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1960 DAIRY FARM BUSINESS SUMMARIES



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1960 DAIRY FARM BUSINESS SUMMARIES

Farm business management projects were conducted during 1960 in 33 dairy counties in New York State. The projects were sponsored by the County Extension Service in cooperation with The College of Agriculture at Cornell.

The primary purposes of these projects are to teach farm families (1) how to keep good farm business records, and (2) how to use records in making decisions. At meetings of the cooperators, principles of good farm management are discussed. In brief, these projects aim to improve the cooperator's skill as a farm manager.

Participation in these projects is on a voluntary basis. Farm families usually enroll in the project for the purpose of improving their farm management. The number of cooperators varies from county to county. Although the cooperators come from different areas in the county, the group average does not reflect the average for all farms in the county. The summary figures merely report the experience of the individual operators in the project.

Each cooperating family had a farm inventory and kept a record of receipts and expenses, and of crops grown. At the end of the year, the records were checked and summarized. The summary figures for the individual farms in each county were combined to get group averages. A summary report was prepared for each county. The farm families used the group averages in the reports as a basis for comparison in studying their individual businesses.

The individual records from 23 counties were summarized at The College. In 10 counties, the farmers summarized their own individual records but the summary reports were prepared at Cornell. The 627 records from the 23 counties summarized at The College have been combined into a general summary for special study.

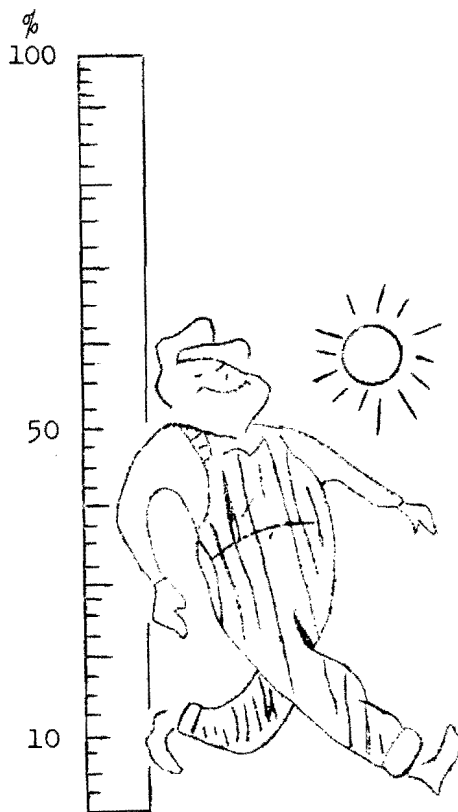
All of the 627 farms had dairy cows. However, the combinations of enterprises with the dairy varied. For analysis purposes, the farms were classified as follows: 467 dairy; 75 dairy-cash crops; 35 dairy-poultry; 10 dairy-fruit; 27 rented dairy farms; 9 part-time dairy farms; and 4 irregulars.

This report has been prepared principally for the use of Extension agents, teachers of agriculture, and other agricultural workers. Blank spaces have been provided so that farmers who are interested can use this for studying their businesses.

This summary prepared by C. A. Bratton

G. L. Casler, C. W. Loomis, L. A. Stanton, and C. A. Bratton in cooperation with the county agents prepared the 33 individual county summaries.

HOW DO YOU MEASURE UP AS A MANAGER?



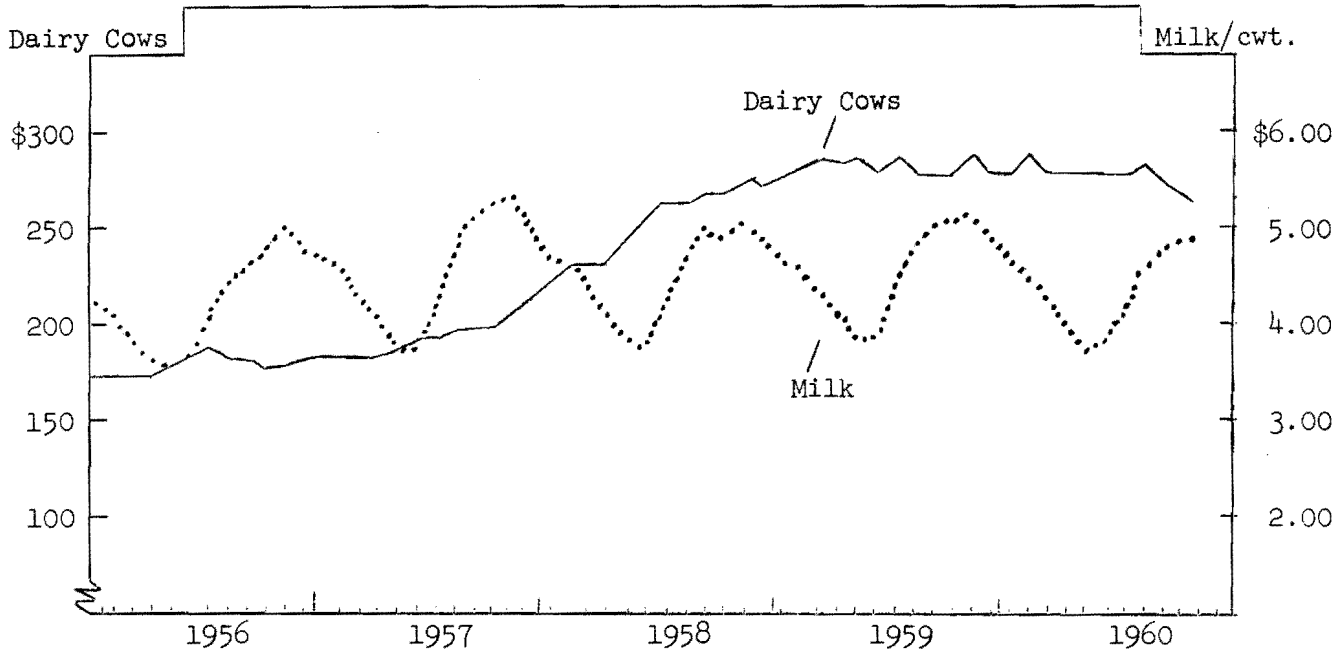
1. Have you developed a "management procedure"?
2. Do you have the economic facts needed for making management decisions?

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)
8. Put the decision into operation (action)

Good decisions are the crux of sound management!

NEW YORK FARM PRICES OF COWS AND MILK, 1956-1960



Source: Current Economic Situation

Prices are one of several important factors affecting farm incomes. When studying farm incomes for any period, we must consider the price situation. This includes both prices received and prices paid. The general level of farm incomes is determined by the relationship of prices received and prices paid by farmers.

The blended farm price for milk in 1960 averaged \$4.42 which was 17¢ below the average for 1959. Dairy cow prices held fairly steady, at a relatively high level, during much of 1960 with some weakening during the last quarter. The index of prices paid by New York dairy farmers continued to rise in 1960 with an increase of 2 per cent for the year. Dairy feed prices in New York State were down slightly, while machinery and wages were up 2 and 3 per cent respectively.

AVERAGE YEARLY PRICES RECEIVED AND PAID BY N.Y. FARMERS, 1951-60

| Year | Milk (cwt.) | Dairy cows (head) | Prices paid by N.Y. dairy farms (1910-14=100) | Year | Milk (cwt.) | Dairy cows (head) | Prices paid by N.Y. dairy farms (1910-14=100) |
|------|-------------|-------------------|---|------|-------------|-------------------|---|
| 1951 | \$4.70 | \$294 | 328 | 1956 | \$4.20 | \$180 | 352 |
| 1952 | 4.76 | 300 | 350 | 1957 | 4.58 | 196 | 363 |
| 1953 | 4.34 | 209 | 346 | 1958 | 4.55 | 255 | 376 |
| 1954 | 4.11 | 176 | 343 | 1959 | 4.59 | 284 | 387 |
| 1955 | 4.09 | 174 | 346 | 1960 | 4.42 | 278 | 394 |

THINGS TO WORK WITH

The 467 dairy farms included in this summary (farms on which dairy was the only major source of income) were scattered throughout the 23 counties. There was considerable variation in the size and combination of crop enterprises on these farms. The "resources" or things to work with are reported below:

THINGS TO WORK WITH
467 New York Dairy Farms, 1960

| Item | Number reporting | Average* | Range | |
|-----------------------------|------------------|----------|-------|------|
| | | | Low | High |
| <u>Labor:</u> | | | | |
| Man equivalent (No. men) | | 1.7 | 1.0 | 7.4 |
| Operator only | (25 farms) | | | |
| Hired man 12 or more months | (81 farms) | | | |
| Hired help part of year | (283 farms) | | | |
| Unpaid family labor | (260 farms) | | | |
| <u>Livestock: (Number)</u> | | | | |
| Cows | | 35 | 6 | 185 |
| Heifers | | 21 | 0 | 135 |
| Hens | (25 farms) | 59 | 10 | 235 |
| <u>Crops: (acres grown)</u> | | | | |
| Hay | (465 farms) | 64 | 2 | 259 |
| Grass silage | (152 farms) | 14 | 2 | 100 |
| Corn for silage | (353 farms) | 15 | 1 | 75 |
| Corn for grain | (98 farms) | 10 | 1 | 39 |
| Oats | (258 farms) | 16 | 1 | 60 |
| Total cropland | | 96 | 24 | 335 |

*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 364 farms reported hiring some labor; 260 farms reported some unpaid labor; while only 25 farms reported neither unpaid family labor nor hired labor. Some farms were operated by two individuals as partners. There were 432 single operators and 35 partnerships.

