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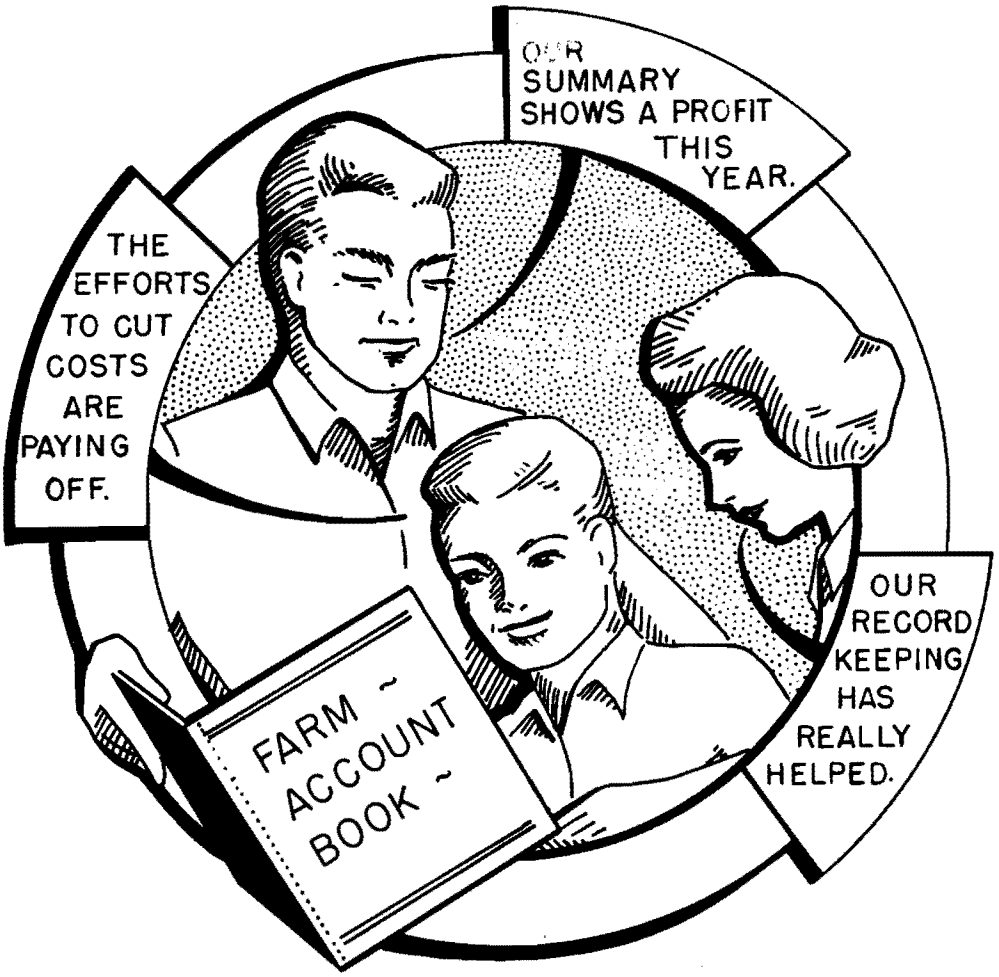
1958 DAIRY FARM BUSINESS SUMMARIES



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July 1959

DAIRY FARM BUSINESS SUMMARIES, 1958

Thirty counties in New York State sponsored "dairy farm business management projects" during the year 1958. These were a part of The Farm and Home Management Program conducted by The Extension Service. These projects are carried on by the County Extension Agents in cooperation with the College of Agriculture at Cornell.

Each cooperating family had a farm inventory and kept a record of receipts and expenses, and crops grown. At the end of the year, the records were checked and summarized. The figures for each farm were combined with those of the other cooperators in a county to get averages for the county group. These group averages were published in county summary reports. The individual cooperators used the figures in studying their businesses.

Participation in these projects was voluntary. The major interest of the cooperators was to find ways to improve their farm businesses. The summary of these businesses DOES NOT reflect the average for all farms in these counties. The summary merely reports on the experiences of the individual farm operators in the projects.

The records of cooperators in 19 of the 30 counties were summarized at the College. A general summary of the 559 dairy farm businesses in these 19 counties has been prepared. The averages for the 559 farms are reported in this mimeograph. Blank spaces have been provided so that any interested farmer can compare his figures with the group averages. Selected information from the individual county summaries is included on pages 20 to 27.

This report has been prepared principally for the use of county agricultural agents and teachers of vocational agriculture in their educational programs. Farmers and others interested in agriculture also may find a use for this information.

This summary prepared by C. A. Bratton, Department of Agricultural Economics.

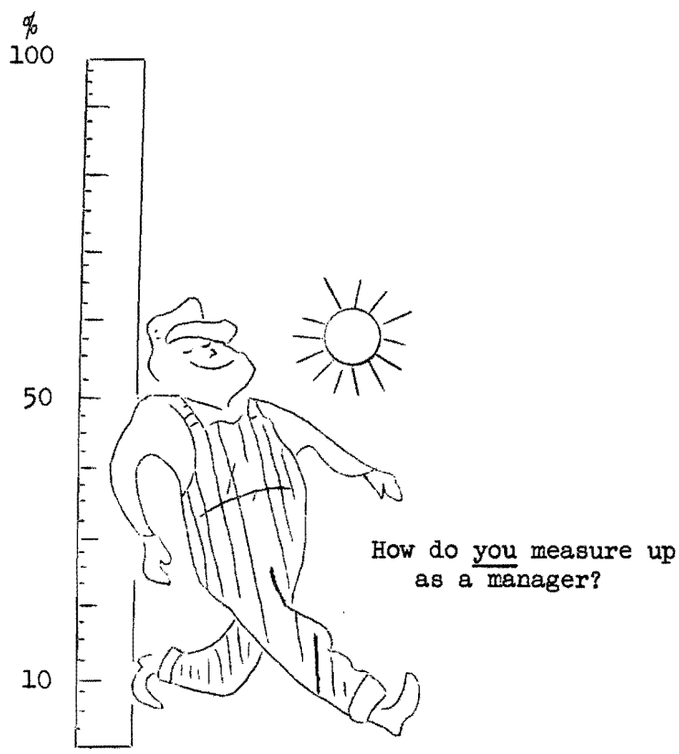
G. J. Conneman, C. W. Loomis, R. S. Smith, and C. A. Bratton in cooperation with the county agents prepared the individual county summaries.

Have you developed a procedure for arriving at management decisions?

