

MILK PRODUCTION CASH COST AND RETURNS: Northern Crescent and United States, 2000-2001

| Item | Northern Crescent 1/ | | United States | |
|---|----------------------|--------|---------------|--------|
| | 2000 | 2001 | 2000 | 2001 |
| | Dollars per cwt. | | | |
| Gross value of production: | | | | |
| Milk | 12.90 | 15.78 | 12.63 | 15.36 |
| Cattle | 1.17 | 1.24 | 1.05 | 1.12 |
| Other income 2/ | 0.63 | 0.81 | 0.57 | 0.74 |
| Total, gross value of production | 14.70 | 17.83 | 14.25 | 17.22 |
| Operating costs: | | | | |
| Feed-- | | | | |
| Feed grains | 1.15 | 1.22 | 1.22 | 1.27 |
| Hay and straw | 1.07 | 1.13 | 1.51 | 1.67 |
| Complete feed mixes | 1.09 | 1.14 | 1.43 | 1.50 |
| Liquid whey and milk replacer | 0.10 | 0.07 | 0.08 | 0.05 |
| Silage | 1.26 | 1.25 | 1.09 | 1.06 |
| Grazed pasture and cropland | 0.07 | 0.07 | 0.08 | 0.08 |
| Other feed items 3/ | 1.05 | 1.07 | 1.08 | 1.12 |
| Total, feed costs | 5.79 | 5.95 | 6.49 | 6.75 |
| Veterinary and medicine | 0.77 | 0.79 | 0.65 | 0.66 |
| Bedding and litter | 0.23 | 0.24 | 0.16 | 0.16 |
| Marketing | 0.31 | 0.31 | 0.27 | 0.27 |
| Custom services | 0.47 | 0.48 | 0.53 | 0.54 |
| Fuel, lube, and electricity | 0.56 | 0.54 | 0.48 | 0.47 |
| Repairs | 0.60 | 0.61 | 0.53 | 0.56 |
| Other operating costs 4/ | 0.00 | 0.00 | 0.01 | 0.01 |
| Interest on operating capital | 0.25 | 0.15 | 0.26 | 0.16 |
| Total, operating cost | 8.98 | 9.07 | 9.38 | 9.58 |
| Allocated overhead: | | | | |
| Hired labor | 1.17 | 1.21 | 1.14 | 1.19 |
| Opportunity cost of unpaid labor | 5.15 | 5.15 | 3.54 | 3.58 |
| Capital recovery of machinery and equipment 5/ | 4.11 | 4.22 | 3.23 | 3.41 |
| Opportunity cost of land (rental rate) | 0.09 | 0.08 | 0.06 | 0.06 |
| Taxes and insurance | 0.22 | 0.22 | 0.18 | 0.18 |
| General farm overhead | 0.61 | 0.63 | 0.49 | 0.50 |
| Total, allocated overhead | 11.35 | 11.51 | 8.64 | 8.92 |
| Total costs listed | 20.33 | 20.58 | 18.02 | 18.50 |
| Value of production less total costs listed | -5.63 | -2.75 | -3.77 | -1.28 |
| Value of production less operating costs | 5.72 | 8.76 | 4.87 | 7.64 |
| Supporting information: | | | | |
| Milk cows (head per farm) | 66 | 68 | 93 | 95 |
| Output per cow (pounds) | 19,721 | 19,806 | 19,974 | 20,003 |
| Milking frequency greater than twice per day (percent of farms) | 2.84 | 2.98 | 3.38 | 3.50 |
| Homegrown feed cost (percent of total feed cost) | 50 | 49 | 34 | 34 |
| Milk cows injected with bST (head per farm) | 13 | 14 | 17 | 17 |

1/Includes Wisconsin, Michigan, New York, the New England States, and parts of Minnesota, Ohio, and Pennsylvania. 2/Income from renting or leasing dairy stock to other operations; renting space to other dairy operations; co-op patronage dividends associated with the dairy; assessment rebates, refunds, and other dairy-related resources; and manure production. 3/Cotton seed meal, protein supplements, protein by-products, vitamin or mineral supplements, nonprotein by-products, alfalfa cubes or pellets, green chop, corn stalks, and antibiotics and other medicated additives. 4/Manure handling. 5/Machinery and equipment, housing, manure handling structures, feed storage structures, and dairy breeding herd. Source: Agricultural Resource Management Study, USDA.