

LIVESTOCK PRODUCTION COSTS

HOG PRODUCTION COSTS AND RETURNS HEARTLAND REGION ¹, 2011

Item	All Hogs	Farrow to Finish	Farrow to Feeder Pig ²	Feeder Pig to Finish
Dollars per Cwt Gain ³				
Gross Value of Production:				
Market Hogs	69.10	68.72	7.10	74.51
Feeder Pigs	7.85	0.11	145.20	0.16
Nursery Pigs	2.52	0.27	0.00	0.01
Cull Stock	0.68	1.93	6.60	0.00
Breeding Stock	0.68	0.33	0.49	0.00
Inventory Change	1.52	1.54	-0.29	1.78
Other Income ⁴	6.58	4.89	5.62	7.14
Total, Gross Value of Production	88.93	77.79	164.72	83.60
Operating Costs:				
Feed--				
Purchased Feed	37.49	35.46	65.63	34.16
Homegrown Harvested Feed	5.15	11.21	3.48	3.77
Total, Feed Costs	42.64	46.67	69.11	37.93
Other--				
Feeder Pigs	13.43	0.00	1.73	18.08
Nursery Pigs	7.27	0.07	0.00	5.84
Veterinary and Medicine	1.54	2.09	3.92	1.20
Bedding and Litter	0.01	0.04	0.11	0.01
Marketing	0.28	0.37	0.20	0.25
Custom Services	0.25	0.41	0.15	0.19
Fuel, Lube, and Electricity	1.77	2.17	5.61	1.39
Repairs	0.65	0.89	1.61	0.49
Interest on Operating Capital	0.03	0.03	0.04	0.03
Total, Operating Costs	67.87	52.74	82.48	65.41
Allocated Overhead:				
Hired Labor	1.44	3.10	9.38	0.63
Opportunity Cost of Unpaid Labor	2.30	3.11	13.39	1.65
Capital Recovery of Machinery and Equipment ⁵	9.57	11.92	22.15	8.28
Opportunity cost of Land (rental rate)	0.02	0.03	0.06	0.01
Taxes and Insurance	0.48	0.56	1.21	0.38
General Farm Overhead	0.88	0.92	3.95	0.66
Total, Allocated Overhead	14.69	19.64	50.14	11.61
Total Costs Listed	82.56	72.38	132.62	77.02
Value of Production Less Total Costs Listed	6.37	5.41	32.10	6.58
Value of Production Less Operating Costs	21.06	25.05	82.24	18.19
Supporting Information:				
Production Arrangement (percent of farms)				
Independent	35	75	51	25
Under Contract	65	25	49	75
Size of Operation (head sold/removed)				
Market Hogs	5,676	4,787	94	7,372
Feeder Pigs	1,569	19	4,152	39
Nursery Pigs	853	354	0	4

¹ Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota. Developed from survey base year, 2009.

² Data published is for the United States, data for Heartland Region not available.

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

⁴ Value of manure production.

⁵ Machinery and equipment, housing, manure handling, feed storage structures, and the breeding herd.

LIVESTOCK PRODUCTION COSTS

COW-CALF, AND MILK PRODUCTION, COSTS AND RETURNS HEARTLAND REGION ¹, 2011

Cow-Calf Production ²	Dollars Per Bred Cow	Milk Production ³	Dollars Per Cwt
Gross Value of Production:		Gross Value of Production:	
Calves	513.71	Milk Sold	20.03
Stockers and Yearlings	52.12	Cattle	1.71
Other Cattle	110.10	Other Income ⁶	0.96
Total, Gross Value of Production ⁴	675.93	Total, Gross Value of Production	22.70
Operating Costs:		Operating Costs:	
Feed--		Feed--	
Purchased Feed	115.88	Purchased Feeds	8.48
Homegrown harvested Fed	298.79	Homegrown Harvested Feed	6.28
Grazed Feed	100.98	Glazed Feed	0.11
Total Feed Costs	515.65	Total, Feed Costs	14.87
Other--		Other--	
Cattle for Backgrounding	66.06	Veterinary and Medicine	0.83
Veterinary and Medicine	33.08	Bedding and Litter	0.35
Bedding and Litter	0.37	Marketing	0.18
Marketing	10.80	Custom Services	0.58
Custom Services	10.48	Fuel, Lube, and Electricity	1.04
Fuel, Lube, and Electricity	49.52	Repairs	0.74
Repairs	53.82	Other Operating Costs ⁷	0.00
Interest on Operating Inputs	0.37	Interest on Operating Capital	0.01
Total, Operating Costs	740.05	Total Operating Costs	18.60
Allocated Overhead:		Allocated Overhead:	
Hired Labor	14.13	Hired Labor	1.16
Opportunity Cost of Unpaid Labor	387.14	Opportunity Cost of Unpaid Labor	3.84
Capital Recovery Cost (Machinery & Equipment) ⁵	268.25	Capital Recovery of Machinery and Equipment ⁸	4.08
Opportunity Cost of Land (rental rate)	0.22	Opportunity Cost of Land (rental rate)	0.04
Taxes and Insurance	27.69	Taxes and Insurance	0.22
General Farm Overhead	30.79	General Farm Overhead	0.59
Total, Allocated Overhead	728.22	Total, Allocated Overhead	9.93
Total Cost Listed	1,468.27	Total Costs Listed	28.53
Value of Production Less Total Costs Listed	-792.34	Value of Production Less Total Costs Listed	-5.83
Value of Production Less Operating Costs	-64.12	Value of Production Less Operating Costs	4.10

¹ Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota.

² Developed from survey base year, 2008. Includes operations with at least 20 beef cows.

³ Developed from survey base year, 2010.

⁴ Other cattle includes the value of cull cattle and breeding stock sales.

⁵ Machinery and equipment, beef cattle housing and holding facilities, feed storage structures, and beef cattle breeding herd.

⁶ 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 the fertilizer value of manure production.

⁷ Costs for third party organic certification.

⁸ Machinery and equipment, and housing, manure handling, and feed storage structures, and dairy breeding herd.