

MARKET MILK DAIRYING

Table 52. A Standard of Feed, Labor, and Other Costs in the Production of Market Milk around Los Angeles where all feed and replacement stock are purchased--with a sale of 350 lbs. of milk fat per cow.

	Digestible nutrients, pounds per cow	Per cent in feed	Quantity per cow	Price per unit	Cost per cow	Cost per lb. m.f.
				Dollars	Cents	
Alfalfa hay	4,650	50	9,300 lb.	15.00 ton	69.75	19.9
Concentrates	2,250	75	3,000	30.00 ton	45.00	12.9
Total feed	6,900	56	12,300		114.75	32.8
Labor			120 hr.	.30 hr.	36.00	10.3
Electric power			200 kw.	.015	3.00	.9
Taxes--stock, buildings, and equipment			\$ 80	.03	2.40	.7
Gas or oil for sterilization					1.00	.3
Dairy supplies and repairs					1.60	.4
Veterinary expense and supplies					2.00	.6
Cow testing dues, for production testing					2.50	.7
Insurance, compensation and fire					1.00	.3
General overhead expense					7.00	2.0
Stock purchases and sales				per cow		
Cost of cows, .25 per cow at \$120				30.00		
Av. annual net expenditure for new bulls				1.00		
Less, income--cows sold .22 at \$45				9.90		
Less, income from sale of some calves				1.00		
Net stock replacement cost				20.10	20.10	5.7
Total current cash costs					191.35	54.7
Less, income from manure, 3 tons at \$1.50					4.50	1.3
Net cash costs					186.85	53.4
	Original cost	Average investment	5% interest	Depreciation		
	Dollars per cow					
Land in lots and corrals	20.00	20.00	1.00			
Dairy buildings	70.00	35.00	1.75	2.25		
Dairy equipment	46.00	23.00	1.15	3.20		
Av. feed & supplies on hd.	10.00	10.00	.50			
Dairy cattle	120.00	120.00	6.00			
Total investment	266.00	208.00				
Total depreciation				5.45	5.45	1.6
Subtotal, cash and depreciation costs					192.30	55.0
Total interest on investment			10.40		10.40	3.0
Total all costs at the ranch					202.70	58.0

The above standard of costs is computed to fit the "dry lot" dairying in the vicinity of Los Angeles. It is assumed that no feed would be produced, and that the cows would be kept at a high level of production on hay and concentrates. Some local green feed or temporary pasture is frequently utilized but would have little influence on costs, being largely substituted for part of the hay shown above.

The above standard is designed to fit a herd-average of 350 lbs. of milk fat sold per cow. It has been found more profitable to maintain high production per cow by heavy concentrate feeding and heavy culling in this district with its high feed costs. It was assumed that 25 per cent of the average number of cows would be bought each year to replace the 3 per cent which died and the 22 per cent sold as culls. Equipment and overhead costs are based on a 50 to 60-cow dairy.