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

CAPITAL INVESTMENT

"It takes money to make money in a farm business." This money we call "capital investment." In this report, the farm inventory at the end of the year is used as a measure of capital investment. Farmers are encouraged to use "current market values" (what the items would sell for at a good farm auction) when taking their inventory.

FARM INVENTORY VALUES, JANUARY 1, 1961
467 New York Dairy Farms

| Item | Amount per farm | | Amount per cow | |
|-------------------------|-----------------|-----------|----------------|-----------|
| | Av. 467 farms | Your farm | Av. 467 farms | Your farm |
| Land and buildings | \$22,548 | \$ _____ | \$ 644 | \$ _____ |
| Cattle | 12,743 | _____ | 364 | _____ |
| Machinery and equipment | 10,055 | _____ | 287 | _____ |
| Other livestock | 101 | _____ | 3 | _____ |
| Feed and supplies | 3,298 | _____ | 94 | _____ |
| TOTAL INVESTMENT | \$48,745 | \$ _____ | \$1,392 | \$ _____ |

Total investment on these dairy farms averaged \$48,745 per farm. There were 169 or about one-third of the farms, that had investments of \$50,000 or more. The average investment per man on these farms was \$28,674. This is about double the capital investment per worker in many industries.

The total investment per cow on these farms averaged \$1,392. Land and buildings was the largest item amounting to \$644 per cow or 46 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 \$235. 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 2.4 years for the 1960 farm receipts to equal the capital investment.

WHERE THE MONEY CAME FROM

Every business needs a good source of income. Below we examine the sources of income for these 467 farms in 1960. Total farm receipts averaged \$49 per day.

FARM RECEIPTS
467 New York Dairy Farms, 1960

| Item | Your farm | Average of 467 farms | Per cent of total |
|----------------------------|-----------------|-------------------------|----------------------|
| Milk sales | \$ _____ | \$15,502 | 85 |
| Livestock & poultry sold | _____ | 1,749 | 10 |
| Eggs sold | _____ | 18 | -- |
| Crop sales | _____ | 127 | 1 |
| Miscellaneous* | _____ | 671 | 4 |
| Total cash receipts | \$ _____ | \$18,067 | 100 |
| Increase in inventory | _____ | 2,638 | |
| TOTAL FARM RECEIPTS | \$ _____ | \$20,705 | |

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

Total cash receipts on these farms amounted to \$18,067 per farm in 1960. This is equivalent to about \$1,500 per month. Milk was the largest source of income making up 85 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.

The trend among successful farmers is to larger farm businesses. This is reflected in the increase in inventory which averaged \$2,638 per farm. This was 13 per cent of the total farm receipts. The costs for producing this increase in inventory, however, appear in the farm expenses.

Total farm receipts averaged \$20,705 per farm. There were 110, or 24 per cent, of the 467 farms that had receipts of \$25,000 or more. There were 34 farms, or 7 per cent of the total, that had receipts of less than \$10,000.

The average farm receipts per man was \$12,179.

Milk sales averaged \$443 per cow.

The average price per hundredweight of 3.7% milk sold was \$4.64.

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
467 New York Dairy Farms, 1960

| Item | Your farm | Average of 467 farms | Per cent of total |
|---------------------------|-----------------|-------------------------|----------------------|
| Dairy feed bought | \$ _____ | \$ 4,330 | 38 |
| Other feed bought | _____ | 26 | -- |
| Hired labor | _____ | 1,072 | 9 |
| Dairy & poultry expense* | _____ | 1,155 | 10 |
| Gas and oil | _____ | 632 | 5 |
| Machinery repairs, etc. | _____ | 702 | 6 |
| Auto expense (farm share) | _____ | 159 | 1 |
| Machine hire | _____ | 75 | 1 |
| Fertilizer and lime | _____ | 658 | 6 |
| Other crop expenses | _____ | 348 | 3 |
| Building repairs, etc. | _____ | 330 | 3 |
| Livestock bought | _____ | 854 | 7 |
| Miscellaneous** | _____ | 1,231 | 11 |
| Total cash operating | \$ _____ | \$11,572 | 100 |
| New machinery | _____ | 2,000 | |
| New buildings | _____ | 796 | |
| Unpaid family labor | _____ | 400 | |
| Decrease in inventory | _____ | -- | |
| TOTAL FARM EXPENSE | \$ _____ | \$14,768 | |

*Includes milk hauling \$380

**Taxes \$465, Insurance \$199, Electricity \$244, Telephone \$57, Rent \$153, Other \$113

FINANCIAL SUMMARY OF YEAR'S BUSINESS

There are several ways of measuring the returns from a farm business. These measures have been developed for specific purposes. The measure selected at any one time will depend on the purpose for which it is to be used.

Four measures have been calculated for the 467 dairy farms for 1960. They are: (1) farm cash operating income, (2) labor income, (3) labor returns, and (4) rate of return on investment.

FARM CASH OPERATING INCOME
467 New York Dairy Farms, 1960

| Item | Your farm | Average 467 farms |
|-------------------------------|-----------|----------------------|
| Total Cash Farm Receipts | \$ _____ | \$18,067 |
| Total Cash Operating Expenses | _____ | <u>11,572</u> |
| FARM CASH OPERATING INCOME | \$ _____ | \$6,495 |

"Farm cash operating income" reflects the cash available from the year's operation of the farm business for family living, payments on debts, new capital purchases, and savings. In instances where non-farm income was earned by some member of the family or where money was borrowed or inherited, the cash actually used might be greater than the amount of the cash operating income.

Family living expenses have a first claim on cash income. Fixed debt obligations also have a high priority on available cash.

The size of the cash operating income often determines how a farm family "feels" about their financial situation. If the cash position is short, the family is likely to feel the business is not doing well. It may not be providing a large cash income, but if the business is expanding it may be quite successful in spite of a low cash operating income.

Farm cash operating income is not a good measure of the success of the operation of the farm business.

LABOR INCOMES
467 New York Dairy Farms, 1960

| Item | Your farm | Average of 467 farms |
|--|-----------|----------------------|
| Total Farm Receipts | \$ _____ | \$20,705 |
| Total Farm Expenses | \$ _____ | \$14,768 |
| Farm Income | \$ _____ | \$5,937 |
| Interest on average Capital of \$47,426 at 5% | \$ _____ | \$2,371 |
| LABOR INCOME per farm | \$ _____ | \$3,566 |
| Number of operators on 467 farms | _____ | 502 |
| LABOR INCOME per operator | \$ _____ | \$3,317 |

"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.

The average labor income per operator was \$3,317 or \$275 per month. The labor incomes ranged from minus \$5,300 to \$21,000, or a difference of \$26,000. The distribution of the labor incomes is shown below.

| <u>Labor income per operator</u> | <u>No. of farms</u> | <u>Per cent</u> |
|----------------------------------|---------------------|-----------------|
| Over \$5,000 | 109 | 23 |
| \$2,500 to \$5,000 | 163 | 35 |
| 0 | 151 | 32 |
| Minus return | 44 | 10 |

LABOR EARNINGS
467 New York Dairy Farms, 1960

| Item | Your farm | Average of 467 farms |
|---|-----------|----------------------|
| LABOR INCOME per operator (see page 9) | \$ _____ | \$3,317 |
| Value farm privileges* | _____ | <u>978</u> |
| LABOR EARNINGS per operator | \$ _____ | \$4,295 |

*Average of 317 operators reporting

Most farm families live in a house provided on the farm and use a number of farm produced items. These are commonly referred to as "farm privileges." A total of 317 cooperators reported the value of their privileges for 1960.

The value of the operators' privileges averaged \$978. The estimated value of house rent accounted for \$557. Milk amounted to \$176 and other products \$245. The values used are at farm or wholesale prices so are less than if the items were purchased at retail.

"Labor Earnings" is the labor income plus the value of farm privileges. This is probably a better measure of what the operator earns than is labor income. The average labor earnings for these dairy farms was \$4,295, or \$83 per week.

The rate of return on investment is calculated by deducting from the "Farm Income" a charge for the operator's labor. Here \$3,600 has been used as the value of the operator's labor.

RATE OF RETURN ON INVESTMENT
467 New York Dairy Farms, 1960

| Item | Your farm | Average 467 farms |
|----------------------------------|-----------|-------------------|
| Total Farm Receipts | \$ _____ | \$20,705 |
| Total Farm Expenses | \$ _____ | <u>\$14,768</u> |
| Farm Income | \$ _____ | \$5,937 |
| Value Operator's Labor* | \$ _____ | <u>\$3,870</u> |
| Return on Investment of \$47,426 | \$ _____ | \$2,067 |
| Rate of Return on Investment | _____ % | 4.4% |

*There were 502 operators on 467 farms

FEED COSTS

Feed bought is the largest single expense item on most dairy farms. It is good management to keep watch of this cost item. Below are some "checks" which may help in locating weaknesses in the feed program.