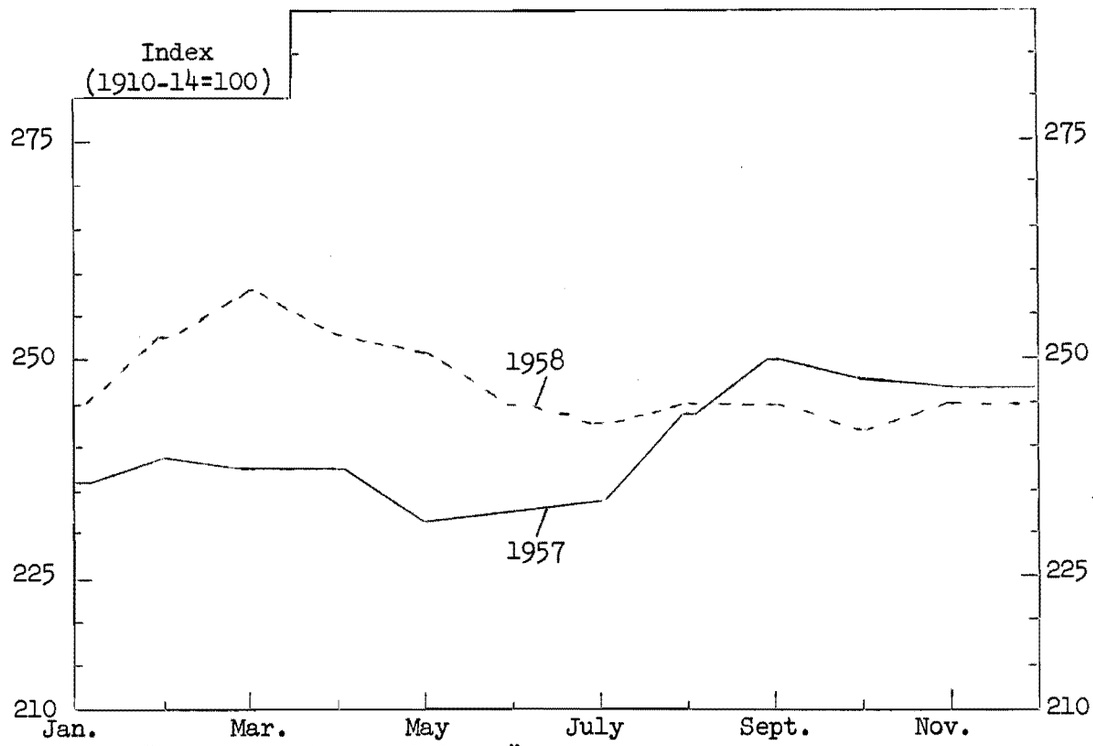
Steps in making a management decision:

1. Locate the trouble spot (problem)
2. Review your objective (goal)
3. Size up what you have to work with (resources)
4. Look for various ways to solve the problem (alternatives)
5. Consider probable results of each way (consequences)
6. Compare the expected results (evaluate)
7. Select way best suited to your situation (decision)

Good decisions are the crux of sound management!



PRICES RECEIVED BY N. Y. FARMERS, 1957 & 1958



Source: "Current Prices and Costs"

Prices received by New York farmers in 1958 were above those of each of the corresponding months of 1957 for the first half of the year. During the last half of the year, 1958 indices were a little below those of 1957. For the year 1958, prices received averaged 3 per cent higher than for 1957.

Prices paid by farmers in 1958 were up 2½ per cent from 1957. Wages, machinery, building materials, and livestock rose in 1958, while feed and seed costs declined slightly. Farm machinery costs in 1958 were up 4 per cent from 1957, while feed was down 1 per cent.

Prices Received by N. Y. Farmers

Item	Unit	Jan. 15, 1958	Jan. 15, 1959	% change
Milk	cwt.	$ 4.78	$ 4.74	- 1
Dairy cows	head	225.00	280.00	+24
Calves	cwt.	20.80	27.10	+30
Wheat	bu.	2.08	1.84	-12
Corn	bu.	1.26	1.24	- 2
Dry beans	cwt.	7.70	6.80	-12
Eggs	doz.	.459	.433	- 6

THINGS TO WORK WITH

The 559 farms included in this summary were scattered throughout the nineteen counties. All the farms had dairies, but there was considerable variation in the combination of other enterprises on these farms. The "resources" or things to work with are reported below:

THINGS TO WORK WITH
559 New York Dairy Farms, 1958

Item	Number reporting	Average*	Range Low	Range High
Labor:				
Man equivalent (No. men)		1.8	1.0	5.0
Operator only	(13 farms)			
Hired help	(495 farms)			
Unpaid family labor	(288 farms)			
Livestock: (Number)				
Cows		33	8	100
Heifers		20	0	69
Bulls	(192 farms)	1.4	1.0	9.0
Hens	(87 farms)	514	8	9,695
Crops: (Acres grown)				
Hay	(554 farms)	59	7	212
Grass silage	(184 farms)	17	1	150
Corn for grain	(134 farms)	15	1	145
Corn for silage	(462 farms)	14	1	52
Oats	(364 farms)	17	1	110
Total cropland		104	19	651

*Average for farms reporting

These were "family farms". The farm operator and members of the family made up most of the labor force. A total of 495 farms reported hiring some labor, 288 farms reported some unpaid labor, while only 13 farms had neither unpaid family labor nor hired labor. Some farms were operated by two or more individuals as partners. There were 501 single operators and 58 partnerships (6 with 3 operators).

Crops and livestock other than those listed above were grown on some of the farms. Only the most common are shown above.

CAPITAL INVESTMENT

In farming, "it takes money to make money!" This money we call "capital investment." In this report, the farm inventory is used as a measure of capital investment.

FARM INVENTORY VALUES, JANUARY 1, 1959
559 New York Dairy Farms

Item	Amount per farm		Amount per cow	
	Av. 559 farms	Your farm	Av. 559 farms	Your farm
Land and buildings	$21,734	$_____	$ 659	$_____
Machinery and equipment	9,636	_____	292	_____
Cattle	11,296	_____	342	_____
Other livestock	206	_____	6	_____
Feed and supplies	3,639	_____	110	_____
TOTAL INVESTMENT	$46,511	$_____	$1,409	$_____

Total investment averaged $46,511 per farm. There were 183, or about one-third of the farms, that had investments of more than $50,000. The average investment per man on these farms was $25,839. This is considerably more than the capital investment per worker in many industries.

The total investment per cow on these farms averaged $1,409. Land and buildings was the largest item amounting to $659 per cow or 47 per cent of the total. The amount of cropland on the farms and the location in respect to cities affects the land and building investment per cow.

High capital investment per "productive unit" (per cow) in a business tends to cause a heavier overhead cost per unit. In some cases, it may indicate that the capital resources are not being used to capacity.

The land and buildings investment per crop acre on these farms averaged $209. On dairy farms, the buildings are a big factor affecting the total value of a farm. It is important, however, that there be sufficient cropland to provide roughage for the cattle kept.

Capital turnover (years required for receipts to equal capital) is sometimes used to measure efficiency in the use of capital. On these farms, it would require 2.1 years for the 1958 farm receipts to equal the capital investment.

WHERE THE MONEY CAME FROM

FARM RECEIPTS
559 New York Dairy Farms, 1958

Item	Your farm	Average of 559 farms	Per cent of total
Milk sales	$_____	$14,546	78
Livestock & poultry sold	_____	1,928	10
Eggs sold	_____	629	3
Crop sales	_____	664	4
Miscellaneous*	_____	846	5
Total cash receipts	$_____	$18,613	100
Increase in inventory	_____	2,899	
TOTAL FARM RECEIPTS	$_____	$21,512	

*Includes work off farm, conservation payments, refunds, etc.

