7	37.7	.9	3.3	-.1	4.1	33.6	30.5	-3.1	
304E	21.7	2.6	2.1	--	2.6	29.0	7.6	1.3	37.9	1.2	--	2.4	3.6	34.3	28.3	-6.0	
1959 Avg.	20.0	1.9	2.0	1.6	2.1	27.6	4.1	1.4	33.1	1.1	.4	.5	2.0	31.1	29.7	-1.4	
1958 Avg.	20.1	3.1	2.1	2.5	2.1	29.9	2.6	1.7	34.2	2.2	.6	1.4	4.2	30.0	37.6	7.6	

NOTE: In figuring cost per dozen eggs, nonegg income is subtracted from total costs to give net cost of eggs. Net costs are then subtracted from avg. egg income per dozen to get management income.

Chart III - CASH COSTS

\$ PER HEN

Serial Number	Egg Sales	CASH COSTS					Total	Minus Income Not Egg (Gulls Inventory Diff. Misc.)	Total Cash Cost	Net Cash Income	NONCASH COSTS Family Labor & Depreciation Interest on Investment	Net Total Cost	Mgt. Income
		Total Feed	Chick Cost	Misc.	Hired Labor								
310F	6.18	4.45	.43	.39	.27	5.54	.54	5.00	1.18	1.03	6.03	.15	
289E	6.42	4.08	.44	.39	.18	5.09	.54	4.55	1.87	1.82	6.37	.05	
303E	6.16	3.76	.42	.50	.17	4.85	.51	4.34	1.82	2.06	6.40	-.24	
313F	5.58	3.40	.37	.49	.54	4.80	--	4.80	.78	1.03	5.83	-.25	
11D	6.98	4.64	.33	.21	--	5.18	.37	4.81	2.17	2.52	7.33	-.35	
167E	5.40	4.52	.12	.19	.48	5.31	.73	4.58	.82	1.37	5.95	-.55	
304E	5.76	4.43	.53	.43	--	5.39	.74	4.65	1.11	2.34	6.99	-1.23	
1959 Avg.	5.94	4.01	.38	.41	.31	5.11	.41	4.70	1.24	1.51	6.21	-.27	
1958 Avg.	7.61	4.06	.62	.43	.50	5.61	.84	4.77	2.84	1.31	6.08	1.53	

¢ PER DOZEN

310F	27.6	19.9	1.9	1.7	1.2	24.7	2.4	22.3	2.4	4.6	26.9	.7
289E	30.8	19.6	2.1	1.8	.9	24.4	2.6	21.8	2.6	8.7	30.5	.3
303E	29.5	18.0	2.0	2.4	.9	23.3	2.5	20.8	2.5	9.9	30.7	-1.2
313F	30.4	18.5	2.0	2.7	3.0	26.2	--	26.2	4.2	5.6	31.8	-1.4
11D	32.8	21.8	1.5	1.0	--	24.3	1.7	22.6	10.2	11.9	34.5	-1.7
167E	30.5	25.6	.6	1.1	2.7	30.0	4.1	25.9	4.6	7.7	33.6	-3.1
304E	28.3	21.7	2.6	2.1	--	26.4	3.6	22.8	5.5	11.5	34.3	-6.0
1959 Avg.	29.7	20.0	1.9	2.0	1.6	25.5	2.0	23.5	6.2	7.6	31.1	-1.4
1958 Avg.	37.6	20.1	3.1	2.1	2.5	27.8	4.2	23.6	14.0	6.4	30.0	7.6

NOTE: Cash costs are all cash expenditures (excluding interest payments).
 Depreciation is then considered a noncash item with family labor and interest on investment.
 Net cash income = (All actual money expenditures minus nonegg income) subtracted from egg income.

Chart IV - LABOR COSTS & MANAGEMENT INCOME

Serial Number	MGT. INCOME		Total Hours Per Hen	LABOR				TOTAL LABOR		Total Eggs/Hen
	Per Hen \$	Per Doz. ¢		HIRED		FAMILY		Per Hen \$	Per Doz. ¢	
				Per Hen \$	Per Doz. ¢	Per Hen \$	Per Doz. ¢			
310F	.15	.7	.6	.27	1.2	.53	2.4	.80	3.6	268.7
289E	.05	.3	.9	.18	.9	1.09	5.2	1.27	6.1	250.3
303E	-.24	-1.2	.9	.17	.9	.98	4.7	1.15	5.6	250.2
313F	-.25	-1.4	.6	.54	3.0	.35	1.9	.89	4.9	219.8
11D	-.35	-1.7	1.0	--	--	1.57	7.4	1.57	7.4	255.0
167E	-.55	-3.1	1.1	.48	2.7	1.16	6.6	1.64	9.3	212.8
304E	-1.23	-6.0	1.0	--	--	1.54	7.6	1.54	7.6	244.5
1959 Avg.	-.27	-1.4	.8	.31	1.6	.83	4.1	1.14	5.7	243.0
1958 Avg.	1.53	7.6	.8	.50	2.5	.52	2.6	1.02	5.1	245.3

NOTE: Difference in total hours per hen is influenced by ranch layout and equipment.