SELECTED FACTORS RELATED TO FEED COSTS
467 New York Dairy Farms, 1960

| Item | Your farm | Average of 467 farms |
|--|-----------|----------------------|
| <u>Purchased Feed</u> | | |
| Dairy feed bought (grain and hay) | \$ _____ | \$4,330 |
| Feed bought per cow | \$ _____ | \$124 |
| Feed bought as % of milk receipts | _____ % | 28% |
| <u>Roughage Harvested (hay equivalent)</u> | | |
| Hay (tons) | _____ | 145 tons |
| Grass silage (____ tons + 3) | _____ | 11 tons |
| Corn silage (____ tons + 3) | _____ | 37 tons |
| Total tons hay equivalent | _____ | 193 tons |
| Tons hay equivalent per cow | _____ | 5.5 tons |
| <u>Other Considerations</u> | | |
| Total acres in crops per cow | _____ | 2.7 acres |
| Lime and fertilizer expense per crop acre | \$ _____ | \$6.85 |
| Lime and fertilizer expense per cow | \$ _____ | \$19 |
| Number of heifers per 10 cows | _____ | 6.0 |

The average tons of hay equivalent harvested per cow was 5.5 tons. This roughage is used for both the heifers and cows. This measure of hay equivalent is of quantity only. Quality is also important. Proportion of new seedings, and time of cutting are two important things affecting quality.

What was the "quality" of your hay in 1960? _____

When did you finish your first cutting? _____

LABOR AND MACHINERY COSTS

It costs to own and operate machinery. On dairy farms today, machinery costs make up about one-fifth of the total costs. A dairyman must keep an "eye" on his machinery and labor costs.

MACHINERY COSTS*
467 New York Dairy Farms, 1960

| Item | Your farm | Average 467 farms | |
|---|-----------|-------------------|----------|
| | | Amount | Per cent |
| Beginning inventory | \$ _____ | \$9,411 | |
| New machinery bought | _____ | 2,000 | |
| Total | \$ _____ | \$11,411 | |
| End inventory | \$ _____ | \$10,055 | |
| Machinery sold | _____ | 62 | |
| Total | \$ _____ | <u>\$10,117</u> | |
| Depreciation | \$ _____ | \$1,294 | 35 |
| Interest @ 5% Av. inventory | _____ | 487 | 13 |
| Gas and oil | _____ | 632 | 17 |
| Machinery repairs | _____ | 702 | 19 |
| Milk hauling | _____ | 380 | 10 |
| Machine hire | _____ | 75 | 2 |
| Auto expense (farm share) | _____ | 159 | 4 |
| Total machinery cost | \$ _____ | \$3,729 | 100 |
| <hr style="border-top: 1px dashed black;"/> | | | |
| Machinery cost per cow | | \$107 | |
| Machinery cost per crop acre | | \$39 | |
| Machinery cost per cwt. milk sold | | \$1.12 | |
| Machinery cost per man | | \$2,194 | |

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

Machinery costs amounted to \$2,194 per man or \$42 per week. At current wage rates, this is about the same as the cost of a hired man. With machinery costs per cow of \$107 and an average milk price of \$4.64, it would take 2,300 pounds of milk to pay the costs. These costs can make or break a dairyman.

LABOR AND MACHINERY COST
467 New York Dairy Farms, 1960

| Item | Your farm | Average 467 farms |
|--------------------------------|-----------|----------------------|
| Labor costs: | | |
| Value operators' labor* | \$ _____ | \$3,870 |
| Hired labor | _____ | 1,072 |
| Unpaid family labor | _____ | <u>400</u> |
| Total labor | \$ _____ | \$5,342 |
| Machinery cost: | | |
| Total machinery cost | _____ | <u>3,729</u> |
| Total labor and machinery cost | \$ _____ | \$9,071 |
| ----- | | |
| Labor and machinery cost: | | |
| Per crop acre | \$ _____ | \$94 |
| Per cow | \$ _____ | \$259 |
| Per cwt. milk sold | \$ _____ | \$2.72 |

*Operator's labor valued at \$3,600 per year. There were 502 operators on the 467 farms.

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.

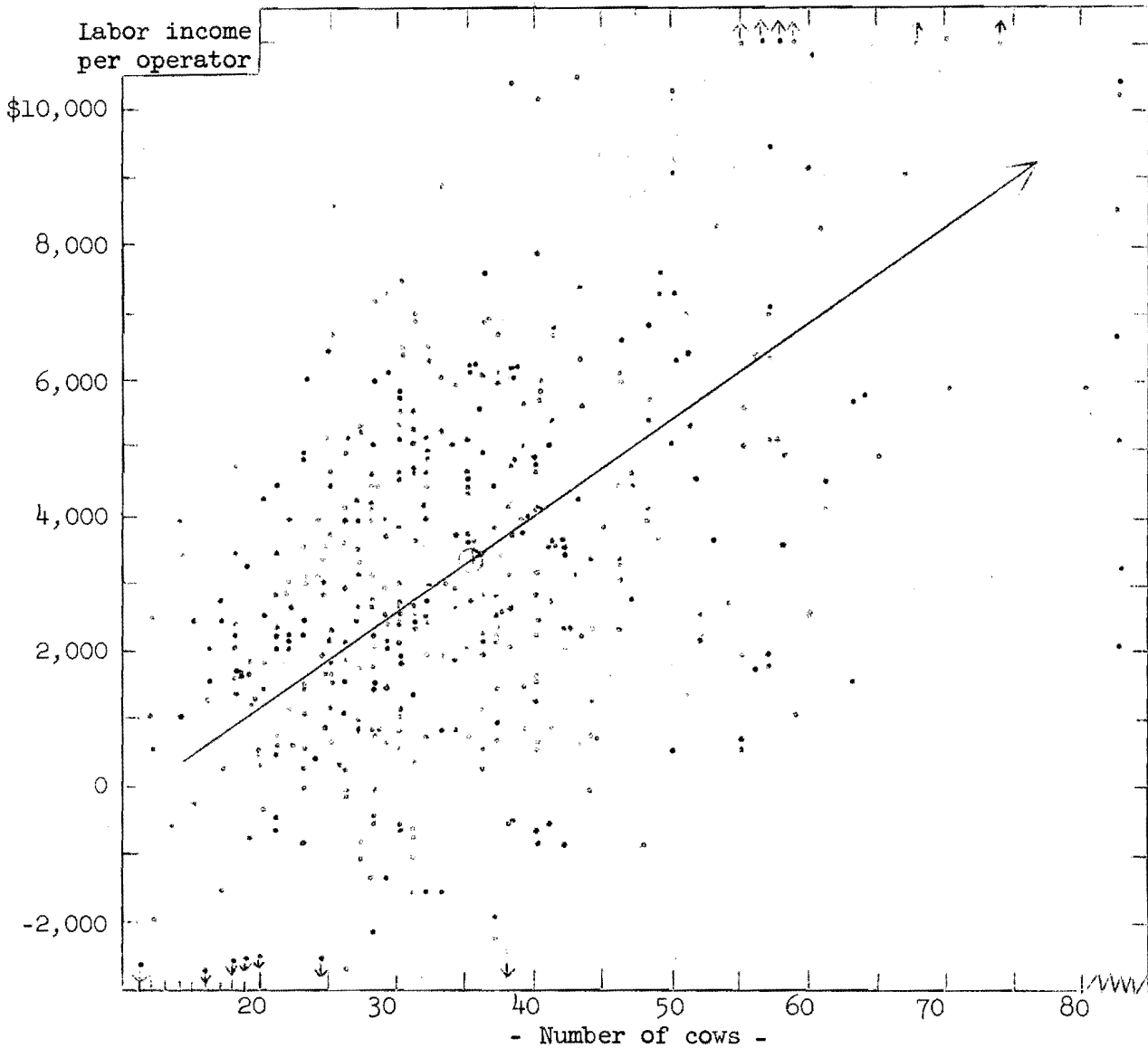
Since the operator is not paid, it is necessary to estimate the value of his labor. Here the operator's labor has been valued at \$3,600 per year. This gives some basis for studying the total labor and machinery costs on a farm.

A "rule of thumb" sometimes used in estimating the cost of operating machinery is to take 40 per cent of the beginning inventory value of machinery. It is of interest to observe that on these 467 farms the machinery cost was 40% of the beginning inventory.

ANALYSIS OF FARM BUSINESS

Labor incomes for the 467 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
467 New York Dairy Farms



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 \$5,300 to a high of \$21,000 or a difference of \$26,000.

These farms averaged about \$100 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.

IMPORTANT FACTORS AFFECTING FARM INCOMES

Research has shown that size of business, rates of production, and labor efficiency are three important factors affecting farm incomes. Below are the group averages of selected measures for each of these three factors.