Total cash receipts on these farms amounted to $18,613 per farm in 1958. This is equivalent to about $1,550 per month or $51 per day. Milk was the largest source of income making up 78 per cent of the total cash receipts.

Increases in inventory due to expansion in the business are considered as a farm receipt. These items could have been sold and turned into cash receipts but the farmer decided to invest this in the business. In other businesses, they refer to it as "plowed back" into the business. Machinery and equipment accounted for about $1,200 of the increase in inventory, cattle $850, land and buildings $600, and feed and supplies $250.

Total farm receipts averaged $21,512 per farm. There were 156, or 28 per cent, of the 559 farms that had receipts of $25,000 or more. There were 40 farms, or 7 per cent of the total, that had receipts of less than $10,000.

The average farm receipts per man was $11,951 or about $12,000 per worker.

Milk sales averaged $441 per cow.

The average price per hundredweight of 3.7% milk sold was $4.68.

WHERE THE MONEY WENT

How the money is spent in a farm business affects the labor income. Expenses can be "too low" as well as "too high." It pays in studying a farm business to take a close look at the various expense items.

FARM EXPENSES
559 New York Dairy Farms, 1958

Item	Your farm	Average of 559 farms	Per cent of total
Dairy feed bought	$_____	$ 3,584	31
Other feed bought	_____	440	4
Hired labor	_____	1,356	12
Dairy & poultry expense*	_____	1,096	9
Gas and oil	_____	659	6
Machinery repairs, etc.	_____	782	7
Auto expense (farm share)	_____	151	1
Machine hire	_____	100	1
Fertilizer and lime	_____	710	6
Other crop expenses	_____	425	4
Building repairs, etc.	_____	384	3
Livestock bought	_____	732	6
Miscellaneous**	_____	1,235	10
Total cash operating	$_____	$11,654	100
New machinery	_____	2,361	
New buildings	_____	702	
Unpaid family labor	_____	295	
Decrease in inventory	_____	--	
TOTAL FARM EXPENSE	$_____	$15,012	

*Includes milk hauling $324
**Taxes $471, Insurance $201, Electricity $236, Telephone $61, Rent $165, Other $101

FINANCIAL SUMMARY OF YEAR'S BUSINESS

LABOR INCOMES
559 New York Dairy Farms, 1958

Item	Your farm	Average of 559 farms
Total Farm Receipts	$_____	$21,512
Total Farm Expenses	$_____	$15,012
Farm Income	$_____	$ 6,500
Interest on average capital of $45,062 at 5%	$_____	$ 2,253
LABOR INCOME per farm	$_____	$ 4,247
Number of operators	_____	622
LABOR INCOME per operator	$_____	$ 3,817

"Labor Income" is a measure used to determine the return the farm operator receives for his labor and management. It is the amount left after paying all farm expenses, and deducting a charge for unpaid family labor and for interest on the capital invested. Labor income is the measure used most commonly when studying or comparing farm businesses.

Changes in inventories during the year are included in figuring labor income. Increases in inventories due to expanding the business are considered as farm receipts and decreases in inventories are included as farm expenses. Interest payments and payments on debts are not included in the farm expenses. On the other hand, to make all farms comparable, a five per cent interest charge on the average capital investment (average of beginning and end inventories) is deducted to get labor income.

Of the 559 farms, 177 or 32 per cent had labor incomes per operator of $5,000 or more. On the other hand, 41 or 7 per cent of the farms had a minus labor income per operator.

In addition to the labor income on a farm, the family usually has the use of a house, milk, eggs, meat, vegetables, and other products produced on the farm. The estimated value of these farm privileges for 1958 on 318 of these dairy farms averaged $1,050. In general, these items were valued at what they would sell for at the farm. If they were purchased in the city, they would cost considerably more.

If the operator's labor was figured at $3,600 per year, the rate of return on the capital investment would be 5.5%.

FEED COSTS

Feed costs are important on a dairy farm. A dairyman needs to keep close watch of his feed expenses. Below are some business "checks" for your feed program.

SELECTED FACTORS RELATED TO FEED COSTS
559 New York Dairy Farms, 1958

Item	Your farm	Average of 559 farms
Purchased Feed		
Dairy feed bought	$_____	$3,584
Feed bought per cow	$_____	$109
Feed bought per cwt. milk sold	$_____	$1.15
Feed bought as % of milk receipts	_____%	25%
Roughage Harvested (hay equivalent)		
Hay (tons)	_____	138 tons
Grass silage (____ tons ÷ 3)	_____	14 tons
Corn silage (____ tons ÷ 3)	_____	39 tons
Total tons hay equivalent	_____	191 tons
Tons hay equivalent per cow	_____	5.8 tons
Other Considerations		
Acres in crops per cow	_____	3.2 acres
Lime and fertilizer expense per crop acre	$_____	$7
Number of heifers per 10 cows	_____	6.1

The tons of hay equivalent per cow must feed the accompanying young cattle. If a farm has an unusually large number of heifers, more roughage per cow will be needed. Likewise, the number of heifers affects the feed bought per cow.

Quality of roughage is important. The above measures are of quantity only. As you consider the quantity of roughage, also consider quality.

When did you start haying? _____

What per cent of your hay acreage was new seeding? _____%

Do you have a hay conditioner or mow drier? _____

LABOR AND MACHINERY COSTS

It costs to own and operate machinery. On these 559 farms, the average machinery cost was $3,611. This was about the same as the amount spent for dairy feed. It pays to keep an "eye" on the labor and machinery costs on a dairy farm.

MACHINERY COSTS*
559 New York Dairy Farms, 1958

Item	Your farm	Average 559 farms Amount	Per cent
Beginning inventory	$_____	$8,469	
New machinery bought	_____	2,361	
Total	$_____	$10,830	
End inventory	$_____	$9,636	
Machinery sold	_____	53	
Total	$_____	$9,689	
Depreciation	$_____	$1,141	31
Interest @ 5% Av. inventory	_____	454	13
Gas and oil	_____	659	18
Machinery repairs	_____	782	22
Milk hauling	_____	324	9
Machine hire	_____	100	3
Auto expense (farm share)	_____	151	4
Total Machinery Cost	$_____	$3,611	100
Machinery cost per cow	$_____	$109	
Machinery cost per crop acre	$_____	$35	
Machinery cost per work unit	$_____	$6.90	
Machinery cost per man	$_____	$2,006	

*Does not include insurance, housing, or farm labor on repairs.

The fixed costs of depreciation and interest made up 44 per cent of the total cost. These items are frequently overlooked by farmers. They are "real" costs to the business. Machinery repairs made up 22 per cent of the total cost. This is an item to watch.

