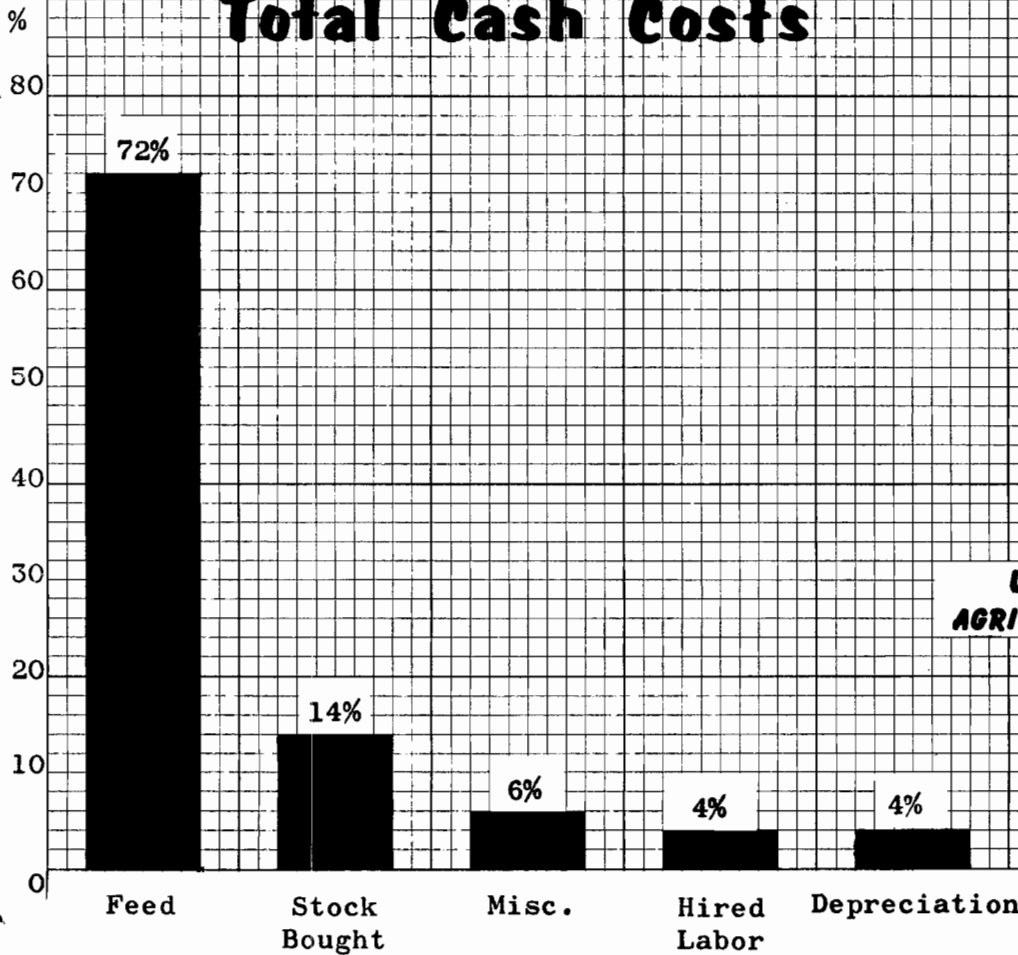


# SONOMA COUNTY 1962 POULTRY EGG PRODUCTION and MANAGEMENT STUDY

## Total Cash Costs



**UNIVERSITY OF CALIFORNIA  
AGRICULTURAL EXTENSION SERVICE**

COMPILED BY

Virgil Stratton  
Sonoma County Farm Advisor

ISSUED FROM

Farm and Home Advisors Office  
Room 400 County Administration Center  
2555 Mendocino Avenue  
Santa Rosa, California  
Liberty 2-4312 Extension 294

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.

## I N T R O D U C T I O N

This is the fourteenth annual summary of the current Sonoma County Poultry Egg Production and Management Study. This study is conducted by the Agricultural Extension Service in cooperation with local poultrymen for the purpose of disclosing important management, cost, income, and profit information to aid the entire local poultry industry in obtaining maximum earnings. The number of records is small and the averages in this report are not considered as averages for the county but apply only to the thirteen flocks covered. They may or may not be typical of the county, but they do show much useful information on current local production, costs, profits, etc., for all poultrymen and those interested in the business.