BUSINESS FACTORS
467 New York Dairy Farms, 1960

| Factor | My farm | Average 467 farms |
|---------------------------------|---------|----------------------|
| <u>Size of Business</u> | | |
| Total work units | _____ | 480 |
| Man equivalent | _____ | 1.7 |
| Number of cows | _____ | 35 |
| Pounds of 3.7 milk sold | _____ | 333,895 |
| <u>Rates of Production</u> | | |
| Pounds of 3.7 milk sold per cow | _____ | 9,540 |
| Tons of hay per acre | _____ | 2.3 |
| Tons of corn silage per acre | _____ | 10 |
| Bushels of oats per acre | _____ | 54 |
| <u>Labor Efficiency</u> | | |
| Work units per man | _____ | 282 |
| Number of cows per man | _____ | 21 |
| Pounds of 3.7 milk sold per man | _____ | 196,409 |
| Crop acres per man | _____ | 56 |

Farm management studies show that, in general, larger farms pay better than smaller farms. Larger farms make it possible to make better use of labor and equipment. However, size alone does not always mean profitable operation.

Good labor efficiency can be accomplished in many ways. Some farmers do it by long hours of work. Others get efficiency by wise use of labor saving equipment. Still others develop efficient work habits and practices.

High rates of production are obtained by following the best known practices in both crop and animal production.

COST CONTROL

Expenditures on a modern dairy farm are large. These 467 dairy farms in 1960 spent an average of \$1,231 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
467 New York Dairy Farms, 1960

| Item | Your farm | Average 467 farms |
|-----------------------------------|-----------|----------------------|
| % Feed bought is of milk receipts | _____ % | 28% |
| Feed bought per cow | \$ _____ | \$124 |
| Fertilizer & lime cost per cow | \$ _____ | \$19 |
| Machinery repairs per cow | \$ _____ | \$20 |
| Taxes per cow | \$ _____ | \$13 |
| Insurance per cow | \$ _____ | \$6 |
| Electricity per cow | \$ _____ | \$7 |
| Total farm expense per cow | \$ _____ | \$422 |
| Machinery cost per crop acre | \$ _____ | \$39 |
| Fertilizer & lime per crop acre | \$ _____ | \$6.85 |
| Gas & oil per crop acre | \$ _____ | \$6.58 |
| Taxes per crop acre | \$ _____ | \$4.84 |
| % Expenses are of receipts | _____ % | 71% |

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

FARM BUSINESS CHART FOR FARM MANAGEMENT COOPERATORS

In 1960, a total of 467 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.

| Man equiv- alent | Size | | Rates of Production | | | Labor Efficiency | | Feed Factors | |
|------------------------|----------------------|------------------------------|-----------------------------------|----------------------------|------------------------------------|--------------------|-----------------------------------|------------------------------|--|
| | 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 | Per cent feed is of milk receipts |
| 3.1 | 69 | 709,100 | 12,800 | 3.7 | 18 | 31 | 324,700 | \$ 46 | 12 |
| 2.2 | 48 | 467,200 | 11,400 | 3.1 | 14 | 27 | 261,700 | 73 | 18 |
| 2.0 | 41 | 399,900 | 10,700 | 2.8 | 13 | 24 | 236,900 | 85 | 21 |
| 1.9 | 37 | 355,800 | 10,100 | 2.6 | 12 | 22 | 217,100 | 97 | 24 |
| 1.7 | 33 | 319,300 | 9,600 | 2.4 | 10 | 21 | 199,500 | 106 | 27 |
| ----- | | | | | | | | | |
| 1.5 | 30 | 287,700 | 9,000 | 2.2 | 10 | 19 | 180,700 | 121 | 29 |
| 1.4 | 28 | 255,500 | 8,700 | 2.0 | 9 | 18 | 164,200 | 135 | 31 |
| 1.3 | 26 | 227,700 | 8,200 | 1.9 | 8 | 17 | 147,800 | 153 | 34 |
| 1.2 | 22 | 190,400 | 7,600 | 1.6 | 7 | 15 | 125,800 | 172 | 37 |
| 1.0 | 16 | 126,900 | 6,200 | 1.2 | 4 | 12 | 91,800 | 222 | 43 |

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
467 New York Dairy Farms, 1960

| Item | Average of the 467 farms | Average of 30 farms with: | |
|--|--------------------------------|---------------------------|-------------------------|
| | | Highest labor incomes | Lowest labor incomes |
| <u>Capital Investment (End of year):</u> | | | |
| Land and buildings | \$22,548 | \$35,033 | \$23,033 |
| Cattle | 12,743 | 24,463 | 11,347 |
| Machinery | 10,055 | 14,753 | 10,353 |
| Feed and supplies | 3,298 | 5,706 | 2,693 |
| Other | 101 | 72 | 46 |
| TOTAL END INVENTORY | <u>\$48,745</u> | <u>\$80,027</u> | <u>\$47,472</u> |
| <u>Farm Receipts:</u> | | | |
| Milk sales | \$15,502 | \$30,480 | \$11,933 |
| Livestock sold | 1,749 | 3,100 | 1,647 |
| All other sales and income | 816 | 683 | 763 |
| Total Cash Receipts | <u>\$18,067</u> | <u>\$34,263</u> | <u>\$14,343</u> |
| Increase in Inventory | 2,638 | 7,587 | 2,020 |
| TOTAL FARM RECEIPTS | <u>\$20,705</u> | <u>\$41,850</u> | <u>\$16,363</u> |
| <u>Farm Expenses:</u> | | | |
| Feed bought | \$4,356 | \$8,493 | \$3,802 |
| Hired labor | 1,072 | 2,580 | 1,207 |
| Machinery repairs and auto | 861 | 1,242 | 993 |
| Gas and oil | 632 | 967 | 673 |
| Milk hauling | 380 | 885 | 325 |
| Dairy expense | 775 | 1,452 | 795 |
| Fertilizer and lime | 658 | 1,097 | 560 |
| Other crop expense | 423 | 643 | 420 |
| Livestock bought | 854 | 1,756 | 1,341 |
| Building repairs | 330 | 763 | 350 |
| Miscellaneous | 1,231 | 1,823 | 1,360 |
| Total Cash Operating | <u>\$11,572</u> | <u>\$21,701</u> | <u>\$11,826</u> |
| New machinery | 2,000 | 3,813 | 2,157 |
| New buildings | 796 | 1,333 | 940 |
| Unpaid labor | 400 | 420 | 677 |
| TOTAL FARM EXPENSES | <u>\$14,768</u> | <u>\$27,267</u> | <u>\$15,600</u> |
| <u>Financial Summary:</u> | | | |
| Total farm receipts | \$20,705 | \$41,850 | \$16,363 |
| Total farm expenses | <u>14,768</u> | <u>27,267</u> | <u>15,600</u> |
| Farm Income | 5,937 | 14,583 | 763 |
| 5% on Av. Capital | <u>2,371</u> | <u>3,812</u> | <u>2,323</u> |
| Labor Income per Farm | <u>\$3,566</u> | <u>\$10,771</u> | <u>\$-1,560</u> |
| Number of Operators | 502 | 32 | 30 |
| LABOR INCOME per Operator | <u>\$3,317</u> | <u>\$10,098</u> | <u>\$-1,560</u> |

COMPARISON OF FARM BUSINESS FACTORS OF 30 FARMS WITH HIGHEST
LABOR INCOMES AND THE 30 FARMS WITH LOWEST LABOR INCOMES
467 New York Dairy Farms, 1960

| Item | Average of the 467 farms | Average of 30 farms with: | |
|---|--------------------------------|---------------------------|-------------------------|
| | | Highest labor incomes | Lowest labor incomes |
| Farm Business Factors: | | | |
| <u>Size:</u> | | | |
| Man equivalent | 1.7 | 2.3 | 1.8 |
| Average number cows | 35 | 56 | 30 |
| Pounds of milk sold (3.7% equiv.) | 333,895 | 624,200 | 258,267 |
| Total crop acres | 96 | 134 | 105 |
| Total man work units | 480 | 757 | 422 |
| <u>Rates of Production:</u> | | | |
| Pounds milk sold per cow | 9,540 | 11,146 | 8,609 |
| Tons hay per acre | 2.3 | 2.7 | 2.2 |
| Tons corn silage per acre | 10 | 12 | 9 |
| Bushels oats per acre | 54 | 61 | 52 |
| <u>Labor Efficiency:</u> | | | |
| Man work units per man | 282 | 329 | 234 |
| Pounds milk sold per man (3.7%) | 196,409 | 271,391 | 143,482 |
| <u>Use of Capital:</u> | | | |
| Total capital per man | \$28,674 | \$34,795 | \$26,374 |
| Total capital per cow | \$1,393 | \$1,429 | \$1,582 |
| Land & buildings per cow | \$644 | \$626 | \$768 |
| Machinery investment: per man | \$5,915 | \$6,414 | \$5,752 |
| per cow | \$287 | \$263 | \$345 |
| <u>Feed Costs:</u> | | | |
| Dairy feed bought per cow | \$124 | \$152 | \$127 |
| % Feed bought was of milk receipts | 28% | 28% | 32% |
| Crop acres per cow | 2.7 | 2.4 | 3.5 |
| Fertilizer & lime expense/crop acre | \$7 | \$8 | \$5 |
| Number heifers per 10 cows | 6.0 | 6.6 | 6.7 |
| <u>Machinery Costs:</u> | | | |
| Total machinery cost | \$3,729 | \$5,907 | \$4,130 |
| Machinery cost per cow | \$107 | \$105 | \$138 |
| Machinery cost per man | \$2,194 | \$2,568 | \$2,294 |
| <u>Prices:</u> | | | |
| Av. price received for milk (3.7%) | \$4.64 | \$4.88 | \$4.62 |
| <u>Other:</u> | | | |
| % Real estate is of total capital | 46% | 44% | 49% |
| % Expenses are of receipts | 71% | 65% | 95% |
| % Machinery cost is of total farm expense & interest on investment | 22% | 19% | 23% |