LABOR AND MACHINERY COST
559 New York Dairy Farms, 1958

Item	Your farm	Average 559 farms
Labor costs:		
Value operators labor	$_____	$4,006
Hired labor	_____	1,356
Unpaid family labor	_____	295
Total Labor	$_____	$5,657
Machinery cost:		
Total Machinery Cost	_____	3,611
Total Labor and Machinery Cost	$_____	$9,268
Labor and Machinery Cost:		
Per crop acre	$_____	$89
Per cow	$_____	$281
Per cwt. milk sold	$_____	$2.98

Farmers frequently justify high machinery costs on the basis that the machinery has saved labor. To check on this, one can figure the combined labor and machinery cost per unit.

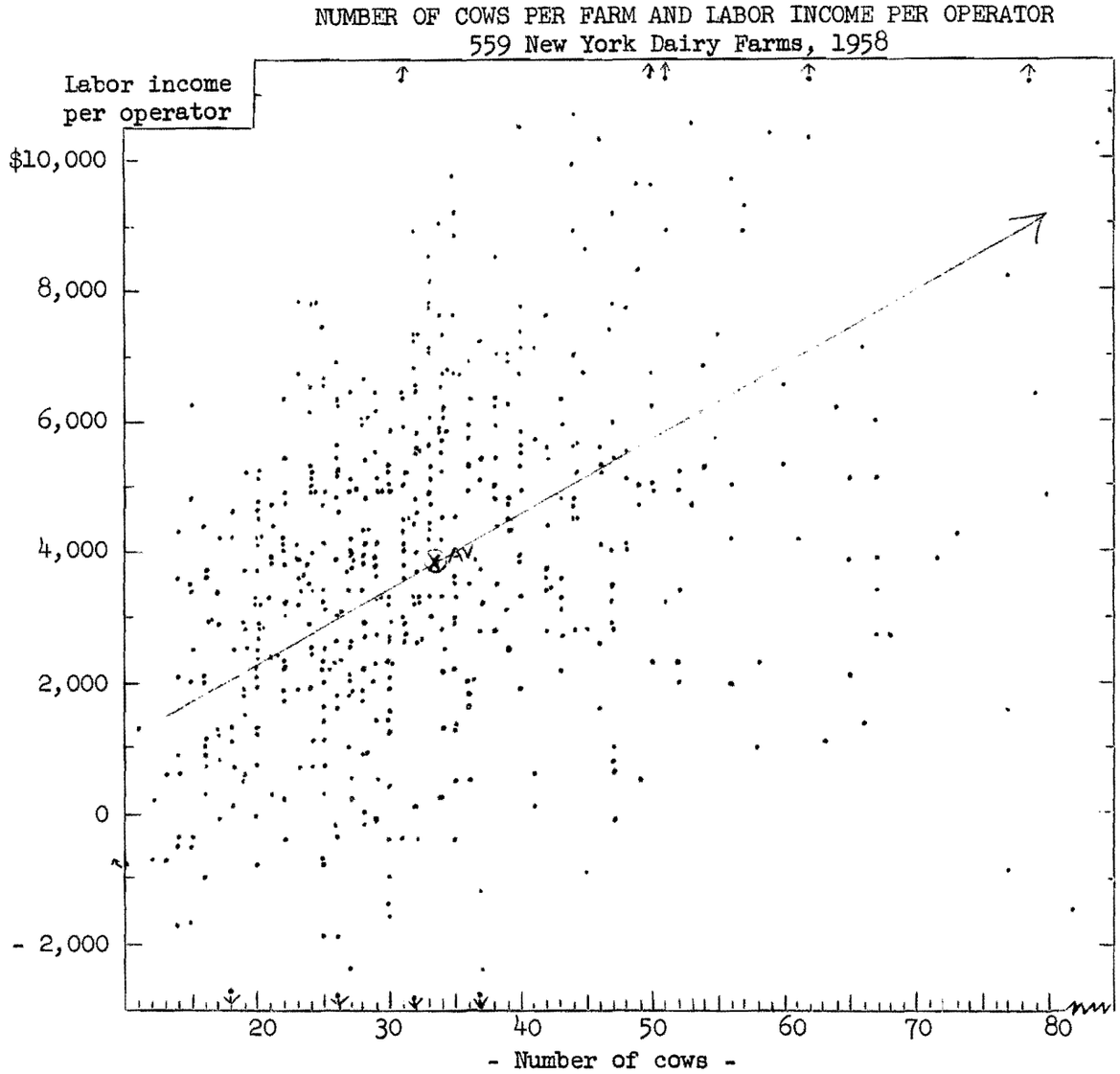
Since the operator is not paid, it is necessary to estimate the value of his labor. Here the operator's labor has been valued at $3,600 per year. Since there was more than one operator on some farms, the value of the operators labor per farm was $4,006. Figuring the combined labor and machinery costs gives a basis for studying the labor and machinery situation on your farm.

How are your labor and machinery costs? _____

ANALYSIS OF FARM BUSINESS

Labor incomes for the 559 farms in this summary varied considerably as shown in the diagram below. Some of the factors causing this variation are examined in the following pages.

NUMBER OF COWS PER FARM AND LABOR INCOME PER OPERATOR
559 New York Dairy Farms, 1958



Each farm included in the summary is represented by a dot on the above graph. Labor income per operator is plotted rather than the labor income per farm. The labor incomes per operator ranged from a minus $4,897 to a high of $14,062 or a difference of $18,959.

These farms averaged about $115 labor income per cow. In general, the farms with more cows tended to have higher labor incomes (see trend line). However, there was considerable variation above and below the trend line.

Experience has shown that size of business, rates of production, labor efficiency, and cost control are important factors affecting farm incomes. Below are some measures used in studying these factors.

SIZE OF BUSINESS
559 New York Dairy Farms, 1958

Item	Your farm	Average 559 farms
Man equivalent	_____	1.8
Number of cows	_____	33
Pounds 3.7% milk sold	_____	310,898
Total crop acres	_____	104
Total work units*	_____	523

*A "work unit" is the average amount of productive work accomplished by a man in a 10-hour day under New York farm conditions.

Farm management studies have shown that in general larger farms pay better than small farms. Larger farms make it possible to use labor and machinery and other items more efficiently. However, if costs are not under control, large farms can lose more than small farms.

Below are data on size of farm as measured by number of cows and labor income per operator for the 559 farms in the farm business management projects in 1958. The labor income per operator for the farms with 50 or over cows was more than three times the labor income of the group with under 20 cows.

COWS PER FARM AND LABOR INCOME
559 New York Dairy Farms, 1958

Number of cows	Number of farms	Lbs. Milk Sold per cow	Lbs. Milk Sold per man	Labor income per operator
Under 20	61	8,830	114,400	$1,670
20-29	189	9,120	155,400	3,210
30-39	166	9,380	185,800	4,250
40-49	85	9,590	197,900	4,860
50-over	58	9,470	207,600	5,650

RATES OF PRODUCTION
559 New York Dairy Farms, 1958

Item	Your farm	Average of farms reporting
Animal Production:		
Lbs. 3.7% milk sold per cow	_____	9,421
Crop Yields:		
Tons hay per acre	_____	2.3
Tons corn silage per acre	_____	10.1
Bu. oats per acre	_____	51
Bu. corn per acre	_____	67

Pounds of milk sold has been adjusted to a 3.7 per cent butterfat equivalent so that farms would be comparable. Pounds of milk sold per cow is always less than D.H.I.C. or other production records. The pounds of milk sold per cow ranged from 3,600 to 14,800.