In order to realize the greatest value from a management study of this kind, it is necessary to carefully analyze and weigh all management factors which contribute to the success or failure of a poultry enterprise.

Cooperators are receiving a monthly summary and comparison of flock performance and mortality. At the end of each year, a detailed analysis of the year's records with comments and suggestions is available. This report represents a part of the information available for public use.

## O U T L O O K

Poultrymen may not have a better year in 1963 than they had in 1962. The price received per dozen in 1962 was the lowest since 1941.

The chick hatch for 1963 is expected to be higher than last year. A larger supply of eggs is in prospect during the year.

In 1962 consumers were eating eggs at the lowest rate in 19 years -- 322 eggs per person. It is estimated that in 1963 we will see a further decline in consumption.

\* \* \* \* \*

Here is a chart on chicks hatched, average number of layers on farms, egg production and egg prices for years 1958 through 1963\*.

Year	Egg-type chicks hatched (million)	Layers on farms (million)	Egg Prod. cases (million)	U. S. Egg Price per doz (average)	Sonoma County Cost Study egg price (doz average)
1958	596	326	168.7	38.3	38.4
1959	541	306	175.8	31.1	30.7
1960	481	295	170.4	35.7	35.1
1961	529	290	170.2	35.2	33.0
1962	499	296	174.7	33.1	28.7
**1963	525	298	175.3	32.1	27.5

\* Figures taken from Poultry Survey Committee Report

\*\* 1963 figures estimated by Virgil Stratton

## EXPLANATION OF TERMS USED IN A POULTRY ENTERPRISE ANALYSIS

Total Income is composed of returns from the sale of eggs, poultry manure, and other miscellaneous incomes; the value of eggs eaten in the home; and the net increase in the poultry stock inventory. A decrease is subtracted in obtaining total income.

Total Expense is made up of all costs of feed, chicks or poultry bought, hired labor, other cash expense items, the value of operator and other family labor, depreciation on buildings and equipment, and 5 per cent interest on the average investment shown by the inventory and capital record.

Management Income is the amount by which the total income exceeds the total expense. If the total expense is larger, a net loss occurs, which is designated by a minus sign (-) preceding the figure.

Farm Income is the sum of the management income, the value of the operator and family labor, and the interest on investment. It is the net income the poultryman received above cash expenses and depreciation. It includes interest for the use of his capital, wages for his actual labor, and profit for his management.

Average Number of Hens is the average number of hens in the flock for the year. It is obtained by dividing the number of hen days for the year by the number of days in the year.

Per Cent Mortality is the per cent of the average number of hens that died during the year. It is obtained by dividing the number died by the average number of hens.

Per Cent Culled is the per cent of the average number of hens that were sold and eaten in the home during the year. Dividing the number so disposed by the average number of hens gives this figure.

Per Cent Added is the per cent of the average number of hens which were actually added to the flock during the year. It is obtained by dividing total additions by the average number of hens. Pullets are added at about six months of age.

Per Cent Pullets is the per cent of total hens in the flock which were pullets between six and eighteen months of age. It is obtained by dividing the total number of pullets of this age at the beginning and end of the year by the total number of hens and pullets at these times.