COMPARISON OF BUSINESS SUMMARIES OF DAIRY FARMS WITH
OTHER MAJOR SOURCES OF INCOME, NEW YORK, 1960

| Item | Dairy Poultry | Dairy Cash-crop | Dairy Fruit | Dairy Renters | Dairy Part-time |
|--|------------------|--------------------|-----------------|------------------|--------------------|
| No. of farms | 35 | 75 | 10 | 27 | 9 |
| Capital Investment (End of year): | | | | | |
| Land and buildings | \$32,257 | \$36,760 | \$36,000 | -- | \$21,667 |
| Cattle | 14,646 | 18,243 | 13,000 | \$13,818 | 10,344 |
| Poultry | 1,515 | 6 | -- | -- | 22 |
| Other livestock | 81 | 63 | -- | 31 | 19 |
| Machinery | 12,189 | 15,912 | 14,810 | 9,541 | 9,756 |
| Feed and supplies | 5,235 | 6,219 | 4,530 | 3,704 | 4,680 |
| TOTAL END INVENTORY | \$65,923 | \$77,203 | \$68,340 | \$27,094 | \$46,488 |
| Farm Receipts: | | | | | |
| Milk sales | \$18,643 | \$20,619 | \$16,570 | \$16,878 | \$11,256 |
| Livestock sold | 2,489 | 2,360 | 1,820 | 1,741 | 1,444 |
| Egg sales | 7,567 | 46 | -- | -- | -- |
| Crop sales | 989 | 3,073 | 9,260 | 378 | 333 |
| Miscellaneous | 983 | 1,421 | 900 | 406 | 4,911 |
| Total Cash Receipts | \$30,671 | \$27,519 | \$28,550 | \$19,403 | \$17,944 |
| Increase in Inventory | 3,389 | 4,832 | 3,480 | 3,448 | 2,089 |
| TOTAL FARM RECEIPTS | \$34,060 | \$32,351 | \$32,030 | \$22,851 | \$20,033 |
| Farm Expenses: | | | | | |
| Feed bought | \$8,952 | \$4,390 | \$2,627 | \$4,725 | \$3,468 |
| Hired labor | 2,554 | 2,657 | 3,810 | 1,322 | 789 |
| Machinery repairs and auto | 1,225 | 1,545 | 1,677 | 948 | 1,043 |
| Gas and oil | 877 | 1,111 | 1,200 | 611 | 788 |
| Milk hauling | 629 | 536 | 808 | 360 | 343 |
| Dairy and poultry expense | 1,225 | 1,208 | 1,022 | 1,007 | 723 |
| Fertilizer and lime | 1,051 | 1,477 | 1,670 | 567 | 689 |
| Machine hire | 211 | 187 | 290 | 67 | 333 |
| Other crop expense | 658 | 793 | 1,980 | 377 | 22 |
| Livestock bought | 1,344 | 1,441 | 1,736 | 1,307 | 258 |
| Building repairs | 600 | 513 | 300 | 241 | 233 |
| Miscellaneous | 1,849 | 2,140 | 1,810 | 2,200* | 1,100 |
| Total Cash Operating | \$21,175 | \$17,998 | \$18,930 | \$13,732 | \$9,789 |
| New machinery | 2,151 | 3,413 | 3,680 | 2,719 | 2,167 |
| New buildings | 1,217 | 1,389 | 1,380 | 278 | 44 |
| Unpaid labor | 443 | 320 | 260 | 259 | 456 |
| TOTAL FARM EXPENSES | \$24,986 | \$23,120 | \$24,250 | \$16,988 | \$12,456 |
| Financial Summary: | | | | | |
| Total farm receipts | \$34,060 | \$32,351 | \$32,030 | \$22,851 | \$20,033 |
| Total farm expenses | 24,986 | 23,120 | 24,250 | 16,988 | 12,456 |
| Farm Income | \$9,074 | \$9,231 | \$7,780 | \$5,863 | \$7,577 |
| 5% on Av. Capital | 3,211 | 3,739 | 3,330 | 1,268 | 2,272 |
| Labor Income per Farm | \$5,863 | \$5,492 | \$4,450 | \$4,595 | \$5,305 |
| Number of Operators | 44 | 86 | 13 | 29 | 11 |
| LABOR INCOME per Operator | \$4,664 | \$4,789 | \$3,423 | \$4,278 | \$4,340 |

*Includes \$1,506 for rent.

COMPARISON OF FARM BUSINESS FACTORS OF DAIRY FARMS
WITH OTHER MAJOR SOURCES OF INCOME, NEW YORK, 1960

| Item | Dairy Poultry | Dairy Cash-crop | Dairy Fruit | Dairy Renters | Dairy Part-time |
|---|------------------|--------------------|----------------|------------------|--------------------|
| No. of farms | 35 | 75 | 10 | 27 | 9 |
| Farm Business Factors: | | | | | |
| <u>Size:</u> | | | | | |
| Man equivalent | 2.4 | 2.3 | 2.9 | 1.7 | 1.7 |
| Average number cows | 38 | 44 | 34 | 35 | 30 |
| Pounds of milk sold (3.7% equiv.) | 394,229 | 448,160 | 343,000 | 347,519 | 243,111 |
| Average number hens* | 1,090 | 130 | -- | -- | -- |
| Total crop acres | 121 | 175 | 165 | 94 | 80 |
| Total man work units | 646 | 712 | 887 | 471 | 550 |
| <u>Rates of Production:</u> | | | | | |
| Pounds milk sold per cow | 10,374 | 10,185 | 10,088 | 9,929 | 8,104 |
| Tons hay per acre* | 2.6 | 2.7 | 3.2 | 2.4 | 2.4 |
| Tons corn silage per acre* | 12 | 12 | 10 | 13 | 13 |
| Bushels oats per acre* | 53 | 57 | 64 | 57 | 50 |
| <u>Labor Efficiency:</u> | | | | | |
| Man work units per man | 269 | 310 | 306 | 277 | 324 |
| Pounds milk sold per man (3.7%) | 164,262 | 194,852 | 118,276 | 204,423 | 143,006 |
| <u>Use of Capital:</u> | | | | | |
| Total capital per man | \$27,468 | \$33,567 | \$23,566 | \$15,938 | \$27,346 |
| Total capital per work unit | \$102 | \$108 | \$77 | \$58 | \$85 |
| Land & buildings per crop acre | \$267 | \$210 | \$218 | -- | \$271 |
| Machinery investment: per man | \$5,079 | \$6,918 | \$5,107 | \$5,612 | \$5,739 |
| <u>Feed Costs:</u> | | | | | |
| Dairy feed bought per cow | \$115 | \$99 | \$76 | \$135 | \$113 |
| % Feed bought was of milk receipts | 23% | 21% | 16% | 28% | 30% |
| Crop acres per cow | 3.2 | 4.0 | 4.9 | 2.7 | 2.7 |
| Fertilizer & lime expense/crop acre | \$8.69 | \$8.44 | \$10.12 | \$6.03 | \$8.61 |
| Number heifers per 10 cows | 6.8 | 7.0 | 6.5 | 5.4 | 6.7 |
| <u>Machinery Costs:</u> | | | | | |
| Total machinery cost | \$5,077 | \$6,305 | \$6,830 | \$3,681 | \$3,900 |
| Machinery cost per crop acre | \$42 | \$36 | \$41 | \$39 | \$49 |
| Machinery cost per man | \$2,115 | \$2,741 | \$2,355 | \$2,165 | \$2,294 |
| <u>Prices:</u> | | | | | |
| Av. price received for milk (3.7%) | \$4.65 | \$4.59 | \$4.85 | \$4.80 | \$4.60 |
| <u>Other:</u> | | | | | |
| % Real estate is of total capital | 49% | 48% | 53% | -- | 47% |
| % Expenses are of receipts | 73% | 71% | 76% | 74% | 62% |
| % Machinery cost is of total farm expense & interest on investment | 18% | 23% | 25% | 20% | 26% |