Roughage is the cheapest source of nutrients available to New York State dairymen. It is for this reason that good crop yields are important on dairy farms. Crop yields are frequently a weak point in farm businesses.

Rates of production also have an effect on farm incomes. There is a point, however, beyond which it is no longer profitable to increase the rates of production. Below are data on rates of production as measured by pounds of milk sold per cow and labor income per operator for the 559 dairy farms in the 1958 farm business summary.

MILK SOLD PER COW AND LABOR INCOME
559 New York Dairy Farms, 1958

Lbs. Milk sold per cow	Number of farms	Number of cows	Milk sold per man	Labor income per operator
Under 7,000	45	32	125,700	$2,070
7,000-7,999	68	30	138,600	2,740
8,000-8,999	133	31	156,000	3,140
9,000-9,999	123	36	177,600	4,200
10,000-10,999	104	35	196,600	4,750
11,000-over	86	34	208,400	5,200

LABOR EFFICIENCY
559 New York Dairy Farms, 1958

Item	Your farm	Average 559 farms
Number cows per man	_____	18
Pounds milk sold per man	_____	172,721
Crop acres per man	_____	58
Work units per man	_____	291

Measures of labor efficiency indicate how much the labor force on the farm accomplishes. On a dairy farm, pounds of milk sold per man is a good simple measure to use. Work units per man combines all productive work done by the labor force and hence is a good measure to use on a diversified dairy farm. Work units have the disadvantage of not taking into account the products produced or the output.

High labor efficiency can be accomplished in several ways. Some farmers do it by long hours and unusually hard work. Others get efficiency by the use of machinery and equipment, but this can be costly. Still others develop good work methods which oftentimes can be done at little cost yet enable the operator to accomplish more.

In looking for ways to increase the labor efficiency, an operator must keep in mind what it will cost. If the cost exceeds the value of the increased output, there is no economic gain.

Below are some data showing the relationship of labor efficiency and incomes on the 559 farms in 1958.

POUNDS OF MILK SOLD PER MAN AND LABOR INCOME
559 New York Dairy Farms, 1958

Pounds milk sold per man	Number of farms	Number of cows	Pounds milk sold per cow	Labor income per operator
Under 120,000	97	23	7,960	$1,750
120,000-150,000	104	30	8,730	2,980
150,000-180,000	117	33	9,280	3,690
180,000-210,000	114	37	9,720	4,620
210,000-240,000	64	44	9,860	5,160
240,000-over	63	39	10,790	6,130

Expenditures on a modern dairy farm are large. These 559 dairymen spent an average of $1,250 per month, or about $40 per day. The way this money is spent has an important effect on the operator's income.

"Cost control" is essential in any business. This means keeping check on all costs. One can spend "too little" as well as "too much." In trying to keep costs down, a farmer must guard against cutting costs which reduce the efficiency of the business.

Below are some "yardsticks" for checking the reasonableness of expenses on a dairy farm.

COST CONTROL MEASURES
559 New York Dairy Farms, 1958

Item	Your farm	Average for 559 farms
% Feed bought is of milk receipts	_____%	25%
Feed bought per cow	$_____	$109
Fertilizer & lime cost per cow	$_____	$22
Machinery repairs per cow	$_____	$24
Taxes per cow	$_____	$14
Insurance per cow	$_____	$6
Electricity per cow	$_____	$7
Total farm expense per cow	$_____	$455
Machinery cost per crop acre	$_____	$35
Fertilizer & lime/crop acre	$_____	$6.83
Gas & oil per crop acre	$_____	$6.34
Taxes per crop acre	$_____	$4.53
% Expenses are of receipts	_____%	70%

There is NO magic in keeping costs in line. All cost items must be watched. Little "extra" costs add up over time.

FARM BUSINESS CHART FOR FARM AND HOME MANAGEMENT COOPERATORS

In 1958, 559 farms were included in the general dairy farm business summary. Business analysis of these farms show them to be above average in most factors affecting profits. Information from these farms has been used to construct the chart below. The figure at the top of each column is the average for the best ten per cent of the farms in that factor. The next figure in the column is for the second best ten per cent of the farms and so forth down the column. Each of the columns is independent of the others.

	Size			Rates of Production			Labor Efficiency		Feed Factors	
Decile	Man equiv-alent	Number of cows	Pounds of milk sold	Pounds milk sold per cow	Tons hay per acre	Tons corn silage per acre	Cows per man	Pounds milk sold per man	Feed bought per cow	Tons hay equiv-alent per cow
1	3.4	63	626,000	12,400	4.2	17	28	276,600	$ 38	9.9
2	2.4	46	452,000	11,000	3.3	14	24	227,900	61	7.6
3	2.2	40	380,000	10,400	2.9	12	22	205,900	77	6.9
4	2.0	35	334,000	9,900	2.6	11	20	190,800	87	6.3
5	1.8	32	298,000	9,400	2.4	10	19	175,800	98	5.8
6	1.6	30	268,000	9,000	2.2	10	18	161,100	107	5.4
7	1.5	27	242,000	8,600	2.0	8	16	147,100	119	4.9
8	1.3	24	214,000	8,200	1.9	8	15	131,800	134	4.5
9	1.2	21	175,000	7,600	1.6	7	14	115,400	151	4.0
10	1.0	16	126,000	6,400	1.0	4	10	87,400	198	3.0

How does your business measure up against this group of commercial dairy farms? Take a pencil and draw a line through each column which will show where your business stands. Are you in the "first division" (above the center line) on more than half of these factors?

COMPARISON OF BUSINESS SUMMARIES OF 30 FARMS WITH
HIGHEST LABOR INCOMES AND THE 30 FARMS WITH LOWEST LABOR INCOMES
559 New York Dairy Farms, 1958