**TABLE I: PROFIT equals INCOME (eggs, stock, misc.) less EXPENSE (feed, labor, other)**

Flock Size & Serial No.	INCOME PER HEN					CASH & DEPRECIATION COSTS PER HEN						Net Farm Inc.	NON-CASH COSTS PER HEN		Mgt. Income per Hen
	Egg Sales	Poultry Sales	Misc. Income	Change in Stock Inventory	Total Income	Feed	Pullets & Chicks Bought	Misc. Costs	Depr.	Hired Labor	Total Expense		Fam. Labor	Int. on Invest.	
13L	6.37	.12	---	.58	7.07	4.27	.51	.27	.21	.32	5.58	1.49	.29	.17	1.04
6M	5.71	.08	---	.14	5.93	3.42	.19	.29	.27	.16	4.33	1.60	.53	.17	.90
8M	5.92	.18	---	.91	7.01	3.89	.64	.33	.33	.48	5.67	1.34	.33	.28	.73
12M	4.92	.11	.01	1.79	6.83	4.47	.70	.34	.13	.49	6.13	.70	.17	.17	.36
9L	5.24	.18	---	.03	5.39	3.59	.49	.35	.08	.21	4.72	.67	.40	.15	.12
4L	5.63	.16	.08	.24	6.11	3.37	1.82	.18	.20	.16	5.73	.38	.16	.13	.09
19S	4.97	.15	---	.37	5.49	3.16	1.22	.23	.37	.14	5.12	.37	.63	.23	-.49
3S	5.86	.45	---	-.07	6.24	4.52	.37	.30	.34	.02	5.55	.69	.97	.23	-.51
22M	5.28	.14	---	.07	5.49	3.50	1.27	.33	.28	--	5.38	.11	.57	.18	-.64
14S	5.37	.12	---	-.07	5.42	3.81	.23	.36	.26	--	4.66	.76	1.25	.19	-.68
18M	5.00	.22	---	-.24	4.98	3.86	.33	.33	.23	.18	4.93	.05	.61	.16	-.72
27S	4.64	.20	---	.30	5.14	3.34	1.30	.50	.22	.09	5.45	-.31	.90	.16	-1.37
11S	4.41	.13	---	.02	4.56	3.08	.65	.06	.20	.13	4.12	.44	1.73	.21	-1.50
Av.															
1962	5.58	.17	.01	.30	6.06	3.83	.77	.30	.22	.21	5.33	.73	.49	.17	.07
1961	6.33	.19	---	.18	6.70	3.80	.57	.38	.23	.23	5.21	1.49	.60	.21	.68
1960	6.95	.21	---	.26	7.42	3.89	.60	.34	.28	.24	5.35	2.07	.78	.21	1.08
1959	6.49	.26	---	.54	7.29	4.25	.81	.32	.30	.19	7.02	1.42	.96	.19	.27
1959	8.01	.42	.01	.07	8.51	4.32	.51	.42	.27	.30	5.82	2.69	1.02	.22	1.45

S = Below 5,000    M = 5,000 - 10,000    L = 10,000 and up

For the cooperator's identification each flock is assigned a ranch number. Letters of the alphabet indicate flock size. Flock records in the study are ranked according to management income per hen, which appears in the last column. Since management income takes into consideration all labor, whether paid for or not, it is a more true method of comparison.

It is encouraging to note that all but one of the cooperators showed a farm income per hen. However, since cost studies were started here, this is the largest number that ended up with a minus management income. This is also the lowest farm income since this study started.

TABLE II: DISEASES ARE IMPORTANT -- SEE RELATED FACTORS HERE

Flock Size & Serial No.	Eggs Laid per Hen	Fall Eggs per Fall Hen	Per Cent Pullets	Per Cent Added July-Oct.	Per Cent Mortality	Per Cent Chicks Lost	Culled		Per Cent Feed Mash	Hours Labor per Hen	Flock Size	Type of Floor	Diseases, Problems, etc.
							Per Cent	Months 1 %					
13L	241	79	86	45	18	6	44	6	50	.4		*wire	--
6M	234	78	59	--	9	4	25	5	100	.5		#*wire	Laryngotracheitis
8M	251	81	100	21	22	2	83	10	53	.6		# wire	Leucosis, N Fowl Mite
12M	212	71	100	22	17	8	49	9	63	.5		*wire	CRD, Coccidiosis, Mites
9L	206	65	73	53	13	3	84	5	56	.4		*w & f	CRD, Coryza, N Fowl Mite Worms
4L	225	80	81	50	14	20	64	5	100	.2		*wire	N Fowl Mite, Bronchitis,**
19S	205	67	74	39	13	2	59	8	100	.6		# wire	Coryza, Mites
3S	245	78	100	51	20	4	100	10	100	.7		# wire	--
22M	233	79	100	65	22	1	62	3	99	.4		*wire	--
14S	228	70	65	25	11	8	53	8	99	.8		# wire	CRD, Leucosis
18M	204	62	73	21	20	4	97	11	54	.6		*wire	Cholera, CRD, Pullorum,**
27S	195	70	96	69	14	1	84	6	52	.7		*wire	Laryngotracheitis, mites Cholera
11S	202	64	100	46	15	1	58	2	45	1.3		"floor	CRD, Cocci
Av.													
1962	226	74	83	40	17	4	68	7	71	.5	8,304	--	only ones reported by cooperators
1961	227	72	79	33	18	9	71	9	81	.5	6,739	--	
1960	232	74	84	41	15	6	60	9	71	.7	4,588	--	
1959	243	78	87	33	12	5	65	10	70	.9	3,986	--	
1958	243	78	85	39	11	4	81	10	61	--	2,989	--	

S = Below 5,000  
M = 5,000 - 10,000  
L = 10,000 and up

\* = colony cage  
\*\* = and cannibalism  
# = cage  
" = floor or dirt

Excluding 1961, this was by far the highest mortality. Heat did not play a major role in mortality this year as it did in 1961. The eggs per hen were less than any recent year. This is partially due to two factors -- the larger the flock the lower the production and serious disease problems on most of the ranches. If the complex diseases were not reported on some ranches, it means that they have been diagnosed in other years.