*Average for farms reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

| Item | Albany County | Cattaraugus County | Chenango County | | |
|------------------------------|------------------|-----------------------|-----------------|----------|----------|
| | | | Group IV | Group V | Group VI |
| Number of farms | 26 | 12 | 20 | 16 | 16 |
| <u>Things to work with:</u> | | | | | |
| Number of cows | 29 | 32 | 32 | 35 | 41 |
| Number of heifers | 20 | 21 | 20 | 17 | 28 |
| Acres of hay* | 90 | 53 | 56 | 64 | 72 |
| Acres of corn silage* | 13 | 13 | 11 | 13 | 11 |
| Acres of oats* | 17 | 10 | 13 | 18 | 22 |
| Total crop acres | 120 | 83 | 78 | 90 | 107 |
| <u>Size of business:</u> | | | | | |
| Man equivalent | 1.8 | 1.5 | 1.5 | 1.7 | 1.9 |
| Total work units | 444 | 480 | 482 | 495 | 577 |
| Lbs. of milk sold | 245,820 | 282,864 | 290,041 | 345,351 | 392,664 |
| <u>Rates of production:</u> | | | | | |
| Lbs. milk sold/cow | 8,477 | 8,840 | 9,064 | 9,867 | 9,577 |
| Tons hay/acre | 1.9 | 2.1 | 2.4 | 2.3 | 2.8 |
| Tons corn silage/acre | 12 | 11 | 10 | 10 | 11 |
| Bu. oats/acre | 44 | 58 | 56 | 70 | 61 |
| <u>Work per man:</u> | | | | | |
| Number cows/man | 16 | 21 | 21 | 21 | 22 |
| Work units/man | 247 | 320 | 321 | 291 | 304 |
| Lbs. of milk sold/man | 136,567 | 188,576 | 193,361 | 203,148 | 206,665 |
| <u>Financial summary:</u> | | | | | |
| Average capital | \$39,920 | \$38,808 | \$41,206 | \$44,703 | \$60,569 |
| Total farm receipts | \$18,338 | \$18,705 | \$20,098 | \$21,476 | \$25,190 |
| Total farm expenses | \$13,105 | \$12,897 | \$13,662 | \$14,445 | \$18,455 |
| LABOR INCOME/operator | \$2,715 | \$3,570 | \$3,978 | \$4,796 | \$3,488 |
| <u>Cost control factors:</u> | | | | | |
| Machinery investment | \$9,319 | \$10,088 | \$9,213 | \$9,215 | \$12,610 |
| Machinery cost | \$4,008 | \$3,402 | \$3,368 | \$3,476 | \$4,552 |
| Machinery cost/cow | \$138 | \$106 | \$105 | \$99 | \$111 |
| Feed bought/cow | \$75 | \$105 | \$119 | \$130 | \$139 |
| % feed is of milk receipts | 18% | 27% | 29% | 29% | 32% |
| Fertilizer/crop acre | \$3.67 | \$7.08 | \$8.16 | \$4.76 | \$7.93 |
| % Expenses are of receipts | 72% | 69% | 68% | 67% | 73% |
| Av. price/cwt. milk | \$4.79 | \$4.48 | \$4.55 | \$4.58 | \$4.59 |

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

| Item | Cayuga County | Clinton County | Cortland County | Delaware County |
|------------------------------------|------------------|-------------------|--------------------|--------------------|
| Number of farms | 28 | 20 | 29 | 39 |
| Things to work with: | | | | |
| Number of cows | 38 | 32 | 47 | 39 |
| Number of heifers | 27 | 19 | 36 | 17 |
| Acres of hay* | 60 | 73 | 67 | 54 |
| Acres of corn silage* | 17 | 14 | 23 | 9 |
| Acres of oats* | 28 | 12 | 20 | 10 |
| Total crop acres | 165 | 98 | 118 | 72 |
| Size of business: | | | | |
| Man equivalent | 1.9 | 1.7 | 2.4 | 1.6 |
| Total work units | 611 | 439 | 696 | 489 |
| Lbs. of milk sold | 389,108 | 275,659 | 490,844 | 364,505 |
| Rates of production: | | | | |
| Lbs. milk sold/cow | 10,240 | 8,614 | 10,443 | 9,346 |
| Tons hay/acre | 2.8 | 1.8 | 2.7 | 2.4 |
| Tons corn silage/acre | 11 | 9 | 13 | 12 |
| Bu. oats/acre | 60 | 54 | 57 | 54 |
| Work per man: | | | | |
| Number cows/man | 20 | 19 | 20 | 24 |
| Work units/man | 322 | 258 | 290 | 306 |
| Lbs. of milk sold/man | 204,794 | 162,152 | 204,518 | 227,816 |
| Financial summary: | | | | |
| Average capital | \$64,824 | \$44,672 | \$64,842 | \$46,337 |
| Total farm receipts | \$25,532 | \$16,629 | \$29,412 | \$22,659 |
| Total farm expenses | \$17,443 | \$12,551 | \$21,419 | \$15,892 |
| LABOR INCOME/operator | \$4,592 | \$1,756 | \$4,445 | \$4,132 |
| Cost control factors: | | | | |
| Machinery investment | \$13,387 | \$8,595 | \$11,987 | \$9,006 |
| Machinery cost | \$5,695 | \$2,709 | \$4,920 | \$3,476 |
| Machinery cost/cow | \$150 | \$85 | \$105 | \$89 |
| Feed bought/cow | \$79 | \$124 | \$127 | \$144 |
| % feed is of milk receipts | 17% | 33% | 27% | 33% |
| Fertilizer/crop acre | \$8.90 | \$3.28 | \$9 | \$11.50 |
| % Expenses are of receipts | 68% | 75% | 73% | 71% |
| Av. price/cwt. milk | \$4.49 | \$4.32 | \$4.52 | \$4.68 |
| *Average per farm reporting | | | | |

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

| Item | Franklin County | Greene County | Madison County | Monroe County | Montgomery County |
|------------------------------|--------------------|------------------|-------------------|------------------|----------------------|
| Number of farms | 22 | 44 | 46 | 22 | 20 |
| <u>Things to work with:</u> | | | | | |
| Number of cows | 41 | 30 | 37 | 42 | 38 |
| Number of heifers | 27 | 16 | 20 | 32 | 21 |
| Acres of hay* | 88 | 66 | 56 | 77 | 76 |
| Acres of corn silage* | 14 | 9 | 17 | 23 | 19 |
| Acres of oats* | 17 | 12 | 17 | 20 | 21 |
| Total crop acres | 118 | 85 | 98 | 165 | 114 |
| <u>Size of business:</u> | | | | | |
| Man equivalent | 1.9 | 1.7 | 1.9 | 2.2 | 1.8 |
| Total work units | 570 | 410 | 520 | 695 | 519 |
| Lbs. of milk sold | 364,124 | 259,642 | 343,888 | 439,838 | 341,675 |
| <u>Rates of production:</u> | | | | | |
| Lbs. milk sold/cow | 8,881 | 8,655 | 9,294 | 10,472 | 8,991 |
| Tons hay/acre | 1.8 | 2.1 | 2.6 | 2.4 | 2.1 |
| Tons corn silage/acre | 6 | 10 | 11 | 12 | 10 |
| Bu. oats/acre | 60 | 49 | 59 | 72 | 51 |
| <u>Work per man:</u> | | | | | |
| Number cows/man | 22 | 18 | 19 | 19 | 21 |
| Work units/man | 300 | 241 | 274 | 316 | 288 |
| Lbs. of milk sold/man | 191,644 | 152,731 | 180,994 | 199,926 | 189,819 |
| <u>Financial summary:</u> | | | | | |
| Average capital | \$49,239 | \$36,415 | \$45,766 | \$76,309 | \$50,555 |
| Total farm receipts | \$21,204 | \$17,975 | \$21,055 | \$32,661 | \$21,486 |
| Total farm expenses | \$15,546 | \$13,014 | \$14,877 | \$24,199 | \$14,688 |
| LABOR INCOME/operator | \$3,057 | \$2,940 | \$3,376 | \$4,088 | \$3,714 |
| <u>Cost control factors:</u> | | | | | |
| Machinery investment | \$9,589 | \$7,516 | \$9,558 | \$15,312 | \$11,525 |
| Machinery cost | \$3,500 | \$2,969 | \$3,729 | \$6,874 | \$4,212 |
| Machinery cost/cow | \$85 | \$99 | \$101 | \$164 | \$111 |
| Feed bought/cow | \$117 | \$125 | \$97 | \$102 | \$82 |
| % feed is of milk receipts | 30% | 31% | 23% | 20% | 20% |
| Fertilizer/crop acre | \$7.16 | \$4.01 | \$5.97 | \$8.81 | \$4.10 |
| % Expenses are of receipts | 73% | 72% | 71% | 74% | 68% |
| Av. price/cwt. milk | \$4.40 | \$4.69 | \$4.51 | \$4.83 | \$4.62 |