	Average of the 559 farms	Average of 30 farms with: Highest labor incomes	Lowest labor incomes
Capital Investment (End of year):			
Land and buildings	$21,734	$34,282	$26,212
Cattle	11,296	18,615	9,606
Machinery	9,636	13,466	10,814
Feed and supplies	3,639	6,316	3,166
Other	206	274	120
TOTAL END INVENTORY	$46,511	$72,953	$49,918
Farm Receipts:			
Milk sales	$14,546	$25,103	$11,409
Livestock sold	1,928	3,049	1,897
All other sales and income	2,139	3,603	1,948
Total Cash Receipts	$18,613	$31,755	$15,254
Increase in Inventory	2,899	5,603	1,229
TOTAL FARM RECEIPTS	$21,512	$37,358	$16,483
Farm Expenses:			
Feed bought	$ 4,024	$ 6,605	$ 3,428
Hired labor	1,356	3,413	1,736
Machinery repairs and auto	933	1,323	944
Gas and oil	659	987	879
Milk hauling	324	421	315
Dairy expense	772	1,172	731
Fertilizer and lime	710	1,243	648
Other crop expense	525	698	624
Livestock bought	732	835	1,393
Building repairs	384	657	409
Miscellaneous	1,235	1,866	1,284
Total Cash Operating	$11,654	$19,220	$12,391
New machinery	2,361	2,490	1,956
New buildings	702	1,634	725
Unpaid labor	295	411	562
TOTAL FARM EXPENSES	$15,012	$23,755	$15,634
Financial Summary:			
Total farm receipts	$21,512	$37,358	$16,483
Total farm expenses	15,012	23,755	15,634
Farm Income	$ 6,500	$13,603	$ 849
5% on Av. Capital	2,253	3,508	2,465
Labor Income per Farm	$ 4,247	$10,095	$-1,616
Number of Operators	622	30	31
LABOR INCOME per Operator	$ 3,817	$10,095	$-1,564

COMPARISON OF FARM BUSINESS FACTORS OF 30 FARMS WITH HIGHEST LABOR INCOMES AND THE 30 FARMS WITH LOWEST LABOR INCOMES
559 New York Dairy Farms, 1958

	Average of the 559 farms	Average of 30 farms with: Highest labor incomes	Lowest labor incomes
Farm Business Factors:			
Size:			
Man equivalent	1.8	2.4	1.9
Average number cows	33	50	29
Pounds of milk sold (3.7% equiv.)	310,898	531,679	243,910
Total crop acres	104	162	108
Total man work units	523	815	474
Rates of Production:			
Pounds milk sold per cow	9,421	10,634	8,411
Tons hay per acre	2.3	2.5	1.9
Tons corn silage per acre	10	11	9
Bushels oats per acre	51	54	44
Labor Efficiency:			
Man work units per man	291	340	249
Pounds milk sold per man (3.7%)	172,721	221,533	128,374
Use of Capital:			
Total capital per man	$25,839	$30,397	$26,273
Total capital per cow	$1,409	$1,459	$1,721
Land & buildings per cow	$659	$686	$904
Machinery investment: per man	$5,353	$5,611	$5,692
per cow	$292	$269	$373
Feed Costs:			
Dairy feed bought per cow	$109	$112	$116
% Feed bought was of milk receipts	25%	22%	29%
Crop acres per cow	3.2	3.2	3.7
Fertilizer & lime expense/crop acre	$7	$8	$6
Hay equivalent harvested per cow	5.8	6.4	5.9
Number heifers per 10 cows	6.1	6.8	6.2
Machinery Costs:			
Total machinery cost	$3,611	$5,047	$4,172
Machinery cost per cow	$109	$101	$144
Machinery cost per man	$2,006	$2,103	$2,196
Prices:			
Av. price received for milk (3.7%)	$4.68	$4.72	$4.68
Other:			
% Real estate is of total capital	47%	47%	53%
% Expenses are of receipts	70%	64%	95%
% Machinery cost is of total farm expenses & interest on investment	21%	19%	23%

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1958
19 Counties Included in General Farm Business Summary

Item	Albany County	Cayuga County	Chenango County Group II	Chenango County Group III	Chenango County Group IV
Number of farms	25	28	21	6	21
Things to work with:					
Number of cows	26	30	35	40	29
Number of heifers	16	21	17	22	16
Acres of hay	78	48	50	45	56
Acres of corn silage*	11	13	9	12	11
Acres of oats*	14	29	9	24	12
Total crop acres	107	166	74	106	79
Size of business:					
Man equivalent	1.7	2.0	1.8	2.1	1.5
Total work units	450	541	504	556	451
Cwt. milk sold	2,363	2,913	3,318	3,711	2,504
Rates of production:					
Lbs. milk sold/cow	9,089	9,709	9,481	9,277	8,634
Tons hay/acre	1.8	3.0	2.5	2.4	2.2
Tons corn silage/acre	10	11	11	11	9
Bu. oats/acre	48	53	36	61	45
Work per man:					
Number cows/man	15	15	19	19	19
Work units/man	265	270	280	265	301
Cwt. milk sold/man	1,390	1,456	1,843	1,767	1,669
Financial summary:					
Average capital	$37,178	$55,158	$46,147	$53,701	$34,467
Total farm receipts	$17,568	$21,965	$22,428	$24,467	$18,727
Total farm expenses	$12,647	$15,800	$16,629	$15,205	$12,125
LABOR INCOME/operator	$3,062	$2,806	$3,333	$4,385	$4,455
Cost control factors:					
Machinery investment	$7,835	$11,985	$9,583	$8,982	$7,222
Machinery cost	$3,237	$4,852	$3,632	$3,556	$2,771
Machinery cost/cow	$124	$162	$104	$89	$96
Feed bought/cow	$100	$72	$131	$115	$109
Fertilizer/crop acre	$5.22	$7.80	$8.95	$4.17	$5.11
% Expenses are of receipts	72%	72%	74%	62%	65%
Av. price/cwt. milk	$4.84	$4.55	$4.67	$4.67	$4.64

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1958
19 Counties Included in General Farm Business Summary

Item	Clinton County	Cortland County	Delaware County Group I	Delaware County Group II & III	Essex County
Number of farms	24	22	25	28	17
Things to work with:					
Number of cows	35	43	37	34	29
Number of heifers	25	26	20	19	23
Acres of hay	74	51	56	51	81
Acres of corn silage*	20	21	11	8	20
Acres of oats*	17	22	8	6	16
Total crop acres	119	108	90	70	144
Size of business:					
Man equivalent	2.2	2.0	1.8	1.6	2.0
Total work units	564	652	545	473	511
Cwt. milk sold	3,201	4,253	3,422	3,094	2,519
Rates of production:					
Lbs. milk sold/cow	9,147	9,890	9,248	9,100	8,688
Tons hay/acre	2.1	2.6	2.2	2.0	2.0
Tons corn silage/acre	10	10	10	11	9
Bu. oats/acre	52	47	37	42	36
Work per man:					
Number cows/man	16	22	21	21	15
Work units/man	256	326	303	296	256
Cwt. milk sold/man	1,455	2,126	1,901	1,934	1,260
Financial summary:					
Average capital	$50,115	$49,937	$38,049	$39,402	$45,725
Total farm receipts	$21,060	$26,884	$22,615	$19,705	$20,193
Total farm expenses	$14,590	$19,047	$15,150	$13,225	$14,025
LABOR INCOME/operator	$3,171	$5,108	$4,966	$4,510	$3,473
Cost control factors:					
Machinery investment	$9,906	$8,818	$8,354	$7,878	$12,548
Machinery cost	$3,776	$4,196	$3,128	$2,750	$3,987
Machinery cost/cow	$108	$98	$85	$81	$137
Feed bought/cow	$111	$116	$133	$137	$86
Fertilizer/crop acre	$3.68	$12.28	$6.81	$8.66	$4.17
% Expenses are of receipts	69%	71%	67%	67%	69%
Av. price/cwt. milk	$4.53	$4.64	$4.71	$4.70	$4.47

