

**HOG PRODUCTION: Farrow-to-Finish, Farrow-to-Feeder,
Feeder Pig-to-Finish, Costs and Returns, Heartland Region, 2002 1/**

Item	All Hog Producers	Farrow to Finish	Farrow to Feeder 2/	Feeder Pig to Finish
	<u>Dollars per Cwt Gain 3/</u>			
Gross value of production				
Market hogs	32.90	32.11	1.61	39.69
Feeder pigs	9.10	0.64	94.07	0.15
Cull stock	0.84	1.46	2.13	0.01
Breeding stock	0.36	0.13	0.18	0.01
Inventory change	-0.07	0.03	-4.02	0.70
Other income 4/	1.48	1.40	1.23	1.62
Total gross value of production	44.61	35.77	95.20	42.18
Operating costs				
Feed	8.08	10.29	2.16	6.35
Grain	6.40	8.89	0.89	4.03
Protein sources	7.96	4.73	25.69	9.29
Complete mixes	0.22	0.37	0.23	0.08
Other feed items 5/	22.66	24.28	28.97	19.75
Total feed costs				
Other				
Feeder pigs	11.37	0.06	0.56	24.93
Veterinary and medicine	1.19	1.61	2.78	0.54
Bedding and litter	0.04	0.04	0.06	0.02
Marketing	0.64	0.34	3.77	0.54
Custom services	0.32	0.28	0.29	0.40
Fuel, lube, and electricity	1.27	1.36	3.31	0.79
Repairs	0.91	1.27	1.15	0.43
Other operating costs 6/	0.03	0.03	0.04	0.03
Interest on operating capital	0.32	0.25	0.34	0.40
Total operating costs	38.75	29.52	41.27	47.83
Allocated overhead				
Hired labor	2.61	3.00	13.05	0.47
Opportunity cost of unpaid labor	5.70	7.40	7.67	3.32
Capital recovery of machinery and equipment	10.86	11.72	27.53	6.79
Opportunity cost of land (rental rate)	0.05	0.06	0.07	0.02
Taxes and insurance	0.49	0.53	0.94	0.37
General farm overhead	1.03	1.13	1.60	0.79
Total, allocated overhead	20.74	23.84	50.86	11.76
Total costs listed	59.49	53.36	92.13	59.59
Value of production less total costs listed	-14.88	-17.59	3.07	-17.41
Value of production less operating costs	5.86	6.25	53.93	-5.65
Supporting information				
Production arrangement (percent of production)				
Independent	71	99	22	48
Under contract	29	1	78	52
Size of operation (head sold/removed)				
Market hogs	1,852	1,644	74	2,686
Feeder pigs	1,045	53	9,744	14

1/ The Heartland Region includes portions of South Dakota, Nebraska, Iowa, Missouri, Illinois, Indiana, Ohio, and Minnesota's Ag. Statistics Districts 4, 7, 8, and 9. Minnesota is also part of the Northern Crescent and Northern Great Plains Regions. Information is available about the Northern Crescent and Northern Great Plains Regions on the ERS website. Developed from survey base year, 1998.

2/ Farrow to Feeder data are for the United States (Heartland Region data are not available).

3/ Cwt gain = (cwt sold - cwt purchased) ÷ cwt inventory change.

4/ Value of manure production.

5/ Milk replacer, milk, milk by-products, antibiotics, and other medicated additives.

6/ Costs for odor control and fees, permits, licenses, and other regulatory costs.

Source: Economic Research Service, United States Department of Agriculture, Washington, D.C.
Internet Web Site (www.ers.usda.gov/data/costsandreturns/testpick.htm)