

The Dairy Business

By
Newton Bair



increases your cost per bushel by \$0.84. Figure it out for yourself

The costs of growing corn, which by the way were compiled from figures gathered from some of the top growers in the state, are summarized like this. Total operating costs \$176.34, total fixed costs \$92.61, for a total production cost of \$268.96 an acre. The average yield was 120.8 bushels per acre, resulting in a total cost of \$2.23 a bushel.

Those figures all came from the 1983 Pennsylvania Five-acre Corn Club, and so they are three years old already. The question one should ask is, have things changed for 1986? Will it actually

YOU to produce corn this year? Do you really care what it costs? If you already own the land and have a committed investment in machinery, you have little alternative but to use it to grow whatever crops you need for feed, or hope to sell for a profit.

If you are trying to decide whether to rent land or buy machinery to grow cash corn, it's time to sharpen the pencil. You may decide that the margin of profit between the actual cost of production and the projected price for cash corn is too narrow for comfort.

The real tough decisions on cropping this year are on whether

we can afford to crop marginal land. By this I mean land that has a 60 to 80 bushel yield potential. The lower the yield potential is, the higher the bushel cost will be. Hilly, eroded, shaley, or wet land can be called marginal, and cropping it in corn in highly questionable. Production costs can be squeezed only so far, and the end result should always be measured in cost per bushel and compared with the market price, whether you intend to sell or feed the corn. If you can't see a profit, leave it in grass and harvest some cheap hay or pasture, and save a little soil for your grandchildren.

The Penn State Agronomy Guide for 1985-1986 lists the cost of producing an acre of corn. If you haven't studied it, get your copy now and further your education. Anyway, you can't afford to farm without this bible of crop production. It contains all the information you need to grow crops efficiently.

The production costs published in the Agronomy Guide are real, honest, and as complete and accurate as anyone can assemble. Everything that can be measured in dollars is included. And some of the items like machine ownership costs and labor and land are the ones that you and I often overlook when we figure our costs, and they turn out to be the "biggies."

Now you should read the details yourself, but the figures on conventional tillage really caught my eye. The average hours of labor to produce an acre of corn turns out to be just 4.2 hours. Not too bad, but it was multiplied by \$6.00 an hour and averaged out at a cost of

\$25.14 an acre for labor. You can use your own labor value to calculate your cost.

But machine costs are another matter. The average operating cost for all machinery to grow an acre of corn was \$28.00 an acre. Add to that the FIXED cost of the machinery, (these are the actual cost of owning the stuff, whether it is working or not). Fixed costs were \$44.51 an acre. Add the two and machine cost is \$72.51 an acre. These are calculated by spreading the purchase price and interest on the investment over all the acres grown by each individual grower, so they are as real as life.

The other big fixed cost is land. The land cost is usually based on actual rental figures, but includes amortized ownership costs as well. The average fixed land cost was \$52.50 per acre. You may be renting land at \$80.00 to \$125.00 an acre, and that racks up an additional fixed cost on your corn crop. Even if you grow 150 bushel of corn per acre, a land cost of \$125

MERCER — Mercer County recently held their annual DHIA awards banquet.

The county finished the year with 104 herds and 4,983 cows on test averaging 14,838 M and 550 F.

Receiving the award for high herd in milk and fat production was John Angermeier, Sharpville. His herd averaged 21,150 M and 721 F. Angermeier was also honored for having the high Holstein herd for fat production.

The Most Improved Herd award went to Mrs. Martin Gall, Cochranon with an increase of 3,509 pounds of milk. Mrs. Gall was also recognized for having the high Red and White herd for fat production with 677 pounds.

Vantage Jerseys owned by Mr. and Mrs. Donald Koontz, Fredonia took home the award for high Jersey herd for fat production with 654 pounds.

Mercer dairymen win DHIA awards

Harold Hill, Sandy Lake, received the award for high Mixed herd for fat production with a record of 692 pounds.

Harold Ealy, Sharpville, was recognized for having the high Guernsey herd in fat production, with a record of 612 pounds.

Brown Swiss breeder Ralph Oakes, Jackson Center received the High Fat Production award for this breed with a record of 584 pounds.

Somatic Cell Count awards were also given to those herds with counts below 164,000. Receiving these awards were: Joe Quarterston, Hermitage; Randy Jones,

Mercer; Donald Yasnowsky, New Wilmington; Vantage Jersey, Fredonia; Arthur Baxter, Stoneboro; Dale L. Kepner, Sandy Lake; and Arvid and Kathy Kobosky, Cochranon.

The top three herds in the yearly herd average 600 - 700 pounds protein class were: Clarence Minner, New Wilmington; John Angermeier, Sharpville; and Art Baxter, Stoneboro.

Dewayne and William Coulter own the cow with the highest milk and fat production for the year. This cow produced a record of 222139 M and 7765 F.

Ag Preserve meeting set

LANCASTER — Lancaster County Agricultural Preserve Board staff members Alan Musselman and Karen Freeman will be in the Blue Ball and Churchtown areas for the day on Thursday, Feb. 20th to talk with landowners about the Agricultural Preserve proposed for East Earl and Caernarvon Townships and discuss other details of the farmland preservation program.

Interested landowners are invited to stop by the East Earl Township municipal building between 8:30 a.m. and noon or the

Caernarvon Township municipal building between 1 p.m. and 4 p.m.

The East Earl Township office is located along Route 322 across from the east end of Blue Ball. Phone number: (717) 354-5593. The Caernarvon Township office is located along Route 23 in Churchtown, by the Friendship Village Restaurant. Phone number: (215) 445-4244.

East Earl Township will also hold a town meeting on Wednesday, March 19th at 7:30 p.m. at the Goodville Fire Hall to discuss the Agricultural Preserve proposal in the township.

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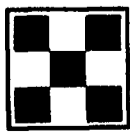
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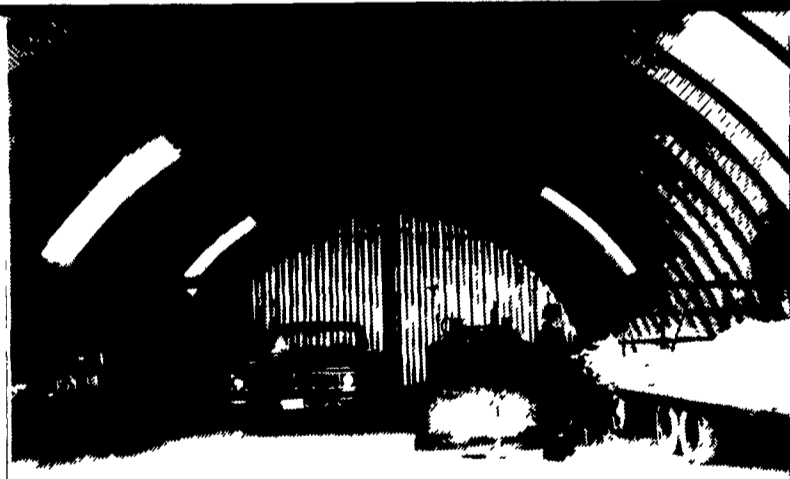
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