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1958
19 Counties Included in General Farm Business Summary

Item	Greene County	Madison County	Monroe County	Montgomery County
Number of farms	49	54	20*	18
Things to work with:				
Number of cows	32	39	37	34
Number of heifers	17	21	26	19
Acres of hay	52	54	62	73
Acres of corn silage**	11	18	19	16
Acres of oats**	8	24	23	18
Total crop acres	93	108	145	112
Size of business:				
Man equivalent	1.7	2.1	2.2	1.8
Total work units	478	595	661	529
Cwt. milk sold	2,672	3,685	3,703	3,219
Rates of production:				
Lbs. milk sold/cow	8,350	9,448	10,009	9,468
Tons hay/acre	1.9	3.0	2.5	2.1
Tons corn silage/acre	10	9	13	8
Bu. oats/acre	50	50	72	49
Work per man:				
Number of cows/man	19	19	17	19
Work units/man	281	283	300	294
Cwt. milk sold/man	1,572	1,755	1,683	1,788
Financial summary:				
Average capital	$38,562	$50,513	$68,232	$43,240
Total farm receipts	$18,593	$22,307	$29,913	$21,869
Total farm expenses	$13,656	$15,442	$20,007	$13,759
LABOR INCOME/operator	$2,891	$3,550	$5,647	$5,353
Cost control factors:				
Machinery investment	$8,550	$10,119	$12,722	$10,185
Machinery cost	$3,235	$3,849	$5,574	$3,599
Machinery cost/cow	$101	$99	$151	$106
Feed bought/cow	$125	$89	$77	$71
Fertilizer/crop acre	$5.72	$6.23	$10.29	$4.49
% Expenses are of receipts	73%	69%	67%	63%
Av. price/cwt. milk	$4.77	$4.59	$4.82	$4.74

*Does not include 2 farms in County Summary for which data were not suitable for general summary.
**Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1958
19 Counties Included in General Farm Business Summary

Item	Onondaga County	Oswego County	Otsego County	Schenectady County
Number of farms	23	15	45	14
Things to work with:				
Number of cows	31	27	35	22
Number of heifers	22	17	21	11
Acres of hay	49	35	60	65
Acres of corn silage*	15	14	14	16
Acres of oats*	20	14	14	11
Total crop acres	107	79	91	102
Size of business:				
Man equivalent	1.7	1.4	1.7	1.4
Total work units	516	401	536	356
Cwt. milk sold	2,902	2,816	3,285	2,007
Rates of production:				
Lbs. milk sold/cow	9,362	10,431	9,386	9,124
Tons hay/acre	2.6	3.0	2.2	1.7
Tons corn silage/acre	10	9	10	7
Bu. oats/acre	53	45	48	53
Work per man:				
Number cows/man	18	19	21	16
Work units/man	304	286	315	254
Cwt. milk sold/man	1,707	2,012	1,932	1,434
Financial summary:				
Average capital	$46,956	$36,098	$47,132	$30,045
Total farm receipts	$21,309	$19,006	$22,813	$13,673
Total farm expenses	$14,341	$13,224	$15,900	$9,824
LABOR INCOME/operator	$4,239	$3,616	$4,101	$2,347
Cost control factors:				
Machinery investment	$10,464	$9,125	$10,753	$7,670
Machinery cost	$3,795	$3,228	$3,304	$2,934
Machinery cost/cow	$122	$120	$94	$133
Feed bought/cow	$75	$127	$115	$83
Fertilizer/crop acre	$5.30	$9.01	$7.18	$4.21
% Expenses are of receipts	67%	70%	70%	72%
Av. price/cwt. milk	$4.66	$4.53	$4.70	$4.64

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1958
19 Counties Included in General Farm Business Summary

Item	Schoharie County	Sullivan County	Washington County	Yates County
Number of farms	49*	20	26	9
Things to work with:				
Number of cows	32	32	36	28
Number of heifers	18	18	24	23
Acres of hay	62	63	71	51
Acres of corn silage**	11	9	17	14
Acres of oats**	14	4	12	18
Total crop acres	97	90	107	122
Size of business:				
Man equivalent	1.8	1.8	2.2	1.9
Total work units	493	451	632	487
Cwt. milk sold	2,969	2,916	3,495	2,870
Rates of production:				
Lbs. milk sold/cow	9,278	9,113	9,709	10,249
Tons hay/acre	2.2	1.8	2.0	2.7
Tons corn silage/acre	10	9	11	12
Bu. oats/acre	48	40	43	48
Work per man:				
Number cows/man	18	18	16	15
Work units/man	274	251	287	256
Cwt. milk sold/man	1,650	1,620	1,589	1,510
Financial summary:				
Average capital	$42,094	$42,675	$49,458	$49,107
Total farm receipts	$19,615	$19,366	$28,559	$23,493
Total farm expenses	$13,869	$13,702	$21,220	$16,038
LABOR INCOME/operator	$3,499	$2,942	$4,081	$4,499
Cost control factors:				
Machinery investment	$9,353	$8,416	$10,364	$11,736
Machinery cost	$3,315	$3,106	$4,344	$3,798
Machinery cost/cow	$104	$97	$121	$136
Feed bought/cow	$115	$151	$107	$69
Fertilizer/crop acre	$6.34	$7.70	$8.97	$9.30
% Expenses are of receipts	71%	71%	74%	68%
Av. price/cwt. milk	$4.72	$5.02	$4.66	$4.54

*Does not include one farm in County Summary for which data were not suitable for general summary.
**Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1958
From 11 County Summaries Not in General Farm Business Summary*

Item	Cattaraugus County	Genesee County	Herkimer County	Jefferson County
Number of farms	28	15	30	30
Things to work with:				
Number of cows	31	34	41	33
Acres of hay	--	54	72	68
Total acres of crops	90	156	117	119
Size of business:				
Man equivalent	1.6	2.2	1.9	1.6
Cwt. milk sold	2,900	3,533	3,549	3,171
Rates of production:				
Lbs. milk sold/cow	9,425	10,392	8,656	9,609
Tons hay/acre	--	3.0	2.4	2.1
Work per man:				
Number of cows/man	19	15	22	21
Cwt. milk sold/man	1,855	1,606	1,868	1,982
Cost control factors:				
% Feed bought is of milk sales	23%	13%	21%	20%
Machinery cost/cow	--	$166	$95	$95
% Expenses are of receipts	70%	66%	71%	65%
Financial summary:				
Average capital	$42,597	$59,501	$46,988	$38,182
Total farm receipts	$20,098	$27,950	$24,535	$19,777
Total farm expenses	$13,974	$18,461	$17,449	$12,890
LABOR INCOME/operator	$3,566	$5,747	$4,584	$4,978

*County agricultural agents in these counties obtained farm business information from farmers in the counties, and in cooperation with farm management specialists summary reports were prepared for use with the cooperators and others in discussing farm business management problems.