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

| Item | Niagara County | Onondaga County | Orange County | Oswego County |
|------------------------------|-------------------|--------------------|------------------|------------------|
| Number of farms | 11 | 37 | 15 | 22 |
| <u>Things to work with:</u> | | | | |
| Number of cows | 32 | 35 | 46 | 29 |
| Number of heifers | 20 | 24 | 26 | 19 |
| Acres of hay* | 80 | 55 | 57 | 44 |
| Acres of corn silage* | 28 | 17 | 18 | 18 |
| Acres of oats* | 31 | 27 | -- | 11 |
| Total crop acres | 184 | 119 | 102 | 76 |
| <u>Size of business:</u> | | | | |
| Man equivalent | 1.8 | 1.7 | 2.0 | 1.5 |
| Total work units | 602 | 521 | 586 | 411 |
| Lbs. of milk sold | 323,577 | 368,578 | 529,731 | 276,206 |
| <u>Rates of production:</u> | | | | |
| Lbs. milk sold/cow | 10,112 | 10,530 | 11,516 | 9,524 |
| Tons hay/acre | 2.7 | 2.8 | 2.4 | 2.3 |
| Tons corn silage/acre | 11 | 11 | 15 | 7 |
| Bu. oats/acre | 55 | 60 | -- | 52 |
| <u>Work per man:</u> | | | | |
| Number cows/man | 18 | 21 | 23 | 19 |
| Work units/man | 334 | 303 | 293 | 274 |
| Lbs. of milk sold/man | 179,765 | 216,810 | 264,866 | 184,137 |
| <u>Financial summary:</u> | | | | |
| Average capital | \$65,654 | \$52,944 | \$65,267 | \$37,740 |
| Total farm receipts | \$25,817 | \$23,712 | \$36,621 | \$15,771 |
| Total farm expenses | \$18,457 | \$16,457 | \$27,360 | \$12,154 |
| LABOR INCOME/operator | \$4,077 | \$4,158 | \$5,623 | \$1,730 |
| <u>Cost control factors:</u> | | | | |
| Machinery investment | \$15,096 | \$12,341 | \$14,857 | \$8,909 |
| Machinery cost | \$5,970 | \$4,503 | \$5,013 | \$3,092 |
| Machinery cost/cow | \$183 | \$128 | \$109 | \$107 |
| Feed bought/cow | \$82 | \$96 | \$194 | \$125 |
| % feed is of milk receipts | 17% | 20% | 32% | 29% |
| Fertilizer/crop acre | \$7.91 | \$7.62 | \$9.94 | \$9 |
| % Expenses are of receipts | 71% | 69% | 75% | 77% |
| Av. price/cwt. milk | \$4.81 | \$4.56 | \$5.35 | \$4.46 |

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

| Item | Otsego County | Saratoga County | Schenectady County | Schoharie County |
|------------------------------------|------------------|--------------------|-----------------------|---------------------|
| Number of farms | 40 | 16 | 11 | 30 |
| <u>Things to work with:</u> | | | | |
| Number of cows | 37 | 42 | 27 | 37 |
| Number of heifers | 22 | 34 | 17 | 20 |
| Acres of hay* | 67 | 90 | 77 | 75 |
| Acres of corn silage* | 14 | 17 | 18 | 13 |
| Acres of oats* | 15 | 21 | 9 | 16 |
| Total crop acres | 99 | 151 | 102 | 110 |
| <u>Size of business:</u> | | | | |
| Man equivalent | 1.7 | 2.2 | 1.5 | 2.0 |
| Total work units | 513 | 636 | 349 | 515 |
| Lbs. of milk sold | 350,218 | 431,952 | 234,202 | 350,434 |
| <u>Rates of production:</u> | | | | |
| Lbs. milk sold/cow | 9,465 | 10,285 | 8,674 | 9,471 |
| Tons hay/acre | 2.2 | 2.1 | 1.9 | 2.4 |
| Tons corn silage/acre | 11 | 13 | 9 | 11 |
| Bu. oats/acre | 56 | 61 | 57 | 49 |
| <u>Work per man:</u> | | | | |
| Number cows/man | 22 | 19 | 18 | 18 |
| Work units/man | 302 | 289 | 233 | 258 |
| Lbs. of milk sold/man | 206,011 | 196,342 | 156,135 | 175,217 |
| <u>Financial summary:</u> | | | | |
| Average capital | \$53,404 | \$64,445 | \$41,965 | \$53,436 |
| Total farm receipts | \$22,065 | \$34,284 | \$15,562 | \$22,595 |
| Total farm expenses | \$15,624 | \$25,482 | \$12,570 | \$16,181 |
| LABOR INCOME/operator | \$3,351 | \$4,960 | \$894 | \$3,207 |
| <u>Cost control factors:</u> | | | | |
| Machinery investment | \$12,593 | \$14,761 | \$9,230 | \$11,655 |
| Machinery cost | \$3,921 | \$5,348 | \$3,662 | \$3,828 |
| Machinery cost/cow | \$106 | \$127 | \$136 | \$103 |
| Feed bought/cow | \$127 | \$132 | \$108 | \$132 |
| % feed is of milk receipts | 29% | 27% | 26% | 31% |
| Fertilizer/crop acre | \$6.63 | \$7.55 | \$2.65 | \$8.03 |
| % Expenses are of receipts | 71% | 74% | 81% | 72% |
| Av. price/cwt. milk | \$4.58 | \$4.82 | \$4.77 | \$4.55 |
| <u>*Average per farm reporting</u> | | | | |

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

| Item | Schuyler County | Sullivan County | Washington County | |
|------------------------------|--------------------|--------------------|-------------------|----------|
| | | | Group I | Group II |
| Number of farms | 19 | 24 | 22 | 14 |
| <u>Things to work with:</u> | | | | |
| Number of cows | 28 | 32 | 45 | 34 |
| Number of heifers | 23 | 16 | 28 | 24 |
| Acres of hay* | 62 | 56 | 83 | 57 |
| Acres of corn silage* | 16 | 11 | 19 | 18 |
| Acres of oats* | 21 | -- | 14 | 16 |
| Total crop acres | 109 | 72 | 123 | 94 |
| <u>Size of business:</u> | | | | |
| Man equivalent | 1.8 | 1.7 | 2.3 | 1.7 |
| Total work units | 454 | 412 | 672 | 500 |
| Lbs. of milk sold | 288,854 | 315,170 | 490,303 | 338,234 |
| <u>Rates of production:</u> | | | | |
| Lbs. milk sold/cow | 10,316 | 9,849 | 10,896 | 9,948 |
| Tons hay/acre | 2.3 | 2.4 | 2.2 | 2.6 |
| Tons corn silage/acre | 8 | 8 | 12 | 12 |
| Bu. oats/acre | 45 | -- | 48 | 52 |
| <u>Work per man:</u> | | | | |
| Number cows/man | 16 | 19 | 20 | 20 |
| Work units/man | 255 | 242 | 292 | 294 |
| Lbs. of milk sold/man | 160,474 | 185,394 | 213,175 | 198,960 |
| <u>Financial summary:</u> | | | | |
| Average capital | \$51,208 | \$41,204 | \$60,634 | \$46,021 |
| Total farm receipts | \$20,876 | \$20,076 | \$37,695 | \$23,672 |
| Total farm expenses | \$15,731 | \$15,239 | \$27,547 | \$15,748 |
| LABOR INCOME/operator | \$2,585 | \$2,468 | \$5,798 | \$5,249 |
| <u>Cost control factors:</u> | | | | |
| Machinery investment | \$11,142 | \$9,214 | \$13,316 | \$9,695 |
| Machinery cost | \$3,754 | \$3,580 | \$6,176 | \$3,997 |
| Machinery cost/cow | \$134 | \$112 | \$137 | \$118 |
| Feed bought/cow | \$108 | \$161 | \$158 | \$127 |
| % feed is of milk receipts | 23% | 34% | 29% | 26% |
| Fertilizer/crop acre | \$7.64 | \$9.62 | \$8.61 | \$7.76 |
| % Expenses are of receipts | 76% | 76% | 73% | 67% |
| Av. price/cwt. milk | \$4.49 | \$4.85 | \$5.05 | \$4.85 |

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
10 County Summaries Not in General Farm Business Summary*

| Item | Herkimer County | Jefferson County | Livingston County | Oneida County | Ontario County |
|------------------------------|--------------------|---------------------|----------------------|------------------|-------------------|
| Number of farms | 37 | 30 | 21 | 83 | 36 |
| <u>Things to work with:</u> | | | | | |
| Number of cows | 41 | 36 | 46 | 39 | 36 |
| Acres of hay | 77 | 58 | 70 | 54 | 51 |
| Total acres of crops | 111 | 112 | 164 | 102 | 160 |
| <u>Size of business:</u> | | | | | |
| Man equivalent | 1.8 | 1.9 | 2.4 | 1.9 | 2.1 |
| Lbs. of milk sold | 376,641 | 343,561 | 507,137 | 376,771 | 395,561 |
| <u>Rates of production:</u> | | | | | |
| Lbs. milk sold/cow | 9,186 | 9,543 | 11,025 | 9,661 | 10,988 |
| Tons hay/acre | 2.2 | 2.3 | 3.0 | 3.1 | 2.9 |
| <u>Work per man:</u> | | | | | |
| Number of cows/man | 23 | 19 | 19 | 21 | 17 |
| Lbs. of milk/man | 209,245 | 180,822 | 211,307 | 198,301 | 188,362 |
| <u>Cost control factors:</u> | | | | | |
| Feed bought/cow | \$108 | \$96 | \$87 | \$87 | \$87 |
| % feed is of milk receipts | 26% | 23% | 17% | 20% | 17% |
| Machinery cost/cow | \$101 | \$104 | \$153 | \$109 | \$172 |
| % Expenses are of receipts | 72% | 71% | 66% | 69% | 73% |
| <u>Financial summary:</u> | | | | | |
| Average capital | \$51,075 | \$44,908 | \$81,070 | \$49,830 | \$69,472 |
| Total farm receipts | \$23,128 | \$22,302 | \$35,909 | \$23,901 | \$30,512 |
| Total farm expenses | \$16,548 | \$15,869 | \$23,860 | \$16,563 | \$22,247 |
| LABOR INCOME/operator | \$3,820 | \$3,807 | \$6,457 | \$4,104 | \$4,107 |

