

# LIVESTOCK PRODUCTION COSTS

## HOG PRODUCTION COSTS AND RETURNS HEARTLAND REGION <sup>1</sup>, 2021

Item	All Hogs	Farrow to Finish	Farrow to Feeder Pig <sup>2</sup>	Feeder Pig to Finish
<b>Dollars per Cwt Gain <sup>3</sup></b>				
<b>Gross Value of Production:</b>				
Market Hogs	68.00	66.33	0.05	74.40
Feeder Pigs	12.22	0.10	180.61	0.17
Nursery Pigs	0.93	0.04	0.00	0.00
Cull Stock	0.65	2.03	6.21	0.05
Breeding Stock	1.37	0.11	0.31	0.01
Inventory Change	1.74	-0.17	1.16	2.30
Other Income <sup>4</sup>	3.98	3.57	4.65	4.02
Total, Gross Value of Production	88.89	72.01	192.99	80.95
<b>Operating Costs:</b>				
<b>Feed--</b>				
Purchased Feed	32.96	30.48	48.47	32.68
Homegrown Harvested Feed	3.00	9.39	1.30	2.07
Total, Feed Costs	35.96	39.87	49.77	34.75
<b>Other--</b>				
Feeder Pigs	19.88	0.93	0.04	24.96
Nursery Pigs	7.93	0.34	0.05	6.57
Veterinary and Medicine	2.94	3.60	10.13	2.34
Bedding and Litter	0.02	0.05	0.07	0.01
Marketing	0.10	0.24	0.13	0.06
Custom Services	0.39	0.88	1.45	0.28
Fuel, Lube, and Electricity	1.81	2.11	3.27	1.75
Repairs	1.25	1.87	2.50	1.09
Interest on Operating Capital	0.02	0.02	0.02	0.02
Total, Operating Costs	70.30	49.91	67.43	71.83
<b>Allocated Overhead:</b>				
Hired Labor	2.01	5.83	12.44	0.81
Opportunity Cost of Unpaid Labor	2.55	5.80	7.84	2.00
Capital Recovery of Machinery and Equipment <sup>5</sup>	11.85	16.36	37.28	9.63
Opportunity Cost of Land (rental rate)	0.04	0.08	0.10	0.03
Taxes and Insurance	1.07	0.75	1.80	1.08
General Farm Overhead	1.75	1.40	2.98	1.80
Total, Allocated Overhead	19.27	30.22	62.44	15.35
Total Costs Listed	89.57	80.13	129.87	87.18
Value of Production Less Total Costs Listed	-0.68	-8.12	63.12	-6.23
Value of Production Less Operating Costs	18.59	22.10	125.56	9.12
<b>Supporting Information:</b>				
<b>Production Arrangement (percent of production)</b>				
Independent	35	100	64	22
Under Contract	65	0	36	78
<b>Size of Operation (head sold/removed)</b>				
Market Hogs	5,719	3,170	2	7,389
Feeder Pigs	2,053	14	11,785	24
Nursery Pigs	293	13	0	0

<sup>1</sup> 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, 2015.

<sup>2</sup> Data published is for the United States, data for Heartland Region not available.

<sup>3</sup> Cwt. gain = (cwt. sold - cwt. purchased) + cwt. inventory change.

<sup>4</sup> Value of manure production.

<sup>5</sup> Machinery and equipment, housing, manure handling, feed storage structures, and the breeding herd.

Source: Economic Research Service

# LIVESTOCK PRODUCTION COSTS

## COW-CALF, AND MILK PRODUCTION, COSTS AND RETURNS HEARTLAND REGION <sup>1</sup>, 2021

Cow-Calf Production <sup>2</sup>	Dollars Per Bred Cow	Milk Production <sup>3</sup>	Dollars Per Cwt
Gross Value of Production:		Gross Value of Production:	
Calves	503.38	Milk Sold	19.07
Stockers and Yearlings	75.63	Cattle	1.52
Other Cattle <sup>4</sup>	94.76	Other Income <sup>6</sup>	0.53
Total, Gross Value of Production	673.77	Total, Gross Value of Production	21.12
Operating Costs:		Operating Costs:	
Feed--		Feed--	
Purchased Feed	102.36	Purchased Feed	8.67
Homegrown Harvested Feed	274.88	Homegrown Harvested Feed	4.28
Grazed Feed	116.31	Grazed Feed	0.06
Total, Feed Costs	493.55	Total, Feed Costs	13.01
Other--		Other--	
Cattle for Backgrounding	2.98	Veterinary and Medicine	0.91
Veterinary and Medicine	33.64	Bedding and Litter	0.25
Bedding and Litter	1.24	Marketing	0.14
Marketing	4.37	Custom Services	0.75
Custom Services	7.98	Fuel, Lube, and Electricity	0.74
Fuel, Lube, and Electricity	29.24	Repairs	0.94
Repairs	49.13	Other Operating Costs <sup>7</sup>	0.01
Interest on Operating Capital	0.19	Interest on Operating Capital	0.01
Total, Operating Costs	622.32	Total, Operating Costs	16.76
Allocated Overhead:		Allocated Overhead:	
Hired Labor	23.63	Hired Labor	2.31
Opportunity Cost of Unpaid Labor	488.53	Opportunity Cost of Unpaid Labor	2.61
Capital Recovery Cost (Machinery & Equipment) <sup>5</sup>	349.14	Capital Recovery of Machinery and Equipment <sup>8</sup>	5.17
Opportunity Cost of Land (rental rate)	3.51	Opportunity Cost of Land (rental rate)	0.04
Taxes and Insurance	30.96	Taxes and Insurance	0.23
General Farm Overhead	51.48	General Farm Overhead	0.69
Total, Allocated Overhead	947.25	Total, Allocated Overhead	11.05
Total Cost Listed	1,569.57	Total Costs Listed	27.81
Value of Production Less Total Costs Listed	-895.80	Value of Production Less Total Costs Listed	-6.69
Value of Production Less Operating Costs	51.45	Value of Production Less Operating Costs	4.36

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

<sup>2</sup> Developed from survey base year, 2018. Includes operations with at least 20 beef cows.

<sup>3</sup> Developed from survey base year, 2016.

<sup>4</sup> Other cattle includes the value of cull cattle and breeding stock sales.

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

<sup>6</sup> 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.

<sup>7</sup> Costs for third party organic certification.

<sup>8</sup> Machinery and equipment, housing, manure handling, and feed storage structures, and dairy breeding herd.