Chart V - FEED & FLOCK PERFORMANCE COMPARISONS

Serial Number	Eggs /Hen	FEED CONSUMPTION			Feed Conversion	Avg. Feed Cost /Doz. ¢	% Mortality	% Culled	% Added	% Change	Avg. Egg Price ¢	Net Cost of Eggs /Doz.	% Feed Cost of Net Cost	Egg Feed Ratio	Mgmt. Income /Doz. ¢
		Total	Young	Hens											
310F	268.7	130.1	26.6	103.5	4.6	19.9	17	82	106	+ 8	27.6	26.9	74	8.0	.7
289E	250.3	116.4	26.8	89.6	4.3	19.6	11	90	107	+ 4	30.8	30.5	64	8.8	.3
303E	250.2	119.3	25.5	93.8	4.5	18.0	11	67	102	+ 28	29.5	30.7	59	9.2	- 1.2
313F	219.8	109.3	17.2	92.1	5.0	18.5	23	61	69	- 14	30.4	31.8	58	9.8	- 1.4
11D	255.0	108.4	17.5	90.9	4.3	21.8	5	59	70	+ 5	32.8	34.5	63	7.7	- 1.7
167E	212.8	130.7	16.5	114.2	6.4	25.6	9	72	66	- 13	30.5	33.6	76	9.1	- 3.1
304E	244.5	130.2	28.3	101.9	5.0	21.7	11	91	113	+ 13	28.3	34.3	63	8.3	- 6.0
1959 Avg.	243.0	119.6	22.1	97.5	4.9	20.0	15	73	88	+ .4	29.7	31.1	64	8.9	- 1.4
1958 Avg.	245.3	129.0	21.0	108.0	5.3	20.1	11	82	101	+ 8	37.6	30.0	67	11.9	7.6

Chart VI - MISCELLANEOUS COMPARISONS

Serial Number	Price Per Cull	Cost Per Chick	Feed Cost /100#	Price Rec'd / Doz. Eggs	EGG SIZES				% Sold Retail	Total Labor Cost /Bird	Pullet Mortality	Hen Mortality	Avg. No. of Layers
					% Large	% Med.	% Small	% Com'l					
310F	¢ 27.3	¢ 38.5	\$ 3.42	¢ 27.6	53	31	11	5	4	\$.80	6	17	5519.7
289E	31.7	27.2	3.51	30.8	--	--	--	--	--	1.27	27	11	3483.1
303E	37.3	37.5	3.19	29.5	67	28	4	1	2	1.15	14	11	4486.8
313F	34.2	37.6	3.11	30.4	73	19	4	4	4	.89	27	23	9315.8
11D	25.7	38.7	4.28	32.8	70	23	5	2	2	1.57	4	5	1695.2
167E	22.6	32.9	3.36	30.5	--	--	--	--	16	1.64	--	9	3500.9
304E	26.5	36.6	3.40	28.3	63	25	7	5	5	1.54	9	11	2780.8
1959 Avg.	30.3	35.7	3.35	29.7	65	25	6	4	5	1.14	17	15	4397.5
1958 Avg.	55.3	45.5	3.16	37.6	70	21	5	4	7	1.02	14	11	5413.4

Chart VII - TEN YEARS OF COST STUDY AVERAGES

(\$ PER HEN)

Year	INCOME					CASH AND DEPRECIATION COSTS						Net Farm Income	NONCASH COSTS		Mgt. Income
	Egg Sales	Culls	Misc. Income	Stock Invent. Change	Total Income	Feed	Chicks	Misc.	Hired Labor	Deprec.	Total		Family Labor	Interest on Invest.	
1950	7.97	1.34	.19	.50	10.00	5.97	.75	.44	.31	.26	7.73	2.27	1.56	.38	.33
1951	10.80	2.71	.15	.66	14.32	7.12	.98	.52	.45	.29	9.36	4.96	1.26	.39	3.31
1952	8.57	1.30	.11	.36	10.34	6.39	.67	.60	.22	.25	8.13	2.21	.97	.27	.97
1953	10.00	.80	.09	.42	11.31	5.65	.63	.55	.27	.28	7.38	3.93	1.05	.28	2.60
1954	7.63	.65	.06	.07	8.41	5.37	.47	.45	.26	.29	6.84	1.57	1.26	.29	.02
1955	8.52	.74	.08	.21	9.55	5.04	.56	.52	.30	.27	6.69	2.86	1.12	.29	1.45
1956	7.34	.38	.04	.00	7.76	4.55	.40	.31	.37	.34	5.97	1.79	.61	.36	.82
1957	7.11	.33	.02	.18	7.64	4.36	.43	.37	.27	.35	5.78	1.86	.65	.32	.89
1958	7.61	.45	.10	.29	8.45	4.06	.62	.43	.50	.43	6.04	2.41	.52	.36	1.53
1959	5.94	.22	.09	.10	6.35	4.01	.38	.41	.31	.41	5.52	.83	.83	.27	-.27

TRENDS TO NOTE: Lower Egg Income
 Lower Cull Income
 Much Lower Gross Income

Lower Feed Costs
 Increased Depreciation Costs (possibly due to equipment or quicker write off).
 Total Cost of Production Getting Lower
 Labor Costs Slowly Going Down (total hours per bird reduced, cost of labor increasing).