

COW - CALF PRODUCTION COSTS AND RETURNS 2003 - 2004 ^{1/}

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	2003	2004	2003	2004	2003	2004
Dollars Per Bred Cow						
Gross value of production:						
Steer calves	160.34	191.14	187.53	221.71	139.70	169.75
Heifer calves	99.85	118.99	126.15	148.89	111.63	135.15
Yearling steers	110.56	123.13	40.79	44.97	56.74	68.18
Yearling heifers	48.10	53.03	12.55	13.89	25.03	30.05
Other cattle	87.20	102.40	75.11	87.79	69.52	81.29
Total, gross value of production ^{2/}	\$512.32	\$595.01	\$446.51	\$521.64	\$409.73	\$491.62
Operating costs:						
Purchased cattle for backgrounding	71.99	80.08	26.60	30.20	43.52	51.11
Feed:						
Concentrates and other feed	26.40	32.25	26.86	33.12	24.27	30.35
Supplemental feed	20.65	16.33	41.96	32.80	14.58	11.72
Harvested forages	133.23	124.92	189.51	184.41	203.24	180.33
Cropland pasture	14.28	15.00	13.36	14.33	3.01	4.22
Private pasture	102.97	109.96	76.01	82.31	65.71	80.28
Public land	2.32	2.64	0.35	0.37	0.46	0.51
Total, feed costs	\$299.85	\$301.10	\$348.05	\$347.34	\$311.27	\$307.41
Other:						
Veterinary and medicine	23.10	23.37	39.47	40.15	16.58	16.83
Bedding and litter	0.44	0.45	1.37	1.40	0.64	0.66
Marketing	6.27	6.32	4.38	4.39	7.11	7.20
Custom operations	32.27	32.54	41.12	41.62	27.63	27.86
Fuel, lube, and electricity	30.33	34.34	26.09	29.23	21.91	24.02
Repairs	26.89	27.12	29.96	30.29	26.48	26.79
Interest on operating inputs	2.48	3.69	2.76	4.12	2.35	3.48
Total, operating costs	\$493.62	\$509.01	\$519.80	\$528.74	\$457.49	\$465.36
Allocated overhead:						
Hired labor	3.83	3.91	0.64	0.64	3.55	3.66
Opportunity cost of unpaid labor	257.95	262.18	230.47	233.01	169.89	172.26
Capital recovery of machinery and equipment ^{3/}	142.38	149.83	281.21	299.89	195.22	203.66
Opportunity cost of land	2.47	2.61	5.72	6.01	2.37	2.51
Taxes and insurance	34.27	34.82	44.94	45.84	33.24	33.70
General farm overhead	63.15	64.73	85.88	88.36	56.13	57.74
Total, allocated overhead	\$504.05	\$518.08	\$648.86	\$673.75	\$460.40	\$473.53
Total, costs listed	\$997.67	\$1,027.09	\$1,168.66	\$1,202.49	\$917.89	\$938.89
Value of production less total costs listed	-485.35	-432.08	-722.15	-680.85	-508.16	-447.27
Value of production less operating costs	18.70	86.00	-73.29	-7.10	-47.76	26.26
Supporting information:						
Bred cows (head) ^{1/}	83	83	51	51	50	50
Calves weaned (head) ^{1/}	71	71	45	45	38	38
Calving season (percent of ranches) ^{1/}						
One	49	49	65	65	19	19
Two	13	13	9	9	23	23
None set	38	38	26	26	58	58
Cost of homegrown harvested forages (percent of total cost) ^{1/ 4/}	84	84	94	94	87	87
Cost of pasture owned:						
Private pasture (percent of total cost) ^{1/ 5/}	72	72	72	72	87	87
Cropland pasture (percent of total cost) ^{1/ 5/}	80	80	76	76	96	96

Economic Research Service is publishing regional estimates using resource regions conforming with the standards recommended by the American Agricultural Economics Association (AAEA) Task Force on Commodity Costs and Returns. **Western Kentucky is in the Heartland region, while eastern Kentucky is in the Eastern Uplands.** ^{1/}Developed from survey base year, 1996. ^{2/}Includes marketing costs below to avoid double counting. Market prices used to update the gross value of production are net of marketing costs. ^{3/}Machinery and equipment, and housing, manure handling, and feed storage structures, and breeding herd. ^{4/}Percent of total harvested forage cost from charge for homegrown forages. Homegrown forages are charged at their market price to reflect the opportunity cost of using the forages in cow-calf production. ^{5/}Percent of total pasture cost from charge on owned pasture. Owned pasture is charged a pasture rental rate to reflect the opportunity cost of using the pasture in cow-calf production.