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1958
From 11 County Summaries Not in General Farm Business Summary*

Item	Oneida County	Ontario County	Rensselaer County	St. Lawrence County
Number of farms	70	37	36	65
Things to work with:				
Number of cows	32	30	30	33
Acres of hay	43	46	62	65
Total acres of crops	80	131	107	100
Size of business:				
Man equivalent	1.7	1.9	1.8	1.7
Cwt. milk sold	3,013	3,279	3,010	3,185
Rates of production:				
Lbs. milk sold/cow	9,416	10,929	10,033	9,652
Tons hay/acre	2.9	3.1	2.5	2.2
Work per man:				
Number of cows/man	19	16	17	19
Cwt. milk sold/man	1,772	1,726	1,672	1,874
Cost control factors:				
% Feed bought is of milk sales	19%	14%	20%	26%
Machinery cost/cow	$100	$175	$119	$93
% Expenses are of receipts	62%	66%	65%	67%
Financial summary:				
Average capital	$37,600	$55,149	$40,727	$37,364
Total farm receipts	$17,996	$27,021	$20,675	$19,247
Total farm expenses	$11,217	$17,763	$13,417	$12,815
LABOR INCOME/operator	$4,369	$5,345	$4,584	$4,211

*County agricultural agents in these counties obtained farm business information from farmers in the counties, and in cooperation with farm management specialists summary reports were prepared for use with the cooperators and others in discussing farm business management problems.

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1958
From 11 County Summaries Not in General Farm Business Summary*

Item	Steuben County	Tompkins County	Wayne County
Number of farms	27	31	26
Things to work with:			
Number of cows	24	33	24
Acres of hay	52	56	38
Total acres of crops	102	127	108
Size of business:			
Man equivalent	1.5	1.8	1.7
Cwt. milk sold	2,448	3,270	2,339
Rates of production:			
Lbs. milk sold/cow	10,200	9,910	9,745
Tons hay/acre	2.4	2.8	2.6
Work per man:			
Number of cows/man	16	18	14
Cwt. milk sold/man	1,632	1,817	1,376
Cost control factors:			
% Feed bought is of milk sales	19%	19%	15%
Machinery cost/cow	$145	$132	$161
% Expenses are of receipts	65%	74%	64%
Financial summary:			
Average capital	$35,461	$52,586	$44,937
Total farm receipts	$17,938	$23,213	$19,138
Total farm expenses	$11,747	$17,225	$12,172
LABOR INCOME/operator	$4,260	$3,109	$4,090

*County agricultural agents in these counties obtained farm business information from farmers in the counties, and in cooperation with farm management specialists summary reports were prepared for use with the cooperators and others in discussing farm business management problems.

COMPARISON OF SELECTED FARM BUSINESS SUMMARY FACTORS
New York Dairy Farms, 1955, 1956, 1957, and 1958

Item	1955	1956	1957	1958
Number of farms	201	342	464	559
Things to work with:				
Number of cows	33	34	33	33
Number of heifers	20	20	20	20
Acres of hay	54	56	58	59
Acres of corn silage**	16	13	14	14
Acres of oats**	20	13	18	17
Total crop acres	105	98	100	104
Size of business:				
Man equivalent	1.8	1.8	1.8	1.8
Total work units	573	575	576	523*
Cwt. milk sold	2,887	3,025	2,932	3,109
Rates of production:				
Lbs. milk sold/cow	8,747	8,897	8,885	9,421
Tons hay/acre	2.2	2.1	2.1	2.3
Tons corn silage/acre	9.9	9.5	11.4	10.1
Bu. oats/acre	50	52	58	51
Work per man:				
Number cows/man	18	19	18	18
Work units/man	318	319	320	291*
Cwt. milk sold/man	1,604	1,681	1,629	1,727
Financial summary:				
Average capital	$39,552	$39,708	$42,012	$45,062
Total farm receipts	$16,443	$17,654	$20,166	$21,512
Total farm expenses	$11,539	$12,397	$13,798	$15,012
LABOR INCOME/operator	$2,482	$2,870	$3,764	$3,817
Cost control factors:				
Machinery investment	$8,475	$8,438	$9,163	$9,636
Machinery cost	$3,252	$3,225	$3,477	$3,611
Machinery cost/cow	$99	$95	$105	$109
Feed bought/cow	$90	$96	$107	$109
Fertilizer/crop acre	$6	$6	$6	$7
% Expenses are of receipts	70%	70%	68%	70%
Av. price/cwt. milk	$4.09	$4.18	$4.65	$4.68

*Work units for 1958 figured on basis of "1958 revision of Farm Business Chart" (i.e., revised work units per cow 11 compared with 12 units per cow formerly used.)
**Average per farm reporting

BUDGETING A CHANGE IN YOUR FARM BUSINESS

After locating the weak points in a business, the next step is to consider changes to correct the weaknesses. Budgeting proposed changes can help one to determine the likely results of a proposed change.

	My business in 1958	Goal for 1959	Goal for 19__
I. Farm Receipts:			
Milk	$	$	$
Eggs			
Livestock sold			
Crops sold			
Machine work for others			
Miscellaneous			
Increase in inventory			
Total receipts	$	$	$
II. Farm Expenses:			
Feed bought	$	$	$
Gas and oil			
New machinery			
Machinery repairs			
Machine hire			
Auto expense (farm share)			
Hired labor			
Unpaid family labor			
Dairy and poultry expense			
Livestock bought			
Fertilizer and lime			
Seed			
Other crop expense			
Building repair			
Taxes on real estate			
Insurance			
Telephone and electricity			
Miscellaneous			
Decrease in inventory			
Total Expenses	$	$	$
III. Farm Financial Summary:			
Capital investment	$	$	$
Total Farm Receipts	$	$	$
Total Farm Expenses			
Farm Income			
Interest on Capital			
LABOR INCOME	$	$	$

WHAT ARE YOU WORKING FOR?

The discussions in this report have centered around ways to make more money from your business. But you don't operate your business just for the sake of keeping busy. Every family has some things uppermost in their minds that they expect to get from their business or their job. These "objectives" or "goals" may not be easy to put into words. But if they are written down, or at least talked about, it may help you see what things need to be done in the farm business in order to accomplish these goals.

Goals for Your Farm and Family

The Farm -- List the major farm improvements you want to make in the next five years. The list should include changes in buildings, land, crops, and livestock.

_____

_____

The Home -- List major changes you want to make in the home in the next five years. Include remodeling, equipment, and furniture.

_____

_____

Family Security -- List things you want to get done relative to financial security. This list might include debt reduction, a better life insurance program, more business insurance, a will, starting plans for retirement.

_____

_____

Education -- List your objectives for educating the children.

_____

_____

Recreation -- List your plans for major vacations, trips, new cars, etc.

_____

_____

Better Working Conditions -- What do you hope to accomplish concerning the hours you work, lightening physical work, and the like?

_____

_____

The Community -- What do you hope to get done relative to making your community a better place to live -- schools, church, roads, and so forth?

_____