The type of housing is not nearly as significant as the management of the operation. For instance, the amount of eggs per hen is sometimes related to the number of birds in each pen. Let us repeat our statement: it is possible to have good management and production in any of the three main types of housing.

TABLE III: EXPENSE PER HEN IS IMPORTANT TO PROFIT

Flock Size & Serial No.	Per Cent of Average Number of Hens				Av. Price Cull Hens	Av. Cost per Pullet	Per Cent Chicks Lost	Average Cost per CWT of Feed			Per Hen			Per Cent Mash	Per Dozen	
	Died	Culled	Added	Diff.				Mash	Grain	M & G	Feed Cost	Lbs M,G	Grit, Shell, Lime-stone		Grit, Shell, Lime-stone	lbs Feed
13L	18	44	132	70	26.3	34.7	6	4.03	2.65	3.34	4.27	123	5.1	50	.2	6.1
6M	9	25	113	78	30.9	38.0	4	3.29	--	3.29	3.42	104	.2	100	--	5.0
8M	22	83	148	43	22.5	36.4	2	3.19	2.80	3.00	3.89	128	5.1	53	.2	5.9
12M	17	49	160	94	22.4	32.8	8	3.67	2.83	3.36	4.47	132	1.3	63	.1	7.4
9L	13	84	80	-17	22.1	41.9	3	4.02	2.45	3.33	3.59	107	1.1	56	.1	6.2
4L	14	64	70	-8	25.3	*	20	3.27	--	3.27	3.37	103	1.0	100	--	5.1
19S	13	59	85	13	26.4	*	2	3.09	--	3.09	3.16	102	2.0	100	.1	6.1
3S	20	100	119	-5	43.9	30.2	4	3.19	--	3.19	4.52	142	.2	100	--	6.9
22M	22	62	128	44	11.8	*	1	3.32	3.12	3.32	3.50	105	1.0	99	--	5.4
14S	11	53	77	12	23.5	35.8	8	3.40	2.75	3.40	3.81	112	.3	99	--	5.7
18M	20	97	114	-3	21.6	33.1	4	3.58	2.66	3.16	3.86	121	3.7	54	.2	7.1
27S	14	84	139	42	23.8	*	1	3.75	2.70	3.24	3.34	101	5.9	52	.3	5.9
11S	15	58	75	2	21.9	*	1	3.77	2.72	3.19	3.08	94	6.2	45	.4	5.8
Av.																
1962	17	68	112	27	23.4	35.4	4	3.49	2.64	3.24	3.83	113	2.5	71	.08	6.0
1961	18	71	94	6	28.5	35.9	9	3.44	2.54	3.26	3.80	116	1.6	81	.08	6.0
1960	15	60	95	20	34.2	54.0	6	3.51	2.45	3.21	3.89	124	2.6	71	--	6.3
1959	12	75	103	26	34.5	36.1	5	3.73	2.76	3.44	4.25	122	4.2	70	--	5.6
1958	11	81	100	8	51.3	39.7	4	3.88	2.84	3.47	4.32	123	4.9	61	--	4.8

S = Below 5,000      \* No. 4 1.74 = bought started pullets,  
M = 5,000 - 10,000      19 1.40 not included in average  
L = 10,000 and up      22 1.50  
                                 27 1.10  
                                 11 .87  
                                 Av. 1.32

Birds removed from the flock or birds added to the flock during the year resulted in an increase of 27 per cent. The chick or pullet cost was higher in the lower income group.

There was quite a difference in pounds feed per dozen eggs. Many factors bring this about -- amount replacements raised, buying grit or shell separate from feed, calorie content of feed, mortality of young chicks, and feed waste. The ones who bought started pullets should have less feed used as all the feed is charged against the average hen or dozen eggs sold.