*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 1960
10 County Summaries Not in General Farm Business Summary*

| Item | Rensselaer County | St. Lawrence County | Steuben County | Tompkins County | Wyoming County |
|------------------------------|----------------------|------------------------|-------------------|--------------------|-------------------|
| Number of farms | 15 | 56 | 52 | 27 | 36 |
| <u>Things to work with:</u> | | | | | |
| Number of cows | 28 | 36 | 29 | 37 | 36 |
| Acres of hay | 55 | 68 | 65 | 69 | 53 |
| Total acres of crops | 85 | 99 | 124 | 132 | 126 |
| <u>Size of business:</u> | | | | | |
| Man equivalent | 1.9 | 1.8 | 1.7 | 1.8 | 1.8 |
| Lbs. of milk sold | 225,382 | 354,077 | 298,976 | 394,846 | 381,004 |
| <u>Rates of production:</u> | | | | | |
| Lbs. milk sold/cow | 8,049 | 9,835 | 10,310 | 10,672 | 10,583 |
| Tons hay/acre | 2.9 | 2.3 | 2.3 | 2.8 | 3.3 |
| <u>Work per man:</u> | | | | | |
| Number of cows/man | 15 | 20 | 17 | 21 | 20 |
| Lbs. of milk/man | 118,622 | 196,709 | 175,868 | 219,359 | 211,669 |
| <u>Cost control factors:</u> | | | | | |
| Feed bought/cow | \$62 | \$113 | \$97 | \$121 | \$89 |
| % feed is of milk receipts | 16% | 27% | 21% | 25% | 19% |
| Machinery cost/cow | \$128 | \$92 | \$126 | \$110 | \$132 |
| % Expenses are of receipts | 68% | 72% | 70% | 73% | 69% |
| <u>Financial summary:</u> | | | | | |
| Average capital | \$41,954 | \$41,320 | \$43,560 | \$54,282 | \$57,042 |
| Total farm receipts | \$16,053 | \$19,425 | \$19,996 | \$24,897 | \$25,670 |
| Total farm expenses | \$10,987 | \$13,766 | \$14,014 | \$18,125 | \$17,706 |
| LABOR INCOME/operator | \$2,619 | \$3,303 | \$3,353 | \$4,058 | \$4,381 |

*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, 1958, 1959 and 1960

| Item | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|------------------------------|----------|----------|----------|----------|----------|----------|
| Number of farms | 201 | 342 | 464 | 559 | 542 | 467 |
| <u>Things to work with:</u> | | | | | | |
| Number of cows | 33 | 34 | 33 | 33 | 35 | 35 |
| Number of heifers | 20 | 20 | 20 | 20 | 22 | 21 |
| Acres of hay | 54 | 56 | 58 | 59 | 62 | 64 |
| Acres of corn silage*** | 16 | 13 | 14 | 14 | 15 | 15 |
| Acres of oats*** | 20 | 13 | 18 | 17 | 18 | 16 |
| Total crop acres | 105 | 98 | 100 | 104 | 104 | 96 |
| <u>Size of business:</u> | | | | | | |
| Man equivalent | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.7 |
| Total work units | 573 | 575 | 576 | 523* | 557* | 480** |
| Lbs. of milk sold | 288,700 | 302,500 | 293,200 | 310,900 | 327,400 | 333,900 |
| <u>Rates of production:</u> | | | | | | |
| Lbs. milk sold/cow | 8,747 | 8,897 | 8,885 | 9,421 | 9,355 | 9,540 |
| Tons hay/acre | 2.2 | 2.1 | 2.1 | 2.3 | 2.0 | 2.3 |
| Tons corn silage/acre | 9.9 | 9.5 | 11.4 | 10.1 | 11.3 | 9.9 |
| Bu. oats/acre | 50 | 52 | 58 | 51 | 60 | 54 |
| <u>Work per man:</u> | | | | | | |
| Number cows/man | 18 | 19 | 18 | 18 | 19 | 21 |
| Work units/man | 318 | 319 | 320 | 291* | 309* | 282** |
| Lbs. of milk sold/man | 160,400 | 168,100 | 162,900 | 172,700 | 181,900 | 196,400 |
| <u>Financial summary:</u> | | | | | | |
| Average capital | \$39,552 | \$39,708 | \$42,012 | \$45,062 | \$47,840 | \$47,426 |
| Total farm receipts | \$16,443 | \$17,654 | \$20,166 | \$21,512 | \$22,548 | \$20,705 |
| Total farm expenses | \$11,539 | \$12,397 | \$13,798 | \$15,012 | \$16,255 | \$14,768 |
| LABOR INCOME/operator | \$2,482 | \$2,870 | \$3,764 | \$3,817 | \$3,489 | \$3,317 |
| <u>Cost control factors:</u> | | | | | | |
| Machinery investment | \$8,475 | \$8,438 | \$9,163 | \$9,636 | \$10,315 | \$10,055 |
| Machinery cost | \$3,252 | \$3,225 | \$3,477 | \$3,611 | \$3,872 | \$3,729 |
| Machinery cost/cow | \$99 | \$95 | \$105 | \$109 | \$111 | \$107 |
| Feed bought/cow | \$90 | \$96 | \$107 | \$109 | \$113 | \$124 |
| Fertilizer/crop acre | \$6 | \$6 | \$6 | \$7 | \$7 | \$7 |
| % Expenses are of receipts | 70% | 70% | 68% | 70% | 72% | 71% |
| Ave. price/cwt. milk | \$4.09 | \$4.18 | \$4.65 | \$4.68 | \$4.73 | \$4.64 |

*Work units for 1958 figured on basis of "1958 revision of Farm Business Chart"

**Work units for 1960 figured on basis of "1960 revision of Farm Business Chart"

***Average per farm reporting.

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?

SUMMARIZING THE ANALYSIS

Each page in this booklet was designed to help you study your farm business. However, study and analysis alone will not assure a more profitable business. Action must be taken.

Now take a careful overall look at your farm business. Summarize the strong and weak points revealed from the detailed analysis. This will help you to locate the trouble spots or problems. In view of what you have to work with, consider the possible ways that these problems might be solved. Next budget the likely effects of the proposed changes. Finally decide on the most promising proposal and then take action to put it into effect.

STRONG POINTS

- 1. _____
- 2. _____
- 3. _____
- 4. _____

WEAK POINTS

- 1. _____
- 2. _____
- 3. _____
- 4. _____

MAJOR PROBLEMS TO BE SOLVED

- 1. _____
- 2. _____
- 3. _____
- 4. _____

PROPOSED CHANGES TO STRENGTHEN THE BUSINESS

- 1. _____
- 2. _____
- 3. _____
- 4. _____

BUDGETING PROPOSED CHANGES IN YOUR FARM BUSINESS

| | <u>My business in 1960</u> | <u>Proposed change #1</u> | <u>Proposed change #2</u> |
|--|--------------------------------|-------------------------------|-------------------------------|
| I. <u>Farm Receipts:</u> | | | |
| Milk | \$ _____ | \$ _____ | \$ _____ |
| Eggs | _____ | _____ | _____ |
| Livestock sold | _____ | _____ | _____ |
| Crops sold | _____ | _____ | _____ |
| Machine work for others | _____ | _____ | _____ |
| Miscellaneous | _____ | _____ | _____ |
| <u>Increase in inventory</u> | _____ | _____ | _____ |
| <u>Total receipts</u> | \$ <u>_____</u> | \$ <u>_____</u> | \$ <u>_____</u> |
| II. <u>Farm Expenses:</u> | | | |
| 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 | _____ | _____ | _____ |
| <u>Decrease in inventory</u> | _____ | _____ | _____ |
| <u>Total Expenses</u> | \$ <u>_____</u> | \$ <u>_____</u> | \$ <u>_____</u> |
| III. <u>Farm Financial Summary:</u> | | | |
| Capital investment | \$ _____ | \$ _____ | \$ _____ |
| Total Farm Receipts | \$ _____ | \$ _____ | \$ _____ |
| Total Farm Expenses | _____ | _____ | _____ |
| Farm Income | _____ | _____ | _____ |
| Interest on Capital | _____ | _____ | _____ |
| LABOR INCOME | \$ <u>_____</u> | \$ <u>_____</u> | \$ <u>_____</u> |