**TABLE IV: PRODUCTION, MORTALITY, REPLACEMENTS, FEED, AND LABOR USE DETERMINE PROFITS**

Flock Size & Serial No.	Eggs Sold per Hen	Eggs Laid per Hen	Per Cent Prod.	% of All Eggs Sold					% Eggs Sept -Dec	Average Price per Dozen			Cents per Dozen					Net Farm Inc	
				Large	Med.	Sm & Com	Whl-sale	Re-tail		Whl-sale	Re-tail	All Eggs	Feed Cost	Cash Cost	Net Cost	Mgt Inc	Fam. Labor		Int on Invest
13L	252	241	66.2	78	17	5	96	4	39	29.9	50.0	30.4	20.3	23.2	25.4	4.9	1.4	.8	7.1
6M	248	234	63.6	74	21	5	94	6	39	26.9	38.5	27.6	16.5	19.8	23.2	4.3	2.6	.8	7.7
8M	266	251	69.0	69	22	9	95	5	33	27.1	37.0	27.2	17.9	21.0	23.8	3.4	1.5	1.3	6.2
12M	216	212	58.6	64	24	12	100	--	43	27.3	---	27.3	24.8	23.3	25.2	2.0	1.0	.9	3.9
9L	208	206	56.7	80	14	6	92	8	33	29.7	35.9	30.2	20.7	26.3	29.5	.7	2.3	.9	3.9
4L	240	225	61.4	77	17	6	87	13	33	28.7	30.9	28.1	16.8	26.2	27.6	.5	.8	.6	1.9
19S	202	205	56.2	68	21	11	100	--	32	29.6	---	29.6	18.8	27.3	32.4	-2.9	3.7	1.4	2.2
3S	247	245	67.1	73	22	5	80	20	32	26.9	37.4	28.4	21.9	25.1	30.9	-2.5	4.7	1.1	3.3
22M	234	233	63.1	69	25	6	100	--	30	27.1	48.0	27.1	18.0	26.5	30.4	-3.3	2.9	1.0	.6
14S	236	228	62.6	70	18	12	97	3	32	26.8	43.0	27.2	19.2	23.3	30.6	-3.4	6.3	1.0	3.9
18M	204	204	56.1	80	12	8	94	6	30	28.8	36.9	29.3	22.7	29.1	33.6	-4.2	3.6	.9	.3
27S	205	195	53.1	56	32	12	100	--	46	27.0	---	27.0	19.5	28.9	35.0	-7.9	5.2	.9	-1.8
11S	196	202	55.3	63	27	10	100	--	33	27.0	---	27.0	18.9	24.4	36.3	-9.2	10.6	1.3	2.7
Av.																			
1962	230	226	61.1	72	19	9	94	6	35	28.5	37.7	28.7	19.7	24.9	28.3	.3	2.5	.9	3.8
1961	230	227	62.2	72	20	8	87	13	33	31.8	38.2	33.0	19.8	25.3	29.5	3.5	3.1	1.1	7.7
1960	237	232	63.8	66	19	10	95	1	35	34.2	37.2	35.2	19.7	25.7	30.7	5.4	3.9	1.1	10.4
1959	260	243	66.7	63	22	11	95	2	36	29.8	40.0	30.7	19.6	24.4	28.6	2.1	4.4	.9	7.4
1958	250	243	66.6	68	19	11	96	2	34	37.9	46.0	38.4	20.7	25.4	31.4	7.0	4.9	1.1	13.0

S = Below 5,000

M = 5,000 - 10,000

L = 10,000 and up

\* = hatching eggs included

Eggs sold per hen and eggs laid per hen are shown in the second and third columns of this table. The number of eggs sold per hen should be greater than the number laid per hen because the difference is pullet eggs laid before they are entered in the record around six months of age. If there is a loss, there may be either high breakage or some eggs sold and not recorded.

The way the eggs are graded plus retail and the per cent of large eggs produced had a big influence on price received per dozen. Another influencing factor is the type of selling arrangement, which might include egg cleaning at home or in the plant.



**TABLE V: HOW WE COMPARE WITH OTHER YEARS**

	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Number of Records	21	24	23	17	24	27	24	24	20	18	18	13	13	13
Av. Number Hens per Flock	1619	1734	1716	1784	1920	2293	2759	2856	3140	2989	3986	4588	6739	8304
Eggs Laid per Hen	197	210	209	228	218	228	231	232	236	243	243	232	227	226
<b>HENS:</b> % Mortality	22	16	14	11	15	13	11	12	11	11	12	15	18	17
% Culled	92	82	104	118	97	96	87	101	84	81	65	60	71	68
% Added	130	99	121	138	131	129	125	115	108	100	103	95	94	112
% Increase/Decrease	16	1	3	9	19	20	27	2	13	8	26	18	6	27
Av. Price Mash, Grain (CWT)	3.93	3.67	4.04	4.42	4.14	3.79	3.60	3.58	3.50	3.47	3.44	3.21	3.26	3.24
Lbs Mash, Grain per Hen	141	128	138	146	144	135	135	127	126	123	122	124	116	117
Per Cent Mash	64	62	55	57	53	56	49	55	59	61	70	71	81	71
Hours Labor per Hen	1.8	1.4	1.5	1.2	1.2	1.2	1.0	1.0	1.1	.9	.8	.7	.5	.5
Av. Price per Dozen Eggs	49.5	41.9	54.9	48.6	55.0	40.7	42.8	40.1	36.7	38.4	30.7	35.2	33.0	28.7
Net Cost per Dozen	45.1	37.8	42.3	42.3	42.3	38.3	33.3	33.8	32.5	31.4	28.6	30.7	29.5	28.3
Mgt. Income per Dozen	4.4	4.1	12.6	6.3	12.7	2.4	9.5	6.3	4.2	7.0	2.1	5.4	3.5	.3
<b>INCOME PER HEN:</b> Egg Sales	8.19	7.36	9.74	9.47	10.37	8.05	8.59	8.11	7.58	8.01	6.49	6.95	6.33	5.58
Poultry Sales	.67	.73	1.32	1.01	.95	.57	.56	.56	.40	.42	.26	.21	.19	.17
Miscellaneous Income	.22	.22	.30	.05	.03	.04	.02	.02	.02	.01	--	--	--	.01
Inventory Change	.26	--	-.12	.28	.57	.43	.60	.07	.10	.07	.54	.26	.18	.30
<b>TOTAL INCOME</b>	9.34	8.31	11.24	10.81	11.92	9.09	9.77	8.76	8.10	8.51	7.29	7.42	6.70	6.06
<b>CASH &amp; DEPR. COSTS:</b> Feed	5.68	4.78	5.66	6.51	6.03	5.15	4.91	4.60	4.46	4.32	4.25	3.89	3.80	3.83
Stock Bought	--	.53	.74	.78	.66	.60	.53	.48	.45	.51	.81	.60	.57	.77
Miscellaneous	.68	.45	.53	.48	.57	.62	.47	.49	.46	.42	.32	.34	.38	.30
Depreciation	.23	.21	.30	.32	.26	.27	.25	.26	.27	.27	.30	.28	.23	.22
Hired Labor	.25	.26	.38	.15	.17	.24	.22	.24	.27	.30	.19	.24	.23	.21
<b>TOTAL CASH &amp; DEPR. COSTS</b>	6.84	6.23	7.61	8.24	7.69	6.88	6.38	6.07	5.91	5.82	5.87	5.35	5.21	5.33
<b>FARM INCOME</b>	2.50	2.08	3.63	2.57	4.23	2.21	3.38	2.69	2.19	2.69	1.42	2.07	1.49	.73
Family Labor	1.51	1.12	1.11	1.06	1.55	1.45	1.20	1.16	1.10	1.02	.96	.78	.60	.49
Interest on Investment	.26	.24	.29	.28	.28	.29	.28	.27	.23	.22	.19	.21	.21	.17
<b>MANAGEMENT INCOME</b>	.73	.72	2.23	1.23	2.40	.47	1.90	1.26	.86	1.45	.27	1.08	.68	.07

The above study averages for Sonoma County for the last fourteen years represents a small sample from a large poultry industry and should indicate trends. However, they should not be considered applicable to the entire poultry business in this county. The 1962 records show a decided increase in number of birds per ranch, and the trend toward increasing flock size is continuing. Egg prices and farm income per hen are the lowest since the beginning of this study. In 1962 poultrymen received 4.3 cents less per dozen than in 1961. In addition, we had the lowest cull price in 1962-- 22.4, causing the low figure of 17 cents per average hen for poultry sales. The total costs were the second lowest and, of course, the total income is the lowest. The lowest average egg price was only 28.7 cents per dozen. The question is: will the egg prices for 1963 be similar to 1962 or 1959. The answer will be in the 1963 Poultry Egg Production and Management Study or other market information available Extension